

Town of Hyde Park, Vermont  
**Service Agency Funding Policy**

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**PURPOSE:** This policy sets forth the guidelines for Service Agency funding requests made to the Town of Hyde Park for approval on Town Meeting Day.

**ANNUAL REPORTS AND FUNDING REQUEST REQUIRED:** All agencies must file an annual report and funding request, in writing, 47 days before Town Meeting advising the Selectboard of the amount of the funding request or the intent to file a petition for new or amended funding amounts. All requests must include an annual report providing taxpayers with an overview of the importance of the Town's funding to the agency and the impact the agency has on the community, including such information as the number of Hyde Park residents served in prior years and benefits to be received by the community. Failure to provide the required information may result in the removal of town funding support from the budget or in a delay in being added to the warning. Unless petitioned each year, the Selectboard reserves the right to remove or reduce the funding request amount based on the priorities of the town. If a funding request is equal to or less than the voter-approved current year request, the request will be automatically included in the Town's General Fund Budget until removed or modified by the Selectboard. Any new agency requests or requests for increased funding will require a petition to be included as an article on the Town Meeting Day warning, unless waived by the Selectboard

**PETITION OPTION:** Please note that a service agency always has the option of submitting a petition which meets the requirements of 17 V. S. A. 2642, a(3)(A) to be placed on the Town Meeting or local election warning. The deadline for filing a petition, including the signatures of at least 5 percent of the registered voters with the Hyde Park Town Clerk, is not less than 47 days before Town Meeting Day, or local election.

**501(c)(3) REQUIRED:** The Town of Hyde Park Selectboard requires that all organizations who request funding from the Selectboard (meaning not through the petition process) to be tax-exempt under section 501(c)(3) of the Internal Revenue Code. Governmental agencies are not required to be exempt under 501(c)(3). The Selectboard may waive this requirement, if 1) 501c3 status is pending, or 2) by unanimous vote of the Selectboard, the Selectboard affirms that the funding request is from a Hyde Park-based community group, serving primarily Hyde Park residents, and providing a needed service to the community.

**REQUEST PROCEDURES:** First time funding requests and continuing requests must provide a half page report in Word format as well as the support documentation as set forth below.

**A. New Requests** – Requests from outside service agencies that did not receive voter approval in the past and were not included in the General Fund Budget must file a petition meeting the requirements of 17 V. S. A. in order to be placed on the Town Meeting Warning. Please contact the Hyde Park Town Clerk for information regarding petition requirements. Any agency that requests funding for a new or different purpose than the purpose originally approved by the voters must file a petition for a funding request. Any new agency requesting funds must provide their prior year's publicly available Federal tax documents, such as the Federal 990, Return of Organization Exempt from Income Tax

Documentation, with a statement detailing the agency's benefit to the residents of Hyde Park. The Selectboard may add new funding requests to the warning without a petition if the request has the unanimous support of the board.

**B. Continuing Requests** – In the event that an outside agency, whose funding has been included within the Town's General Fund budget, submits a petition for additional funding for any purpose, the Town Selectboard reserves the right to remove the funding from the proposed General Fund budget and warn the total increased amount in the article. This means that the Selectboard's proposal will be zero pending the outcome of the Town Meeting vote. It is recommended that, in these cases, agencies discuss potential proposals with the Selectboard prior to submitting petitions at an early stage in the town budget process – typically starting in October.

**WAIVERS:** Waivers from the petition requirement for new or increased funding may be approved by the Selectboard if the program or service to be provided will be substantially the same. Situations supporting a waiver, for example, are: the same service will be provided by a new agency, the change in the amount is minor as determined by the Selectboard. Waivers from the petition requirement may be granted for non-minor increases in funding to existing service agency funding but only if the Selectboard adds an article to the warning, on its own motion, seeking approval for the increased funding amount.

**TOWN REPORT:** The Selectboard will not publicly advocate for or against an agency's funding request in public or in the town report, however, individual members may speak in favor or against a service agency request. The annual warning includes an article to accept reports of town officers – that article shall also include the following language - "...and service agencies."

*Adopted by the Selectboard on January 9, 2014*

*Amended by the Selectboard on October 8, 2014 (Amendments: 45 days for petition and new waiver paragraph).*

*Amended by the Selectboard on November 15, 2021 (Amendments: 47 days for petition and statutory reference added 17 VSA 2642(3)(A)) and half page report requirement.*