

The Value of Maintaining the CRF's Funding and Renewal Methods

- **Corrects for the effects of inflation.** The current CRF funding structure (a penny on the tax rate) pegs revenues directly to changes in the Grand List, thus dampening the effects inflation would otherwise have on the CRF's year-to-year spending power.

Most years bring only modest increases in the Grand List and, hence, CRF revenues. For example, between 2008 and 2022, when there was no town-wide reassessment, the Grand List grew only by 12.3%. And yet the Consumer Price Index rose by 40%, putting the CRF behind the inflationary curve. In 2023, a town-wide reassessment increased the Grand List by 62%, which now has CRF funding a bit ahead of inflation. However, as years pass that gap will close, eventually putting the Grand List and CRF revenue back behind the curve -- until reassessment again brings a correction.

- **Insulates against market dynamics.** Linking the fund to changing property values helps the many conservation projects that involve purchasing development rights or parcels themselves. It also makes it more likely that when opportunities suddenly arise to conserve important resources, the Town will have enough in reserve to act quickly and decisively at contemporary market prices.
- **A success in its current form.** Because of its consistent funding and direct linkage to property assessments, Richmond's Conservation Reserve Fund has been able to support more than 30 conservation projects in town since its inception in 2005. These range in size from \$200 to \$150,000.
- **Greater voter involvement.** As an Australian ballot item, voting is open not only all day on Town Meeting but also, in recent years, for weeks ahead of Town Meeting, bringing hundreds more people into the decision. Limiting the decision to the Selectboard and those attending Town Meeting could be portrayed as less democratic.
- **Creates powerful funding leverage.** Every dollar spent from the CRF in its current structure has helped attract over \$3.60 in matching funds from public and private conservation funders. As CRF revenues grow, its ability to bring additional funds to the Town increases as well.
- **Predictability.** Given its long-standing strong voter approval, the CRF's existence and level of funding is much more of a certainty than making it another line item in the Town budget subject to changes at the Selectboard level, also maximizing voter participation. This predictability encourages residents to bring worthy proposals forward, and also gives outside funders confidence in pledging matching funds to long-term projects.