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STATE OF NEW HAMPSHIRE  
 DEPARTMENT of NATURAL and CULTURAL RESOURCES  
 DIVISION of PARKS and RECREATION  
**BUREAU of TRAILS**  
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July 29, 2021

The Honorable Ken Weyler, Chairman  
 Fiscal Committee of the General Court  
 State House  
 Concord, New Hampshire 03301

and

His Excellency, Governor Christopher T. Sununu  
 and the Honorable Executive 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 \$392,082 in available endowment funds from the Connecticut Lakes Headwaters Stewardship Endowment Fund to provide conservation easement management, maintenance and stewardship services to 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:

03-35-35-351510-37450000 – CLH Stewardship Endowment

Class-Account	Description	FY22 Current Adjusted Authorized	Requested Action	Revised FY22 Adjusted Authorized	FY23 Current Adjusted Authorized	Requested Action	Revised FY23 Adjusted Authorized
<b>Revenue</b>							
008-402744	Agency Income	(\$104,995)	(\$50,348)	(\$155,343)	(\$104,995)	(\$99,384)	(\$204,379)
<b>Total</b>		<b>(\$104,995)</b>	<b>(\$50,348)</b>	<b>(\$155,343)</b>	<b>(\$104,995)</b>	<b>(\$99,384)</b>	<b>(\$204,379)</b>
<b>Expense</b>							
020-500200	Current Expenses	\$5,700	\$4,300	\$10,000	\$5,700	\$4,300	\$10,000
022-500255	Rent - Leases	\$65,000	\$0	\$65,000	\$65,000	\$0	\$65,000
030-500300	Equipment	\$1,000	\$35,000	\$36,000	\$1,000	\$2,700	\$3,700
040-500800	Indirect Costs - SWCAP	\$0	\$1,048	\$1,048	\$0	\$1,079	\$1,079
047-500240	Own Force Maint. B&G	\$500	\$0	\$500	\$500	\$0	\$500
048-500226	Contractual Maint Build	\$0	\$10,000	\$10,000	\$0	\$10,000	\$10,000
050-500109	Personal Services/Temp	\$30,000	\$0	\$30,000	\$30,000	\$51,000	\$81,000
060-500601	Benefits	\$2,295	\$0	\$2,295	\$2,295	\$5,805	\$8,100
102-500710	Contracts for Program Services	\$500	\$0	\$500	\$500	\$24,500	\$25,000
<b>Total</b>		<b>\$104,995</b>	<b>\$50,348</b>	<b>\$155,343</b>	<b>\$104,995</b>	<b>\$99,384</b>	<b>\$204,379</b>

03-35-35-351510-37460000 – CLH Road Maintenance Endowment

Class-Account	Description	FY22 Current Adjusted Authorized	Requested Action	Revised FY22 Adjusted Authorized	FY23 Current Adjusted Authorized	Requested Action	Revised FY23 Adjusted Authorized
<b>Revenue</b>							
008-402744	Agency Income	(\$91,148)	(\$76,161)	(\$167,309)	(\$91,147)	(\$166,188)	(\$257,335)
<b>Total</b>		<b>(\$91,148)</b>	<b>(\$76,161)</b>	<b>(\$167,309)</b>	<b>(\$91,147)</b>	<b>(\$166,188)</b>	<b>(\$257,335)</b>
<b>Expense</b>							
020-500200	Current Expenses	\$50,000	\$15,000	\$65,000	\$50,000	\$85,000	\$135,000
022-500255	Rent - Leases	\$15,000	\$18,000	\$33,000	\$15,000	\$38,000	\$53,000
030-500300	Equipment	\$10,000	\$0	\$10,000	\$10,000	\$0	\$10,000
040-500800	Indirect Costs - SWCAP	\$0	\$909	\$909	\$0	\$936	\$936
048-500226	Contractual Maint Build	\$0	\$10,000	\$10,000	\$0	\$10,000	\$10,000
050-500109	Personal Services/Temp	\$15,000	\$29,000	\$44,000	\$15,000	\$29,000	\$44,000
060-500601	Benefits	\$1,148	\$3,252	\$4,400	\$1,147	\$3,252	\$4,399
<b>Total</b>		<b>\$91,148</b>	<b>\$76,161</b>	<b>\$167,309</b>	<b>\$91,147</b>	<b>\$166,188</b>	<b>\$257,335</b>

The following appropriation authorities are being requested:

**03-35-35-351510-37450000**

**Class 20 – Additional materials (culverts, gravel) needed due to increased road use and material costs. FY22 & FY23**

**Class 30 – Pick-up truck to support tractor used for mowing and maintenance in field. FY22 & FY23**

**Class 40 – Statewide cost allocation plan expenses. FY22 & FY23**

**Class 48 – Contractor with equipment to perform road and bridge repairs. FY22 & FY23**

**Class 50 – Part time staff dedicated to oversee property management and road maintenance. FY23**

**Class 60 – Benefits Costs for part time staff. FY23**

**Class 102 - Trail maintenance projects with Student Conservation Association. FY23**

**03-35-35-351510-37460000**

**Class 20 – Bridge maintenance and repair materials. FY22 & FY23**

**Class 22 – Equipment rental for road and bridge maintenance and repair. FY22 & FY23**

**Class 40 - Statewide cost allocation plan expenses. FY22 & FY23**

**Class 48 – Contractor with equipment to perform road and bridge repairs. FY22 & FY23**

**Class 50 – Part Time staff costs for equipment operation. FY22 & FY23**

**Class 60 – Benefits costs for part time staff. FY22 & FY23**

## 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 6/30/21 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, staffing to conduct and oversee property management and road work and trail stewardship.

Respectfully submitted,



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Philip A. Bryce  
Director

Concurred,

(15/21)



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Sarah L. Stewart  
Commissioner