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STATE OF NEW HAMPSHIRE
DEPARTMENT of NATURAL and CULTURAL RESOURCES
DIVISION of PARKS and RECREATION
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June 29, 2022

The Honorable Karen Umberger, Chairman
Fiscal Committee of the General Court *and*

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, authorize the Department of Natural and Cultural Resources (DNCR), Division of Parks and Recreation (Department) to accept and expend \$370,300 in available endowment funds from the Connecticut Lakes Headwaters Stewardship Endowment Fund to provide conservation easement management, maintenance, and stewardship services for the 146,000 acre Connecticut Lakes Headwater easement property and to establish a new appropriation class, effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2023. 100% Other Funds.

Funds will be budgeted in the following accounts:

03-035-035-351510-37450000 – CLH Stewardship Endowment

Class- Account-RG	Description	FY23 Current Adjusted Authorized	Requested Action	Revised FY23 Adjusted Authorized
008-402744-20	Agency Income	\$204,379	\$165,300	\$369,679
Total Revenue		\$204,379	\$165,300	\$369,679
020-500200	Current Expenses	\$10,000	\$5,000	\$15,000
022-500255	Rents-Leases Other Than State	\$65,000	\$80,000	\$145,000
030-500300	Equipment New/Replacement	\$3,700	\$66,300	\$70,000
040-500800	Indirect Costs	\$1,079	\$0	\$1,079
047-500240	Own Forces Maintenance – B&G	\$500	\$14,000	\$14,500
048-500226	Contractual Maintenance – B&G	\$10,000	\$0	\$10,000
050-500109	Personal Services - Temporary	\$81,000	\$0	\$81,000
060-500601	Benefits	\$8,100	\$0	\$8,100
102-500731	Contracts for Program Services	\$25,000	\$0	\$25,000
Total Expenses		\$204,379	\$165,300	\$369,679

03-035-035-351510-37460000 – CLH Road Maintenance Endowment

Class-Account-RG	Description	FY23 Current Adjusted Authorized	Requested Action	Revised FY23 Adjusted Authorized
008-402746-20	Agency Income	\$257,335	\$205,000	\$462,335
Total Revenue		\$257,335	\$205,000	\$462,335
020-500200	Current Expenses	\$135,000	\$18,000	\$153,000
022-500255	Rents-Leases Other Than State	\$53,000	\$167,000	\$220,000
030-500300	Equipment New/Replacement	\$10,000	\$10,000	\$20,000
040-500800	Indirect Costs	\$936	\$0	\$936
047-500240	Own Forces Maintenance – B&G	\$0	\$10,000	\$10,000
048-500226	Contractual Maintenance – B&G	\$10,000	\$0	\$10,000
050-500109	Personal Services - Temporary	\$44,000	\$0	\$44,000
060-500601	Benefits	\$4,399	\$0	\$4,399
Total Expenses		\$257,335	\$205,000	\$462,335

The following appropriation authorities are being requested:

03-035-035-351510-37450000

Class 020 – Additional materials (culverts, gravel, etc.) needed due to increased road use and material costs.

Class 022 – Equipment Rental for additional grading, rehab of road by installing culverts, cleaning ditches and laying down new gravel on pre-rehab roads.

Class 030 – Purchase of a pick-up truck to support a tractor used for mowing and maintenance in the field (no availability in FY 22) and a mobile gravel screen that will be used at the southern part the property to help with saving of travel, trucking and not having to purchase materials from private pits. Currently in these remote areas of property it would be 3-4 hour round trip for one 10 wheeler load.

Class 047 – Gravel, sign, and bridge materials for maintenance projects by own forces.

03-035-035-351510-37460000

Class 020 – For bridge maintenance, gravel, and repair materials.

Class 022 – Equipment rental for road and bridge maintenance and resurfacing or roads with purchased and own gravel.

Class 030 – Purchase of a mobile gravel screen that will be used in the northern part of the property to help with saving of travel, trucking and not having to purchase materials from private pits. Currently in these remote areas of property it would be 3-4 hour round trip for one 10 wheeler load.

Class 047 – Gravel, sign, and bridge materials for maintenance projects by own forces.

EXPLANATION

The State of New Hampshire holds a conservation easement on the 146,000 acres Connecticut Lakes Headwaters tract (CLH) in Northern New Hampshire and owns and maintains 253 miles of roads that provide access to the property for outdoor recreation by the public and forest management by the private landowner. In accordance with RSA 216:9, the interest earnings from the CLH Stewardship Endowment shall be used for the purposes of recreation, use, and the conservation easement management of the property. In accordance RSA 216:10, interest from the CLH Road Maintenance Endowment shall be used to maintain the system of roads that exist within the conservation easement and state property interests.

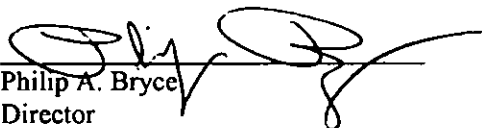
The NH State Treasurer manages the principal of the endowment. Over the years, the return on the endowments has averaged a 9% annual rate of return. This rate of return has exceeded the annual 4% distribution rate of interest drawn from the endowment which is accumulated for use and made immediately available to be drawn on carry out the purpose of the endowments. The result is an available balance of total endowment earnings for DNCR as of June 30, 2021 of \$1,089,859 in the Stewardship Endowment and \$1,052,862 in the Road Maintenance Endowment.

This additional funding being requested will be used to cover the cost of maintaining the road system and address deferred maintenance. The Connecticut Lakes Headwaters Citizens Committee, established in RSA 12-A:9-b, has been working since 2016 to explore ways to bring additional resources to provide for adequate maintenance of the road system and supported this request for additional funding at its June 19, 2021 meeting.


These additional funds will be used for purchasing bridging materials to maintain over 20 bridges, contracting with outside service providers for road maintenance, construction, and bridge work, and for our own staff to conduct and oversee property management, road work, and trail stewardship.

Respectfully submitted,

Concurred,


Philip A. Bryce
Director

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Sarah L. Stewart
Commissioner /