

The Jerome Recreation District and Your Taxes

How much do my taxes cover?

The Jerome Recreation District has an operating budget of \$1,049,780 for the FY 2019. Of that, \$659,000 comes from property taxes. User fees and alternate sources of funding generate the remaining portion of the budget. The long term average has been that property taxes account for between 58% to 62% of the District's operating budget.

What do my taxes go towards?

The majority of your taxes go towards infrastructure, maintenance, and operations of existing facilities and parks and the bike path. The District maintains over 30 acres of park space, 3 miles of paved bike path and the 32,000 sq. ft. recreation center with the pool.

There are a few programs that the District views as subsidized items. The Recreation District's fee policy requires that youth and senior citizen programs should generally cover up to 85% of the cost to run the individual program. Our policy for adult programs is to cover 100% of the cost to run the program. The swimming pool is another subsidized item. Typical costs for one summer of operation at our pool are over \$100,000. Revenue from the pool is generally between \$40,000-\$50,000 per year. Taxes make up the difference so that this service is available to the public at an affordable rate. Many programs would not be available and would not be possible without tax revenues as the actual cost to operate would outpace what people can afford to pay. This is typical of most public pools. This is why you pay \$3 to swim instead of \$10 or more.

How much do I pay the Recreation District in property tax?

The maximum amount that any recreation district in the state of Idaho can levy from its taxpayers is at a rate of 0.0006. This means that a household with a value of \$120,000 after the homeowner's exemption would pay \$72 dollars per year to the Jerome Recreation District. The current levy rate is 0.00056. This equates to \$56 per \$100,000 of valuation after the homeowner's exemption.

If I pay taxes then why do I pay for a membership?

As stated previously, property taxes only pay for a portion of what it costs to operate the District. The recreation center expansion project added 23,000 sq. ft. to the existing facility in 2005-2006. With the expansion came additional costs to maintain and operate a larger facility and offer more services. Additional utilities, maintenance/janitorial costs, longer hours of operation, additional equipment, and more staffing are all relevant costs associated with the operation of the District. Most of the reason for adding the fitness component onto the expansion project was to generate additional revenue to operate the expanded facility because property taxes do not cover it. According to state tax law the maximum amount that the district's budget can grow from property tax revenues annually is 3%. Since March 1, 2006 to February 2019 there have been more than 621,000 entries into the facility not counting recreational programs like youth sports and adult sports. Prior to the expansion the District was a Monday-Friday 8 AM to 5 PM operation. Electrical costs were \$10,000 per year for all operations and there was no budget line item for janitorial costs. Currently the District is a 7 day a week operation running as much as 16 hours per day and open typically around 358-360 days per year. Electrical costs are now \$25,000, we have to have more staffing to cover the hours of operation, janitorial costs are over \$30,000 per year, refinishing wood floors every year at near \$10,000, and regularly replacing fitness equipment are just a few examples of why fees are charged.