

## **FUNDING THE SNOWMOBILE PROGRAM**

How Wisconsin's snowmobile program is funded, and how those funds are allocated, are among the most frequently asked questions by club members and non-club members alike. It is hoped that this step by step overview will help to clarify the program funding so all snowmobilers better understand the value of their contributions, both physically and financially, to providing the quality trails we all enjoy.

### **Sources of Snowmobile Program Funds**

#### Registrations

The revenue that goes into the Wisconsin's Snowmobile program comes from several sources, most of which is paid for by the users. The money from snowmobile registrations at \$30 for 2 years for each sled registered goes into the program.

#### Gas Tax

The program also receives revenue from the Wisconsin excise tax on gas. The amount is based on the current year's tax on 50 gallons of gas per snowmobile registered. An additional "55% Tourism Factor" on 50 gallons of gas tax per snowmobile is used for supplemental claims.

The gas tax is calculated by taking 50 gallons of gas multiplied by Wisconsin state gas tax, multiplied by 1.55, multiplied by the number of registered snowmobiles in Wisconsin by the last day of March each year.

#### Non-Resident Fee

Revenue is also received from a Non-Resident Trail Pass that is paid by each rider using our trail system without a current Wisconsin Snowmobile Registration on the vehicle. Currently, at \$35 per snowmobile, this money goes to pay supplemental claims.

#### Motorized Stewardship

This is the only source that does not come from the users. New in 2013, it allows counties to apply for stewardship grants for projects on snowmobile trails. But it does require a 20% local matching funds.

### **The majority of snowmobile funds go to our trail system.**

See the chart below for a breakdown of where the money goes. By Wisconsin State Law, we have a priority system outlining how money is spent on our trail program:

#### Maintenance for Existing Trails

All trails that are accepted in the funded program can receive up to \$250 per mile per year to be used for maintaining them. Payments are only made on actual expenses based on equipment used and time spent. During a "poor snow year," the \$250 of expenses may not be incurred. Expenses in this category include everything it takes to set up the trail, grooming and taking out the trail in the spring. (Examples: labor, signs, brushing, marking, any soil preparation such as bulldozing, cultimulching, disking, etc., bridge repairs, and gates.) Also, short-term (less than 3 years) acquisition, where paid. Groomers are

paid by the hour according to the class (size) the machine fits into. Rates per hour on labor and equipment are set by the Snowmobile Recreation Council and published annually by the DNR.

To include a trail in the State Funded Program, one must work with the County (coordinator) to establish this trail. The County must then apply for funding from the DNR.

No snowmobile organization can receive a grant for funded trails – only the County may do so.

#### Club Signs

This is an obsolete cardboard sign program that is no longer in use.

#### Bridge Rehabilitation

If bridges on funded trails are in need of repair or replacement, those projects are funded using this source. Minor bridge repair can be included in Trail Maintenance.

#### Route Sign Requests

A village, city or township may establish an ordinance that allows a snowmobile to be operated on a public road. This is called a snowmobile route. The city, village or township can receive payment for the original snowmobile route signs out of this category.

#### Trail Rehabilitation

All major enhancements to an existing trail to make it safer or better can be funded using this source. Trail rehab may fall under two categories if the trail is being moved, mandatory relocation and discretionary relocation.

#### Development

Includes new bridge projects, acquisition of land interests, facility development and new trails. If there is funding left after all other categories are covered new miles of trails are considered.

#### Supplemental Funding

Supplemental Funding is a category separate from the rest of the trail program. When a county has exceeded the \$250 per mile allowed in trail maintenance and spends a minimum of \$150 per mile in grooming costs, the county can apply for more funding under this program.

The funding for this program comes directly from the sale of Non-Resident Trail Passes plus the “55% Tourism Factor”, which (again) is: 50 gallons, multiplied by Wisconsin state gas tax, multiplied by 55%, multiplied by the number of registered snowmobiles in Wisconsin by the last day of March each year.

In extremely good snow years in high-use areas, this usually ends up being pro-rated and the club will not be reimbursed for 100% of its expenses. In this case, the DNR may choose (on the recommendation of the Snowmobile Recreation Council) to transfer more funds into this program from other portions of our trail aids through a legislative process.

## THE NUMBERS, INCOME, VALUE, AND WHERE THE MONEY GOES

### Income

#### Type of Income Details for 2012-2013

Registrations Revenue	\$3,750,726
Gas Tax – 206,698 registered sleds on 3/31/12 50 Gallons @ 30.9 cents per registration	\$3,193,484
40% Multiplier *      40% of Gas Tax Amount	\$1,277,394
Non-Resident Trail Pass Revenue (\$35 per Pass)	<u>\$442,400</u>
Total	\$8,664,004

\*Note: The gas tax multiplier was changed to 55% as of July 1, 2013

### Where the Money Goes (Expenses 2012-2013)\*

State Trails & Parks (Not County Funded Trails)	\$152,273
Snowmobile Trails Aids (Counties)	\$5,507,602
Supplemental Maintenance	\$1,028,818
LE Education (Safety Courses)	\$54,707
LE Enforcement & Training	\$94,420
County Law Enforcement (County Patrols)	\$318,882
DNR Administrative Overhead	\$22,970
Customer & Outreach Services (Admin. Services related to Registration)	\$313,080
CFA Administration (related to aid (grants) administration)	<u>\$134,732</u>
TOTAL	\$7,626,984

\*Note: Expenses are based on the previous year (2011-12) revenue

### Value of One Snowmobile Registration Today

	<u>Year 1</u>	<u>Year 2</u>	<u>Total</u>
Registration	\$15.00	\$15.00	\$30.00
Gas Tax	\$15.45	\$15.45	\$30.90
<u>55% Multiplier</u>	<u>\$ 8.50</u>	<u>\$ 8.50</u>	<u>\$17.00</u>
Total	\$38.95	\$38.95	\$77.90

## **Non-trail Program/Expenses Funded**

### DNR Involvement

Note: The DNR administers the snowmobile program with assistance and advice from the Governor's Snowmobile Recreation Council.

### DNR Administrative Services

The Department of Natural Resources charges our program a percentage of the total cost of their facilities, according to the percentage of their total work load that relates to the snowmobile program. Examples of this would be the cost of purchasing and maintaining all DNR buildings and equipment, utilities, repairs, janitorial, etc.

### DNR Registration

Cost of labor, materials, postage, computer use, etc. needed to administer our snowmobile registration.

### DNR Aids Administration

This would include one and one-half full-time DNR administrative positions. It also provides a portion of the funding for six regional community service specialists. Basically, it covers the cost of labor related to our programs. Funding of the Governor's Snowmobile Recreation Advisory Council comes under this program.

### County Law Enforcement

Funds counties in the state that participate in snowmobile patrol. Currently, there is a maximum of \$400,000 allowed for this program. Examples of expenses are labor and all equipment used by the county such as snowmobiles, trailers, covers, gas, clothing, storage costs, etc.

### DNR Enforcement and Safety

This is used to pay for wardens' time (labor) used in relation to our snowmobile program. Examples are time spent patrolling, safety education, and clerical work. Also included would be funding of materials for safety education and all equipment used by wardens.

## **Club & AWSC Dues: Separate From Funded Program**

### CLUB AND AWSC DUES

The dues paid to a local snowmobile club and the \$10 dues paid to the Association of Wisconsin Snowmobile Clubs (AWSC) is NOT used in the funded trail program. Club dues support the local club and clubs supply the volunteers that actually do the work on the trails. Examples of volunteer efforts are contacting landowners and securing leases, brushing, marking, grooming, taking down trails, etc.

Without the local club, there would be no trails. In many cases, a portion of the dollars spent on club dues are used to maintain non-funded sections of trails.

Funded trails are granted to counties; no individual or private organization can apply for funded trails. When a county receives a grant for public trails, the snowmobile clubs contract with the county to build

and maintain the trails. This includes the cost of purchasing grooming equipment, liability and contractual insurance.

The dues paid to the Association of Wisconsin Snowmobile Clubs (AWSC) are used to operate that organization. Some of the benefits the AWSC provides are representation on the state level by monitoring proposals that could affect the snowmobile program and introducing legislation when changes are needed. The AWSC provides its membership a statewide magazine, free death & dismemberment insurance, assistance with club insurance and tax issues, workshops for information on safety education, building and maintaining trails and operating clubs. The AWSC also provides legal assistance to clubs and for addressing access issues. The AWSC also provides representation on the national level as a member of the American Council of Snowmobile Associations.