

Connecticut Lakes Citizens Committee

Finance Sub-committee

History:

This sub-committee was established at the October 19, 2020 Citizens Committee meeting. The following members volunteered: Charles Levesque, Matt Sampson and Harry Brown. No staff was assigned but it was assumed that Phil would be the primary contact. Gail Hanson, chairperson for the Headwaters Committee, appointed Harry Brown on November 11 to chair this committee and added herself to the committee.

AGENDA

CT Lakes Headwaters Citizens Committee Subcommittee - Finance

Date: December 3, 2020 2:30 AM

Location: via zoom

Chairperson: Harry C. Brown

1. Discuss and develop goals for the subcommittee.
2. Concerns reference adequate funding from the three (3) parties:
 - a. Ct Lakes Realty Trust
 - b. Fish and Game
 - c. Department of Natural and Cultural Resources
3. What is the States management structure for managing the property?
 - a. Maybe a simple flowchart?
4. Review Tract Monitoring Endowment
 - a. Understanding of Section 216:7 – (who is responsible for what)
5. Review Tract Road Maintenance Endowment
Understanding of Section 216:10-11 - (who is responsible for what)
6. Review Natural Areas Stewardship (Recreation) Endowment
Understanding of Section 216:9 - (who is responsible for what)
7. What is current status of the CLHW Road Management Agreement
 - a. Is there a current one or is it a continuation of the 2013 agreement that expired in 2018?
 - b. General explanation on how that works?
8. Do we need to increase revenue to the Headwaters Property
 - a. general discussion
9. Wrap up and schedule the next meeting with assignments of any tasks

FYI – some history

Wrap up comments from the **June 30, 2016** Road Subcommittee:

- **Restrict** stewardship money until the roads are sorted out.
- Road condition is impacting harvesting opportunities of landowner. • A boom mower & tractor are needed to mow (\$150,000)
- Contract the work rather than the state doing the work with own forces.
- **Explore capital budget appropriation** over several years.
- The project began as a public-private partnership; **approach the charitable foundation** on ideas to make the road system funding stable.
- Road management and public use/recreation management are directly linked. That is why we discuss both at the same time during planning. **The outcomes of road management plan need to support the public use/access in addition to the landowner use of the property.**

CLHCC – Finance Sub-Committee - Minutes

December 3, 2020

Members In Attendance:

Harry Brown	CLHCC	Charlie Levesque	CLHCC
Gail Hanson	CLHCC	Matt Sampson	Landowner
Jill Kilborn	NHFG	Phil Bryce	DNCR Parks and Recreation
Patrick Hackley	DNCR Forests and Lands		

Technical Staff in Attendance:

Clint Savage	Trails Bureau	Sandy Young	Parks and Recreation
Maggie Machinist	Forests and Lands	Johanna Lyons	Parks and Recreation

Harry opened the meeting with a brief overview of the committee goals that is to look at current funding for the management of the CLH and what is needed to manage the property now.

1. Concerns reference adequate funding from the three (3) parties:
 - a. Ct Lakes Realty Trust: Matt Sampson
 - i. States ability to fund road maintenance
 - ii. Increased use, especially on the roads that ATVs use as part of the trail network.
 - iii. They have had to put a lot of their own money into the roads for their timber sales
 - iv. There's been a ramp up of used but not increased funding
 - b. Fish and Game: Jill Kilborn
 - i. Receive funding from all three endowments; roads, stewardship and monitoring
 - ii. Roads on the CLNA are maintained by the endowments and federal aid grants
 - c. Department of Natural and Cultural Resources
 - i. DNCR receives funding from all three endowments; roads and stewardship are managed by DPR, DFL does the easement monitoring
 - ii. There is **not a sufficient amount of money in road and stewardship for the management of the property**
 - iii. The funding for recreation/public access management is being diverted to the roads
 - iv. Landowner contributes funding for the road system for their forest management
 - v. **DPR is subsidizing the CLH by paying Sandy's salary**; it is unclear what the Trails Bureau contribution is
 - vi. Need to continue to provide and maintain the recreational resources on the property

Comments:

Charlie Levesque: Not enough money; endowments were never meant to pay for it all.

Phil Bryce: Are we trying to maintain too much per the Recreation/Public Access plan?

2. What is the States management structure for managing the property?
 - a. Phil Bryce: No staff assigned to the management of the property. Trails Bureau is the lead because the primary use is the road system used by snowmobiles and ATVs. Grant in Aid and the clubs have helped in the past with funding road maintenance but less recently. Sandy and Dwayne Covell are the staff who are the primary contacts for the property.
 - b. Jill Kilborn: Jill is the manager for the CLNA and works for Jim Oehler in the Wildlife Division. Uses the habitat account to manage the roads and federal aid to match the endowment.
3. Review Tract Monitoring Endowment
 - a. Patrick Hackley: DFL monitors the conservation easement and the landowners management plan. Maggie Machinist is the regional forester and works closely with Susan Francher who oversees the forest legacy easement. Maggie oversees the forestry on the CLNA and monitors the forestry operations on the CLH.
 - b. Jill Kilborn: Monitors the SMAs on the general property.
4. Review Tract Road Maintenance Endowment
 - a. Phil Bryce: Per the endowment agreement between DNCR & NHFG, 89% goes to DNCR and the remainder 11% goes to NHFG. The DNCR endowment funding and landowner contribution goes into a dedicated accounts and is not mingled with the State Park Fund.

Comments:

Harry Brown: What accounts pay for what project?

Phil Bryce: More research will have to be done... depends on the project and what account is available.

Charlie Levesque: Is there enough funding in monitoring? Phil/Patrick, yes.

5. Review Natural Areas Stewardship (Recreation) Endowment
 - a. What is the funding need and what is the endowment used for?
 - i. Sanitary facilities – installation and maintenance
 - ii. Maps/Kiosks – for public safety and information
 - iii. Signage – for public safety and information
 - iv. Parking Lots – installation and maintenance
 - v. Viewsheds – maintain traditional outlooks and views

Comments:

Charlie Levesque: Looking forward, what costs will be incurred... more than just recreation, broader stewardship.

6. What is current status of the CLHW Road Management Agreement
 - a. Road Management Agreement: Most recent agreement was signed in 2013
 - b. General explanation on how that works...
 - i. Meet with TFLG in spring to decide which roads are needed for forestry in the next year (dependent on markets and weather) and finalized the work plan in June. There is another meeting in the fall to review winter work planned.
 - ii. Concentrate on keeping the forestry operation going; recreation/public access is secondary
 - iii. Often times the road projects are reactive
 - iv. Need to understand better how the money is appropriated and spent.

Comments:

Phil Bryce: May need a property manager to coordinate the work and track expenses

Harry Brown: How much of the work is contracted? Sandy Young: The total spent in 2019 is approximately \$130,000/year and 2/3 is contracted.

Charlie Levesque: If we manage the property differently will we have enough money?

Phil Bryce: Stewardship funds are being used for equipment purchase and mowing roads

7. Do we need to increase revenue to the Headwaters Property
 - a. What are the opportunities to raise extra funds?
 - i. User fees
 - ii. Grants; Tillotson/Northern Borders Foundation
 - iii. Increase base in road endowment by fundraising
 - b. Other options?
 - i. Cut back on services
 - ii. Try to raise revenue
 - iii. Reapportion the endowment income; should we be taking more than 4% each year? Need to review treasury agreement.
8. Wrap up and schedule the next meeting with assignments of any tasks.
 - a. Johanna will send a doodle poll to determine a meeting date in January
 - b. Once a meeting date is determined, Johanna will send a e-meeting invitation

Links to documents:

[Recreation and Public Access Plan Amendment, 2017](#)

Attachments:

Endowment Reports, FY2019/2018/2017

Addendum # 1: Jill Kilborn

The endowment funds are only enough for Fish and Game because we are able to use them as **match with our Federal Aid** funds used to cover all NHFG staff time associated with monitoring and management of the CLHWF as well as the CLNA. The endowments provide critical unencumbered match for the Department. I don't want to imply that Fish and Game can cover all of our expenses with the Endowment funds because that is **not** the case.

In addition, under 7 (*Do we need to increase revenue to the Headwaters Property*), I would add something about evaluating the amount of funding needed to manage the roads in an ideal situation....I tried to share this thought during the meeting but it probably didn't come out as concisely as I would have liked. For me it has been helpful to break road management into 3, or in this case 4 categories: **general road maintenance , remediation/emergency , special projects (e.g. bridges) and road work for forestry access** . A budget/funding need could be estimated for each. This process might help identify areas deficient in funding that may not be obvious such as the need for more support staff to cover planning, grant writing and implementation needs.

Addendum # 2: Charles A. Levesque

1. The road endowment does not have enough income for DNCR for its road maintenance responsibilities but covers Fish & Game's needs for the natural area;
2. The stewardship endowment income, even it wasn't being used in part for road work, is not adequate for DNCR stewardship work but it covers Fish & Game's needs on the natural area;
3. The monitoring endowment may or may not have enough income for DNCR's monitoring responsibilities. More investigation needed.

And - I thought there was a clear conclusion that DNCR and F&G need to contact the State Treasurer to investigate the possibility of increasing the annual revenue from the endowment(s) income from the current 4% to come close to what that annual income actual is (it appears the annual income may be as high as 7%).

AGENDA

CT Lakes Headwaters Citizens Committee Subcommittee - Finance

Date: January 19, 2021 1:00 PM

Location: via zoom

Chairperson: Harry C. Brown

1. Approval of December 3, 2020 minutes.
2. Review of agreement between the Department of Treasury, the DNCR and Department of Fish and Game with a representative from the Treasurer's Office.
3. Fish and Game - Review and discussion of documentation requested and distributed prior to the meeting – Jill Kilborn
4. Division of Parks and Recreation - Review and discussion of documentation requested and distributed prior to the meeting – Phil Bryce
5. Department of Forest and Lands - Review and discussion of documentation requested and distributed prior to the meeting – Patrick Hackley
6. Discussion reference Trails Bureau involvement
 - a. Funding sources
 - i. Grants in Aid (GIA) – ATV/Snowmobile account – why and how much?
 1. +18 miles of ATV road/trail usage
 1. Discuss why ATV/GIA fund should or should not be used exclusively (100%) for maintaining these annually?
 2. +250 miles of snowmobile road/trail usage
 1. Discuss why snowmobile//GIA fund should or should not be used exclusively for maintaining other than an occasional culvert or washout caused by the snowmobile usage?
 2. Funding source
 - ii. Recreational Trails Program (RTP) – see footnote
 1. are we utilizing these funds and if so, how much and for what?
 2. Discussion on Trails Bureau involvement

a. Staff sources

i. Trails Bureau has dedicated staff working on the CTHW property – why?

1. Operator
2. Management

ii. Where do the funds come from to fund these positions?

1. RTP
2. GIA
 1. Snowmobile
 2. ATV
 3. Staff sources

7. Any other business

8. Adjournment

Footnote:

What is the Recreational Trails Program?

The RTP is a grant program for motorized and non-motorized trail and trail related infrastructure that is overseen by the Department of Transportation's Federal Highway Administration (FHWA) and funded through the transportation reauthorization process. Every time you fill your vehicle with gas you pay a tax that is collected by your state and then sent to the federal government to be dispersed and spent on road and bridge construction and maintenance and other transportation related expenditures. As part of the transportation reauthorization process in **1991** it was decided that the taxes paid by OHV riders at the pump were unfairly used to fund on-road priorities despite the fact that the OHV rider used the gas for off-road purposes, so the RTP was born.

How Are Recreational Trails Program Funds Apportioned?

RTP grants are administered by each state. The allocation of the total RTP budget to individual states is based on a formula, mandated by law, that apportions half of the total funds equally among all states with the other half distributed in proportion to the estimated amount of non-highway recreational fuel use in each state. The law also provides that except in approved circumstances states must spend **30% of their allocation on motorized uses, 30% on non-motorized uses and 40% on multiple use trails**. It is important to note that multiple use trails do not need to include motorized uses. For example a dual use trail could include both mountain biking and horseback riding.

What Can Recreational Trails Program Grants Be Used For?

RTP Grants may be used for: maintenance and restoration of existing trails; **development and rehabilitation of trailside and trailhead facilities and trail links; purchase and lease of trail construction and maintenance equipment; construction of new trails** (with restrictions for new trails on Federal lands); acquisition of easements or property for trails; **state administrative costs for the RTP (limited to 7% of a state's funds)**; and **operation of educational programs to promote safety and environmental protection related to trails (limited to 5% of a state's funds)**.

Who May Apply For Recreational Trails Program Grants?

States may make grants to private organizations (including rider groups), or to municipal, county, **state**, or Federal government agencies. Some states, by policy, do not provide funds to private organizations. Projects may be on public or private land, but projects on private land must provide written assurances of public access. RTP Grants may be used for: maintenance and restoration of existing trails; development and rehabilitation of trailside and trailhead facilities and trail links; purchase and lease of trail construction and maintenance equipment; construction of new trails (with restrictions for new trails on Federal lands),

1. Requested information to be distributed to the committee prior to the January 19, 2021 meeting.

a. F&G – Jill Kilborn

- A. flow chart showing chain of command reference management of property - Asking Jill to distribute a copy <meeting.
- B. underfunded without federal match. How much? Asking Jill to distribute <meeting.
- C. the 2020/21 budget including showing where the funds come from, how much, and what for? Asking Jill to distribute <meeting.

b. Department of Natural and Cultural Resources

A. Division of Parks and Recreation – Philip Bryce

- 1. flow chart showing chain of command within this division reference management of property – asking Phil to distribute <meeting.
- 2. the 2020/21 budget including showing where the funds come from, how much, and what for? Also a breakout of which agency/bureau expends the funds by what \$ amount(s). Asking, Phil to distribute <meeting.
- 3. How much GIA funds are being utilized?
 - a. Snowmobile
 - b. ATV
- 4. How much RTP funds are being utilized and for what?

B. Division of Forest and Lands – Patrick Hackley

- 1. flow chart showing chain of command within this division reference management of property – asking Patrick to distribute <meeting.
- 2. the 2020/21 budget including showing where the funds come from, how much, and what for? Also a breakout of which agency/bureau expends the funds by what \$ amount(s). Asking, Patrick to distribute <meeting.

CLHCC – Finance Sub-Committee - Minutes January 19, 2021

Members In Attendance:

Harry Brown	CLHCC	Charlie Levesque	CLHCC
Gail Hanson	CLHCC	Matt Sampson	Landowner
Jill Kilborn	NHFG	Phil Bryce	DNCR/Parks and Recreation
Patrick Hackley	DNCR Forests and Lands		

Technical Staff in Attendance:

Clint Savage	Trails Bureau	Sandy Young	Parks and Recreation
Maggie Machinist	Forests and Lands	Johanna Lyons	Parks and Recreation

Harry opened the meeting asking for a motion to accept the minutes. Charlie moved to accept the minutes, Matt seconded the motion, and they are accepted.

Phil began the meeting by summarizing discussion between DNCR/NHFG and the treasury department. Phil emailed a memo and historical endowment transaction report.

Key Points:

4% of the year ending balance in the account is appropriated for expenditure annually.

The expenditure account is then allocated by agreement between the agencies (70-30% stewardship, 50-50% monitoring, 89-11% roads)

The **annual rate of return for the past 9 years has been 9%**.

Funding not allocated to the expenditure account has accrued in the endowment balance.

The current rate of return is based on current investment book value.

New custodial agreement needs to be set up.

Discussion:

The endowments when established by the non-profit partners were not intended to be income generating, however, the investment strategy was left up to the State of NH. There is good track record of the revenue generated from the endowments.

A realistic road/stewardship budget (and implementation plan) for the next several years needs to be developed to determine the annual appropriated expenditure (**is it raised to 6-7% instead of 4%**) and if the funds that have accrued are appropriated to road maintenance (for specific projects or general maintenance).

Matt proposed a conservative option; if there is an excess of the 4%, then the agencies are allowed to take X% of excess to expend in budget.

The subcommittee agreed that these funds and the 4% allocated do not generate sufficient funds to meet the long-term needs of the property.

Need to review the landowner contribution and coordinate work with funds available

STATE OF NEW HAMPSHIRE CUSTODIAL ACCOUNTS

CLH Natural Areas Stewardship Endowment

Fiscal Year 2021 Transactions

Date	Deposits	Interest & Dividends	Realized Gains / (Losses) on Investments	Management Fees	DNCR Withdrawals	Fish & Game Withdrawals	Book Value Account Balance
10/22/04	1,000,000.00						1,000,000.00
06/30/05		16,137.72					1,016,137.72
06/30/06		42,763.69					1,058,901.41
06/30/07	41,681.51	57,815.66			(47,907.87)		1,110,490.71
06/30/08	51,965.48	48,884.48			(8,998.21)	(36,969.62)	1,165,372.84
06/30/09	26,877.20	22,147.72			(7,577.19)	(20,000.00)	1,186,820.57
06/30/10	27,293.80	3,787.33			(3,219.78)	(10,000.00)	1,204,681.92
06/30/11	23,599.10	2,695.57				(19,788.00)	1,211,188.59
06/29/12	22,043.94	17,735.60	13,719.66	(1,202.97)	(4,002.03)	(4,959.00)	1,254,523.79
06/30/13	20,743.46	23,592.21	19,792.46	(4,020.01)	(4,637.96)		1,309,993.95
06/30/14	30,545.69	21,901.31	91,159.22	(4,808.72)	(40,000.00)	(13,667.00)	1,395,124.45
06/30/15	11,099.06	26,668.17	104,931.94	(5,774.16)		(12,400.00)	1,519,649.46
06/30/16	22,198.12	27,213.10	62,347.34	(6,481.05)	(16,000.00)		1,608,926.97
06/30/17	23,061.15	29,149.99	78,584.83	(6,952.23)	(13,921.02)	(26,914.00)	1,691,935.69
06/30/18	22,681.84	33,936.70	146,860.53	(8,281.05)	(39,572.98)	(35,000.00)	1,812,560.73
06/30/19	22,577.25	40,812.44	126,763.72	(8,967.03)	(52,161.50)		1,941,585.61
06/30/20	22,750.13	44,370.25	103,536.60	(9,574.93)	(111,478.43)	(15,000.00)	1,976,189.23
As of 11/30/20	11,380.69	19,869.01	63,058.30	(4,605.18)	(95,866.81)	-	1,970,025.24

STATE OF NEW HAMPSHIRE CUSTODIAL ACCOUNTS

CLH Tract Monitoring Endowment

History Transactions

Date	Deposits	Interest & Dividends	Realized Gains / (Losses) on Investments	Management Fees	DNCR Withdrawals	Fish & Game Withdrawals	Book Value Account Balance
10/22/04	1,250,000.00						1,250,000.00
06/30/05		20,172.16					1,270,172.16
06/30/06		53,454.60					1,323,626.76
06/30/07		70,596.65			(33,091.00)		1,361,132.41
06/30/08		57,747.18			(33,000.00)	(57,100.00)	1,328,779.59
06/30/09		24,977.96				(25,500.00)	1,328,257.55
06/30/10		4,183.19				(9,788.00)	1,322,652.74
06/30/11		2,927.81					1,325,580.55
06/29/12		19,966.83	13,687.74	(1,279.62)	(33,000.00)	(10,000.00)	1,314,955.50
06/30/13		24,368.12	18,687.67	(4,168.98)	(16,500.00)		1,337,342.31
06/30/14		23,120.50	92,493.63	(4,932.06)	(33,000.00)	(13,667.00)	1,401,357.38
06/30/15		26,879.29	115,769.86	(5,828.19)		(19,800.00)	1,518,378.34
06/30/16		27,075.48	60,904.30	(6,451.41)	(16,500.00)		1,583,406.71
06/30/17		28,803.42	72,001.62	(6,866.42)	(26,500.00)		1,650,845.33
06/30/18		33,782.57	140,662.29	(8,189.52)	(26,500.00)		1,790,600.67
06/30/19		40,864.41	118,166.03	(8,981.56)	(26,500.00)		1,914,149.55
06/30/20		45,513.58	105,302.97	(9,781.31)	(27,428.00)	(5,018.00)	2,022,738.79
As of 11/30/20		21,001.00	62,255.48	(4,780.23)	(22,427.85)		2,078,787.19

STATE OF NEW HAMPSHIRE CUSTODIAL ACCOUNTS

CLH Tract Road Maintenance Endowment

History Transactions

Date	Deposits	Interest & Dividends	Realized Gains / (Losses) on Investments	Management Fees	DNCR Withdrawals	Fish & Game Withdrawals	Book Value Account Balance
10/22/04	1,225,000.00						1,225,000.00
06/30/05	12,500.00	19,864.39					1,257,364.39
06/30/06	12,500.00	53,036.89					1,322,901.28
06/30/07		70,520.45			(62,023.13)		1,331,398.60
06/30/08		57,711.84			(28,113.45)	(13,680.38)	1,347,316.61
06/30/09		25,337.97			(4,654.56)		1,368,000.02
06/30/10		4,309.38			(57,835.35)		1,314,474.05
06/30/11		2,909.71					1,317,383.76
06/29/12		19,826.29	13,609.45	(1,270.58)	(33,861.16)	(5,000.00)	1,310,687.76
06/30/13		24,164.09	18,744.53	(4,131.35)	(25,250.41)		1,324,214.62
06/30/14		23,057.39	91,171.42	(4,918.04)	(24,000.00)	(13,666.00)	1,395,859.39
06/30/15		78,998.08	62,292.77	(5,807.42)		(2,800.00)	1,528,542.82
06/30/16		27,416.11	60,541.24	(6,480.27)	(15,000.00)		1,595,019.90
06/30/17	1.31	29,205.78	71,805.82	(6,947.92)	(13,776.43)		1,675,308.46
06/30/18		33,919.45	140,032.06	(8,292.28)	(35,954.90)		1,805,012.79
06/30/19		40,180.48	134,655.42	(8,876.71)	(87,380.00)		1,883,591.98
06/30/20		43,909.52	105,964.08	(9,460.93)	(61,990.79)		1,962,013.86
As of 11/30/20	-	20,129.87	59,470.04	(4,597.56)	(39,743.57)	-	1,997,272.64

Endowments Recap

- Funding Conclusions
 - Endowments
 - Tract Road Maintenance
 - \$ 1,225,000 > \$ 1,997,272
 - + \$ 772,272
 - DCNR – 89% F&G – 11%
 - Natural Areas Stewardship
 - \$ 1,000,000 > \$ 1,970,025
 - + \$ 970,025
 - DCNR – 70% F&G – 30%
 - Tract Monitoring
 - \$ 1,250,000 > \$ 2,078,787
 - + \$ 828,787
 - DCNR – 50% F&G – 50%

CLHCC – Finance Sub-Committee - Minutes

January 19, 2021

Phil began the meeting by summarizing discussion between DNCR/NHFG and the treasury department. Phil emailed a memo and historical endowment transaction report.

Key Points:

4% of the year ending balance in the account is appropriated for expenditure annually.

The expenditure account is then allocated by agreement between the agencies (70-30% stewardship, 50-50% monitoring, 89-11% roads)

The **annual rate of return for the past 9 years has been 9%.**

Funding not allocated to the expenditure account has accrued in the endowment balance.

The current rate of return is based on current investment book value.

New custodial agreement needs to be set up.

Discussion:

The endowments when established by the non-profit partners were not intended to be income generating, however, the investment strategy was left up to the State of NH. There is good track record of the revenue generated from the endowments.

A realistic road/stewardship budget (and implementation plan) for the next several years needs to be developed to determine the annual appropriated expenditure (**is it raised to 6-7% instead of 4%**) and if the funds that have accrued are appropriated to road maintenance (for specific projects or general maintenance).

Matt proposed a conservative option; if there is an excess of the 4%, then the agencies are allowed to take X% of excess to expend in budget.

The subcommittee agreed that these funds and the 4% allocated do not generate sufficient funds to meet the long-term needs of the property.

Need to review the landowner contribution and coordinate work with funds available.

Are there other funding sources? Trout Unlimited, grants? Northern Borders? How do we make CLH sustainable?

CLHCC – Finance Sub-Committee - Minutes

January 19, 2021

Fish and Game Management

Jill provided a handout on the management structure and funding for the CLNA and CLH properties. NHFG averages about \$36,000/year for road maintenance.

The endowment provides an unencumbered match to the programs that support the headwaters property.

**NH Fish and Game Response to Request for Information from
the Finance Subcommittee of the
CT Lakes Headwaters Citizens Advisory Committee**

January 15, 2021

Submitted by:

Jill Kilborn, Biologist II and CLNA Manager, NH Fish and Game Department

Jim Oehler, Habitat Program Supervisor, NH Fish and Game Department

Requested Items:

1. flow chart showing chain of command reference management of property -

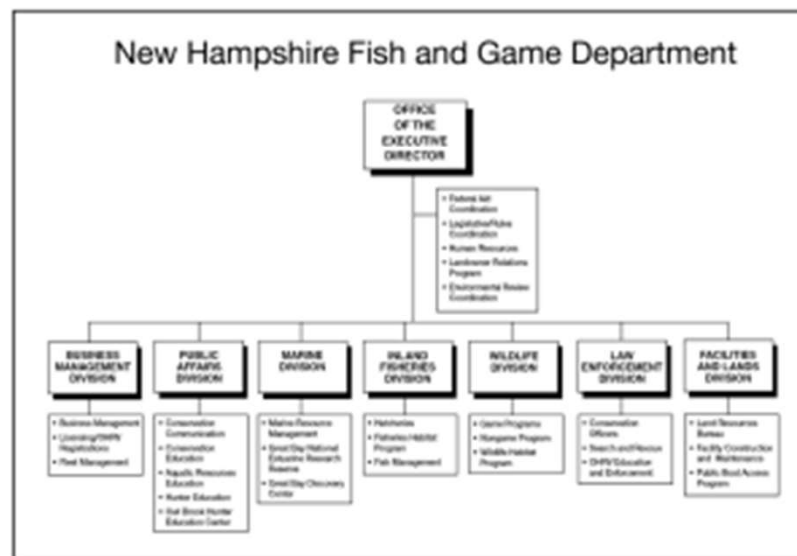


Figure 1. Personnel and chain of command flowchart for the NH Fish and Game Department.

CLNA Management Hierarchy

Wildlife Division

1. Executive Director: Scott Mason
2. Wildlife Division Chief: Mark Ellingwood
3. Habitat Program Supervisor: James Oehler
 - a. Wildlife Biologist (CLNA manager): Jill Kilborn
 - b. Wildlife Biologist (Technical Assistance Biologist): Jacob DeBow

Law Enforcement Division

1. Executive Director: Scott Mason
2. Law Enforcement Division Chief: Colonel Kevin Jordan
3. District Lt: Mark Ober Jr. CO 10
 - a. Local CO: Chris Egan CO 18

NHFG Staff Roles

Jill Kilborn, CLNA Manager within the Wildlife Division's Habitat Program, manages the 25,000-acre fee owned NHFG property under conservation easement held by The Nature Conservancy and collaborates on portions of easement monitoring.

Jake DeBow, Tech Assistance Biologist within the Wildlife Division's Habitat Program, is responsible for monitoring management for wildlife on the private portion of the Headwaters property (e.g. SMA management and timber harvesting monitoring).

The Law Enforcement Division is responsible for OHRV enforcement, baiting permits, fish and wildlife law enforcement, etc on both the CLNA and CT Lakes Timber Company property.

The Fish and Game Department also manages on behalf of the CT Timber Company landowner the following:

- Trapping on CLTC and CLNA (part of state lands lottery system);
- Baiting on CLTC property (not allowed on CLNA).

2. Underfunded without federal match. How much?



Figure 2. Graph depicting revenues for the entire Fish and Game Department for FY18. It illustrates how important federal revenues are to Department operations.

The management of the CLNA is funded through the Habitat Program budget within the Wildlife Division. The Habitat Program budget is funded largely by federal funds, followed by Wildlife Habitat Stamp money (\$2.50 checkoff on hunting licenses), and then CLNA endowment funds.

Projected Use of Endowment for FY22 and 23:

- o FY 22 - \$40,000 for the costs of road work including grading, resurfacing, ditching, and maintaining water bars on the CLNA road system.
- o FY 23 - \$80,000 largely to cover the cost of updating the forest resource inventory, regular road maintenance, maintenance of a wildlife opening on South Bay Bog area, conducting a stream crossing assessment of all bridges/culverts on the CLNA, and other activities. Costs not covered by the endowments will be covered by federal funds.

Another Example of How Endowment Funds Have Been Used:

- East Inlet road resurfacing project done in 2017 (FY18) - 9 miles of road
- o \$200,000.00 Total cost to resurface the road
 - o \$150,000.00 Federal funds
 - o \$ 50,000.00 Road Endowment funds

Table 1. Current status of endowment accounts.

	2002 original investment	origin	% DNCR/FG	11/2020 principal	Available balance 11/2020 (FY21)	NHFG FY21 funding	Total Available balance NHFG
Roads	\$ 1,250,000.00	TPL/SPNHFG	85/11	\$ 1,997,272.64	\$ 304,630.09	\$ 8,632.00	\$ 51,711.46
Stewardship	\$ 1,000,000.00	TNC/TPL	70/30	\$ 1,970,025.24	\$ 411,811.08	\$ 23,714.00	\$ 136,598.08
Monitoring	\$ 1,250,000.00	TPL	50/50	\$ 2,078,767.19	\$ 381,988.55	\$ 40,454.00	\$ 254,058.27
					\$ 1,098,429.72	\$ 72,800.00	\$ 422,367.81

Table 1. Annual personnel expense estimates for Fish and Game's involvement in managing the CT Lakes Timber Company Land and management of the CT Lakes Natural Area with projections for additional expenses over the next three years.

Current NHFG Annual Personnel and Projected Project Expense Estimates for CT Lakes Tract			
Labor Costs	Man Hours	Annual cost	Notes
CLNA manager	1170	\$37,908.00	60% of total time of Biologist position for the CLNA
Tech Assistance	330	\$30,692.00	
Administrative	150	\$5,532.00	
Law	1739	\$43,127.20	last estimate of total time spent on CLNAT provided in 2009
fisheries	37.5	\$1,268.25	
	wages total	\$98,527.45	
	benefits	\$7,448.68	
	Total Direct Costs	\$105,976.13	
	Indirect costs (17.22% wages&benefits)	\$18,249.09	
	TOTAL LABOR COST	\$124,225.21	
Management Costs		Annual cost	
Roads	average / yr last 10 yrs	\$36,000.00	average per year expenditure over the last 10 years
Noncommercial		\$2,000.00	
	ESTIMATED Management Cost	\$38,000.00	
Potential Expenses next 3 years			
Seasonal Laborer		\$ 12,600.00	NHFG would like to add either a seasonal or full time Bio position
Full time Bio1 Laborer		\$ 54,358.00	to help with implementing habitat management projects on the CLNA
Forest Resource Inventory		\$128,000.00	needed to ensure we are meeting the terms of our easement
Natural Community Inventory		\$ 25,000.00	
Wildlife/Habitat Monitoring		\$ 20,000.00	
winter road rehab		\$60,000.00	we have a back log of winter road maintenance
crossing inventory		\$30,000.00	collaborative project with fisheries; looking to evaluate all the crossings
	ESTIMATED Additional Costs	\$289,959.00	
	Next 3 Years		

- iii. the 2020/21 budget including showing where the funds come from, how much, and what for?

Table 3. Current 2-year budget for the CT Lakes Natural Area. Personnel time not accounted for.

	FY21	FY22
Habitat commercial		
paint		\$ 500.00
flagging		\$ 200.00
general supplies		\$ 100.00
Total		\$ 800.00
Habitat Noncommercial		
500i mowing		\$ 2,000.00
invasive treatment		\$ 100.00
Total	\$ -	\$ 2,100.00
Wildlife Monitoring		
Total	\$ -	\$ -
Vegetation Monitoring		
Property wide inventory		\$ 111,500.00
Prescription coupe inventory		
Natural Community Mapping		\$ 15,000.00
Total		\$ 126,500.00
General Infrastructure		
grading	\$ 9,585.00	
resurfacing	\$ 11,472.00	
general repair	\$ 4,945.00	\$ 10,000.00
ditch repair		\$ 10,000.00
waterbars		\$ 2,000.00
crossings		\$ 5,000.00
gates		
mowing	\$ 7,950.00	\$ 8,000.00
winter road maintenance		\$ 10,000.00
Total	\$ 33,952.00	\$ 45,000.00
Crossings		
culverts		\$ 10,000.00
bridge decking		
Total	\$ -	\$ 10,000.00
Boundary Lines		
Total Infrastructure	\$ 33,952.00	\$ 55,000.00
Total all projects	\$ 33,952.00	\$ 184,400.00

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	Next 3 Years		

NH Division of Forest and Lands – Easement Monitoring

1. Flow chart showing chain of command within the division relative to the CLH property.

- a. State Director – Patrick Hackley
 - i. Administrator, Forest Management – Will Guinn
 - ii. Northern Regional Forester – Margaret Machinist
Maggie is responsible for on-the-ground monitoring activities; and serves as the key POC for communicating with the landowner.
 - iii. Administrator, Planning & Community Forestry – Susan Francher
Susan also serves as the Forest Legacy Coordinator which gives her oversight responsibility to ensure that the CE is being monitored annually. Forest Legacy funding was spent to acquire the conservation easement from the landowner.

2. 2020/21 budget - showing where the funds come from, how much, and what for? Also a breakout of which agency/bureau expends the funds by what \$ amount(s).

- a. The Division receives \$21,000 annually from the CLH easement monitoring endowment fund to monitor compliance of the working forest easement on the 146,400 acre property.

- i. The fund pays for the regional forester’s time and mileage to monitor the CLH easement.

During 2020, north region DFL staff spent 52 hours of on-the-ground easement monitoring, which includes inspecting active harvests and overall property supervision. The foresters also check on the property while in the area looking at state land or other easements. Additionally, the north region staff spent over 15 hours participating in calls, meetings and writing reports.

Forests and Lands provides technical assistance to the NH Fish and Game Department on the CT Lakes Natural Area; assisting them in planning, layout, administration of a harvest, including overseeing the contract. An additional 90 hours was spent with Fish and Game.

During the course of the year, there are also additional hours spent on easement questions that arise which need interpretation.

- All leased camp proposals and modifications are reviewed and approved
- Staff reviews the forest management plan and the annual operation plan.
- Concord-based administrators are also involved in decision making as questions arise about easement interpretation during the course of the year.
- Staff time does not include the hours spent by DFL Forest Rangers who patrol the property in carrying out their timber harvesting and forest protection duties.
- In reviewing the past year's monitoring activities, it became clear that many hours attributed to CE monitoring are not well-accounted for. A greater effort to record time will occur in 2021.

CLHCC – Finance Sub-Committee - Minutes
January 19, 2021

DNCR Management

Two Divisions –

- 1. Parks and Recreation**
- 2. Forests and Lands**

Forests and Lands provided a handout

Parks and Recreation via Phil gave a verbal summary. Three way management; Trails Bureau, Parks Bureau and the Landowner o Trails Bureau – Chris Gamache was the primary contact for the road network. Two staff, maintain the roads (mowing/maintenance/contractor management), parking areas and public use facilities.

Parks Bureau – Sandy is the primary public use contact (also assists with road management), Johanna provides support in planning and public use management.

There is no property manager for the tract.

Discussion

Why is the trails bureau involved?

Are there other funding sources? Trout Unlimited, grants? Northern Boarders? How do we make CLH sustainable?

Next Steps

NH Division of Forest and Lands – Easement Monitoring

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Organizational Recap

- **Fish and Game**

- Well defined organization structure
- A very clear chain of command
- Funding will remain adequate if the federal dollars continue to flow
- Tracts cost of doing business including employee time
- Team approach to managing
- Staff roles are well defined
- Excellent job of tracking costs including all staff time
- Plans the work and then works the plan

Organizational Recap

- Department of Natural and Cultural Affairs
 - **Forest and Lands**
 - Well defined organization structure – only three (3) staff members involved
 - A clear chain of command
 - Staff roles seem well defined
 - Receives \$ 21,000 from the Tract Monitoring Endowment
 - Not capturing all costs so unknown whether the endowment is covering all
 - Recognizes the need to come up with a better system for capturing costs including all staff time and all expenses.

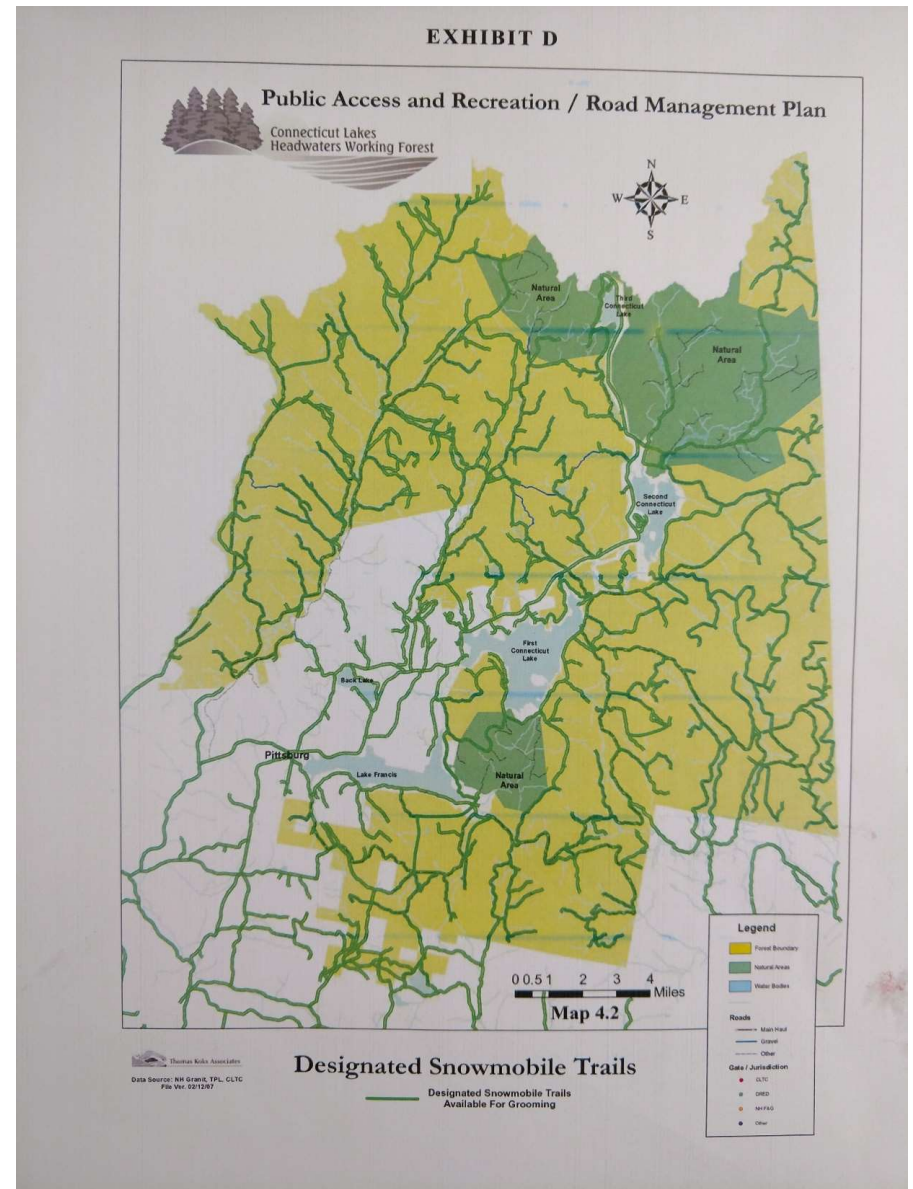
Organizational Thoughts

- **Department of Natural and Cultural Affairs**
 - **Parks and Recreation**
 - **Trails Bureau**
 - Trails Bureau Chief is primary manager/contact reference roads
 - **Parks Bureau**
 - Sandy is the primary public use contact (also assists with road management), Johanna provides support in planning and public use management.
 - There is no property manager for the tract.
 - Trails Bureau Chief is primary manager/contact reference roads
 - Sandy is the primary public use contact (also assists with road management), Johanna provides support in planning and public use management.
 - There is no property manager for the tract.
 - **Landowner**
 - Per the agreement provided DNCR their logging operational plan in April/May for the following winter harvest so DNCR can commence reading any roads that need work for their access.
 - Did not provide accounting on how the Department operates reference CLH except for income from the endowments – no expenses

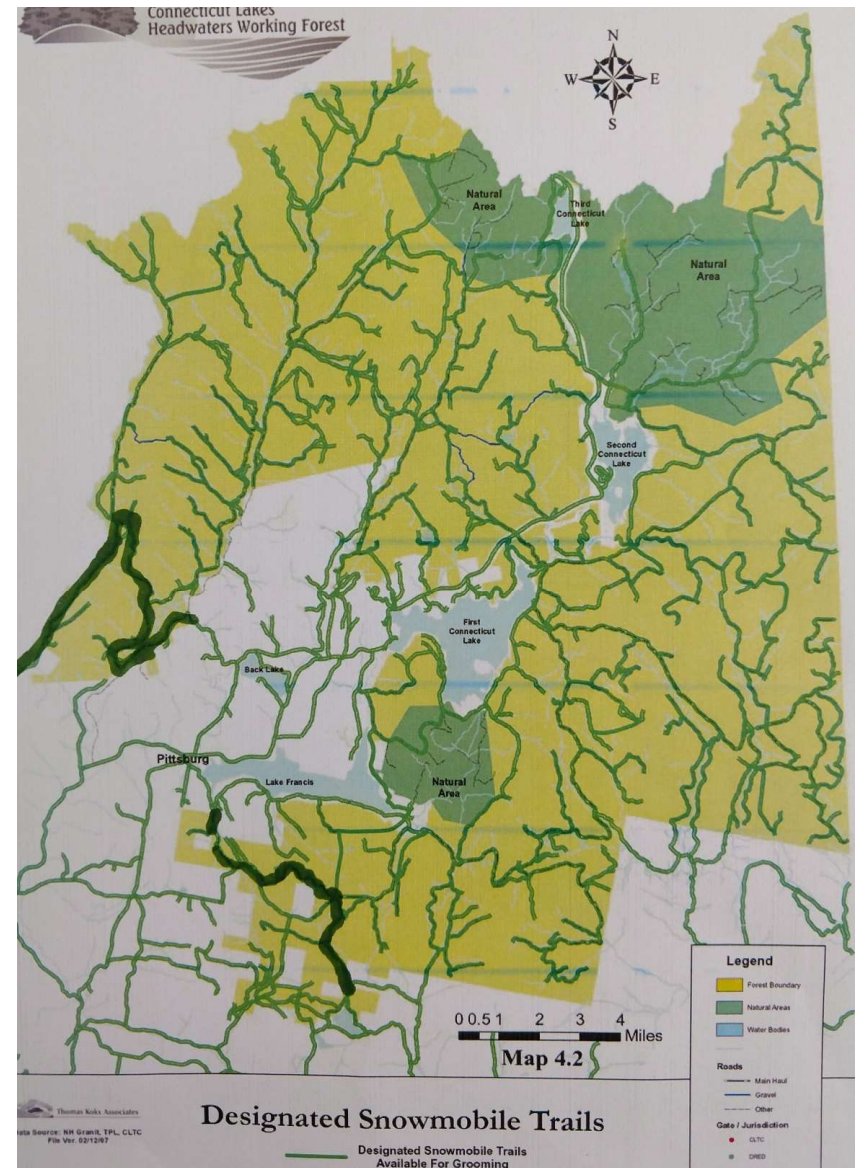
Funding Thoughts

1. Increase the % of earnings from the three (3) endowments.
2. Apply and utilize Recreational Trail Funds (RTP).
3. Trails Bureau Grants in Aid:
 - I. Pittsburg Ridge Runners apply for maintenance snowmobile grant(s)
 - II. Great North Woods ATV Club apply for maintenance grant(s)
4. Are there other opportunities to raise addition funds?
 - I. User fees
 - II. Grants:
 - i. Tillotson
 - ii. Northern Borders Foundation
 - iii. Others
 - III. General Fund

Approximately 250 miles of Snowmobile Trails in the Connecticut Lakes Headwaters



Approximately 18 miles of OHRV trails in the Connecticut Lakes Headwaters



Thoughts on Trails Bureau Involvement

Times change - Why is the Trails Bureau involved at all.

The Trails Bureau is funded almost exclusively by registration fees from OHRV's (snowmobiles and ATV's).

On the CTLP there are ±18 miles of ATV road/trail usage and ±250 miles of snowmobile road/trail usage.

It would make sense that the Pittsburg Ridge Runners would apply for the RTP/GIA funds needed for repairing any damage done by the snowmobiles on snow (maybe an occasional culvert or washout caused by the snowmobile usage).

Likewise the Great North Woods ATV Club would would apply for the RTP/GIA funds needed for repairing/maintaining the ±18 miles of ATV road/trail exclusively, probably close to 100%.

This would bring the Trails Bureau in line with what happens at Jericho State Park – the White Mountain Ridge Runners and the Androscoggin ATV Club apply and obtain the grants – then the trails Bureau administers them.

Trails Bureau has employee(s) at the CTLH – why?

Misuse appropriation of funds.

Where do we go from here? A couple ideas.

- Figure out sustainable funding for the long haul. We should not be sucking off a self sustaining Department – that is just robbing Peter to pay Paul. Whatever group the funding is being taken from is getting the short end of the stick. We need to honor the RSA's and the Rules that govern this Department.
- Create an upfront budget that truly meets the total needs – both operational and capital. Stop burying the costs all over the place – we really need to know what managing this costs now and what it should cost.
- Create and fund a management structure that is exclusive to the property.

Questions or Comments