

Funding Systems for Vermont Recreation Districts formed under Vermont Title 24 Chapter 121: Intermunicipal Cooperation and Services

Lake Iroquois Recreation District

The LIRD's 150 acres of land and managed beach, playground, snack bar, and beach house serve the district towns of Hinesburg, Richmond, St. George, and Williston, as well as non-residents. Each town pays \$.03 levy on its' grand list to support the District - the largest operational costs are septic maintenance and seasonal labor.

Mad River Valley Recreation District

The MRVRD owns one park (soccer/lacrosse fields), and distributes grants. It is funded by Fayston, Waitsfield and Warren at \$15,000 each per year, approved at Town Meeting as part of the budget. The town of Moretown pays about \$1,855 in user fees for Mad River Recreation Park. There is a Board of Directors, but no paid staff.

Mills Riverside Park District

This district operates the 216-acre Mills River Park in Underhill, and is comprised of two towns only. A seven member board governs the District. Extensive walking trails, summer concert series, farmer's market, and pavilion rentals are featured. Funding is approved annually, with 60% paid by the town of Jericho and 40% by the town of Underhill. The proposed FY19 budget is \$50,145.

Winooski Valley Park District

WVPD owns and manages a growing portfolio of 18 conservation parks totaling 1,750 acres. Formed in 1972, the towns of Burlington, Colchester, Jericho, Essex, South Burlington, Winooski, and Williston each hold a slot on the Board of Trustees. WVPD is a hybrid non-profit and incorporated municipality, with three full-time employees and seasonal maintenance and program employees. Member towns support about 80% of operations, the balance covered by leasing, fee based programs, camps, and facility rentals. Town payments are calculated based on a proportional formula that averages grand lists and populations. The overall FY19 budget for WVPD is \$379,550.

Wrightsville Recreation District

WRD operates the beach and trails at Wrightsville Reservoir under a long term lease agreement with the State of Vermont. The towns of Middlesex, Worcester, East Montpelier, and Montpelier pay pro-rated fees based on their populations, each holding a slot on the Board of Directors. Town fees support about 13% of the \$83,000 (FY18) annual budget. The balance of operations are supported by daily user fees charged for the use of the beach, trails and boat rentals (55%), and for contracted maintenance of the adjacent Shady Rill Park for the Washington Electric Coop (11%). A seasonal manager and beach staff operate the facility.

Proposed Districts

- The Town of Essex and the Village of Essex Junction have attempted to merge their recreation departments and facilities. Voters turned down the first attempt in 2016.
- Local residents in Thetford have been working to organize a non-profit and/or district model to govern and manage Treasure Island: a seasonal beach and recreation area on Lake Fairlee.

EXAMPLES OF PARK DISTRICT FUNDING MODELS NATIONWIDE

There are hundreds of park and recreation districts across the country ranging from those managing single properties to large county-wide districts with broad authority and responsibilities. Some states such as Michigan and Wisconsin have highly evolved systems of contiguous districts with huge land holdings and sources of revenue. In areas devastated by floods in the Mississippi basin, numerous districts were formed to manage properties bought out by FEMA – often renovated to generate operating revenue. The missions of Park Districts range from land and/or marine conservation to developing active recreational facilities. Some are dedicated to gathering revenue for the sole purpose of issuing grants for projects within their service areas, some are dedicated to ownership and management of assets, and many are hybrids of these two models. All these entities seem to have a common thread: some form of board governance supported by a state or county statute allowing it to operate - including specifics on how they generate revenue.

Funding systems are very diverse:

- Most Park Districts seem to have some form of direct taxing authority with built in limits and controls.
- The most common form of deriving revenue seems to be a levy placed on local or county taxes. A range from 3 cents per \$1,000 valuation to 33 cents per \$1,000 can be found.
- Another expression of this taxation is placing “mills” on the valuation of a property; whereby a “mill” amount (one mill = \$1 on \$1,000 of valuation) is established for each budget component of a town, city or county. It is common to find \$1-\$3 mill range for park districts in the research.
- It seems that in more rural areas, it is more likely that levies are placed on county taxes, and in larger cities, on municipal taxes.
- Option (local sales) taxes are also used to fund Park Districts. This seems less common, and is complicated by exemptions necessary to make the tax politically acceptable.
- In larger cities, Park Impact Fees are utilized for Park acquisition, development, and endowments.
- Excise taxes are used by some localities and states to derive funds for conservation districts.
- In Colorado, the State lottery is used to fund conservation projects and support regional and local organizations.
- Many districts have hybrid systems where partners directly cost share for acquisitions and capital projects, then use another model for operations.
- Many single purpose districts and those with many facilities tap user fees for a larger portion of their budgets than the more conservation oriented districts.