



## Protocol for the Review of Baxter State Park (BSP) Fees

Review Date: September 2024

### Policy Statement:

BSP operates independently from the State of Maine's General Fund and does not receive any State revenues for Park operation. Considerable attention has been given to specifying protocol for the management of Trust Endowments. The resulting spending protocol offers guidance on withdrawals from BSP Endowment Funds to ensure the protection of the fund principal and the ability of the funds to consistently generate revenue equal or surpass the current level, in perpetuity.

### General Information:

With the strict definition of endowment spending levels, interior revenue sources must serve as a flexible component of the Park's income. This will help to address the gap between endowment revenues and the levels of necessary spending for Park operations.

The principal sources of user-based revenue in BSP are:

- Fees for the use of winter and summer camping facilities
  - (cabins, lean-tos, tent-sites, bunkhouses, and group areas)
- Non-resident entrance fees
- Canoe rentals
- Firewood bundle sales
- Day Use Parking Reservations for Katahdin –access trailheads

The fees for using winter and summer camping facilities as well as the entrance fees for non-residents are adjusted periodically to cover the costs of Park operations. Fees for canoe rentals and firewood bundles are guided by the need for resource protection rather than revenue generation. (i.e., they aim to incentivize behaviors that are protective of natural resources.

Day Use Parking Reservations (DUPRs) are a tool for resource protection (as a way to limit impacts on Katahdin) and managed to provide predictability for Park hikers at popular trailheads with limited parking.

The cost of a DUPR aims to be the minimum required to encourage actual use of the DUPR. (i.e., a deterrent to buying unnecessary DUPRs). As a result, DUPR rates were not considered in the past when reviewing the indices used in this protocol. In 2024, it was

determined that the minimum price had not acted as a deterrent as originally intended.

This protocol is intended to help define a regular interval between fee reviews and to incorporate objectivity and consistency into the review process.

## Fee Review Protocol:

### A. Review Process

The fee review process should begin with a review by the Director of Administrative Services, Park Director, and Leadership Team. Once the review is complete, the Fee Adjustment Proposal will be completed and will be reviewed with the Park Advisory Committee. Following the consideration of comments from the Advisory, the Director will present the proposal to the Baxter State Park Authority (BSPA) at its October meeting for review and approval. If approved, the Park Staff will implement a communications plan to inform Park users about the planned fee changes and update Park signage, brochures and hand-outs.

The process outlined is thus:

- Proposal preparation by Park Director/Staff
- Proposal to review - BSP Investment/Advisory Committees
- Final proposal for consideration - BSP Authority (BSPA)
- Implement a public communications plan

### B. Review Interval

- The review should be done concurrently with the Biennial Budget every two years.
- Based on this timeline, the fee adjustments should occur in the summer preceding the first year of the new biennial budget period. The review should be included in the fall BSPA meeting agenda for the Authority's consideration. If the Authority enacts proposed changes, Park staff will implement a public communications plan.
- Past Reviews were completed in 2006, 2009, 2013, 2016 and 2021. The 2009 review brought the initial proposal to switch camping fees from a price per person to a price per site fee structure.

### C. Review Criteria

The following *Criteria*, with associated *Indicators*, are suggested to guide the fee review process. Staff will complete the attached Worksheet A and submit it with the Fee Adjustment Proposal outlined in Section A.

- **Criterion 1: Fees would be set to supply a minimum percentage of Park expenditures.**

As stated in the Background section, fees must be a flexible component of the Park's income. This will help to address the gap between endowment revenues and the

necessary spending levels for Park operations. Endowment management has focused on ensuring that the trust funds provide a perpetual flow of income equal to or surpass the current real (after inflation) levels. Consequently, the trust endowments should be viewed as somewhat independent from Park operations and should not be expected to react to significant changes in Park needs that exceed normal increases from inflation. In addition, without adjustment, over time, inflation would erode the real income derived from fees. Considering these realities, comparing the percentage of annual revenue expected from camping fees against the anticipated annual expenditures is a useful gauge of the need for a fee adjustment. See Worksheet A, Section 1, Table 1.

- **Criterion 2: Fees must be affordable to the average Maine resident.**

In accordance with Percival Baxter's wishes, the Park should be "***made available to persons of moderate means...***". Fees should be considered affordable for the average Maine resident. Several possible benchmarks can be considered to determine fee affordability. See Worksheet A, Section 2:

- **Indicator 1, Table 2:** *Change in Maine Per Capita Income levels since the last BSP fee adjustment. See Worksheet A, Section 2, Indicator 1, Table 2.*
- **Indicator 2, Table 3:** *Change in Consumer Price Index (All Urban Consumers) since the last BSP fee adjustment. See Worksheet A, Section 2, Indicator 2, Table 3.*
- **Indicator 3, Table 4:** *Comparison of similar public and private facilities in the Katahdin Region and New England.* Due to variations in the amenities provided by different private and public entities, it is challenging to make direct comparisons. However, we can make a general comparison. While BSP is held in the State of Maine Trust, it does not receive any public funding and may be more similar to private sites. The fees mentioned for private facilities may or may not include sales tax, which is charged in addition to the listed rates. In contrast, sales tax is already included in the fees charged by Baxter State Park. *See Worksheet A, Section 2, Indicator 3, Table 4.*

- **Criterion 3: Fees must be clear, understandable, and practically administered to the user.**

Following the 2009 Fee Review recommendations, Baxter State Park changed its camping fees from a per-person to a per-site basis. This adjustment greatly simplified our fee schedule and revenue accounting for camping in the Park. In 2024, the fee adjustment proposal includes restructuring cabin fees, where rates are proportional to the cabin's occupancy capacity. Currently, no further changes to the system are suggested to enhance the clarity and management of the fee system.

**Communications Plan:**

Park staff must make a consistent and thorough effort to communicate changes in fee schedules to the Park users and the general public. Current methods include the posting of current fee schedules at:

- Park Headquarters
- Togue and Matagamon Gatehouses
- Campground Offices
- Hiker registration points in Park campgrounds
- Park Visitor Center
- Park website and social media

**Attachments:**

1. Worksheet A: Fee Review Protocol Worksheet
2. Fee Adjustment Proposal

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