

**Agency of Natural Resources**  
**LANDS AND FACILITIES TRUST FUND**

*Annual Report*  
January, 2012

Trust Fund Balance as of 06/30/11: **\$4,463,047**

### Executive Summary

The enabling legislation for the Lands and Facilities Trust Fund (Act 61, Sec. 53 of the 2001/2002 legislative session) requires submittal of an annual report on the trust fund balances and expenditures to the Legislature. This 2011 Annual Report on the Lands and Facilities Trust Fund represents the eleventh such report. This report documents the balance in the fund at the end of state fiscal year 2011 (June 30, 2011) as well as revenue sources deposited and funds spent during FY'11.

Readers are referred to previous annual reports which are posted on the Department of Forests, Parks and Recreation's website ( [www.vtfpr.org/lands/lftf.cfm](http://www.vtfpr.org/lands/lftf.cfm) ).

Balance at end of FY' 10	\$4,054,807
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Income during FY' 11:

Timber Sale Receipts on State Forests	595,250	
Permit Fees on State Forests	10,804	
Donations	500	
Sales of Service	131	
Earnings	419,333	
	419,333	

1,026,018

Project funds dispensed in FY' 11:

State Lands Survey	34,419	
State Lands Management – Forestry	533,138	
Coolidge State Park Nature Center	1,394	
Okemo Mt. Fire Tower	45,967	
Bomoseen State Park Access Improvements	2,383	
State Lands Maintenance – Districts 1 thru 4	450	
Coded to LFTF in error – Adjusted in FY'12	28	
	450	

(617,778)

Balance at end of FY' 11	\$4,463,047
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## Background

In response to an urgent and growing need to provide responsible stewardship of state lands and facilities held by the Agency of Natural Resources, the Legislature created the *Lands and Facilities Trust Fund* in 2001. This legislation established an income-producing fund in the State Treasury, managed by the State Treasurer, for funding activities that further the management of Agency lands, facilities, and recreational assets and which are not covered in operating budgets. Eligible activities include repair and maintenance at state parks; contract surveys and mapping; maintenance of state land boundaries, roads, trails and facilities; property survey and boundary investigations; contract inventories of state land natural resources; repair, replacement and maintenance of conservation camps; monitoring and stewardship of conservation easements; timber management activities conducted in accord with USDA silvicultural guidelines; and other vegetation management activities such as crop tree release, prescribed burns, invasive species control, brush hogging wildlife openings. Land acquisition is *not* an eligible activity.

As established, the Trust Fund is set up to accept funding from a variety of public and private sources including donations, grants, special use permit fees, federal funds so designated for uses compatible with the intent of the fund, timber sale receipts from state forest land, and such sums as may be appropriated by the Legislature. Annual expenditures from the trust fund are limited to projects that are approved by the Commissioner of the Department of Forests, Parks and Recreation, subject to the approval of the department's budget by the Legislature.

The Agency's long term goal is to build the Trust Fund to a sufficient level so that it provides a meaningful and sustainable source of income for priority stewardship activities for Agency lands and facilities. While it may take decades for the Trust Fund to become fully capitalized, the fund is growing each year. At the end of FY'11 (June 30, 2011), the balance in the Lands and Facilities Trust Fund grew to \$4,463,047. This represents an increase of \$408,240 over the balance at the end of FY'10 (\$4,054,807).

Over the last couple of years and continuing in FY'12, state revenues declined significantly resulting in a substantial budget shortfall. This situation has impacted how the Agency allocates Trust Fund monies to eligible stewardship activities. With the reduction in general fund monies to the Agency, an increasing percentage of trust fund monies are now being used to fund priority stewardship activities that are conducted directly by Department of Forests, Parks and Recreation state lands staff. This funding enabled Forestry Division staff to continue to work on priority state lands management activities and stewardship projects.

It must be noted and stressed that initiating use of the LFTF to cover some FPR personnel costs was an emergency response to serious budget limitations. And, while it allowed the Department to maintain function without further staff reductions, there were and there continue to be legitimate and serious questions about the long-term sustainability of such use. The major revenue source for the LFTF comes from timber sales on state lands. Such revenues are affected by fluctuating timber markets, operating limitations due to weather, and the particular constraints of each purchasing logging contractor. There is little predictability on revenues from one year to the next. A reliance on income from timber sales also places significant limitations on our forestry staff capacity to meet several other important state lands stewardship responsibilities. Long-range management planning, recreational trail development, and state forest road maintenance are just several examples of other activities which cannot receive the full attention they deserve when forestry staff must be so focused on preparation and administration of timber sales on state lands. There certainly is value in recognizing the economic contributions from state lands

timber management, but other public uses of state land are still valuable and generate important, if less direct, economic benefits. As we move forward in future years, we need to consider how best to balance our reliance on revenue generation from timber with the full suite of resource values and needs from state lands.

## Fund Expenditures

The Agency spent \$617,778 in trust fund monies in FY'11. All FY'11 Trust Fund expenditures are summarized below:

### State Lands Management (Forestry) - \$533,138

Staff from the Division of Forests has the primary responsibilities for the on-the-ground management activities on all Agency lands. These stewardship responsibilities range from the development of long-range management plans to the implementation of vegetative management activities. All proposed projects are detailed in annual district stewardship plans that go through inter-disciplinary agency review.

There were three main focus areas during FY'11: continued development of long-range management plans for state lands; the planning for, marking, selling and administration of timber sales; and state forest highway and recreational trail damage surveys and repair projects.

**Long-range management plans** are the backbone of all our work on Agency lands. Plans provide assessments on everything from natural communities, to recreational resources, to special treatment areas and restrictions, to timber and wildlife resource values. In addition to the assessment function, long-range management plans detail the implementation strategies to be carried out short term and long term on the property. During FY '11, the following planning work was accomplished on ANR lands:

- **Sentinel Rock State Park** - Final plan completed and adopted.
- **Border Management Unit** (includes Black Turn Brook State Forest, Bill Sladyk Wildlife Management Area, and Averill Wildlife Management Area) – Work on draft plan.
- **Brattleboro Management Unit** (Molly Stark, Ft. Dummer, Sweet Pond, and Dutton Pines State Parks) - Final draft plan completed for agency review.
- **Camel's Hump Management Unit** (includes Camel's Hump State Park, Howe Block of Camel's Hump State Forest, Robbins Mt. Wildlife Management Area, and Huntington Gap Wildlife Management Area) - Public involvement meetings held, inventory and resource assessment work.
- **Okemo State Forest** - FOREX forest inventory completed, historic assessment completed.
- **Ascutney Management Unit** (includes Mt. Ascutney State Park, Little Ascutney Wildlife Management Area, Wilgus State Park, North Springfield State Park, Skitchewaig Wildlife Management Area) - Public involvement meeting held; work on resource assessments.
- **Big Jay/Black Falls Block of Jay State Forest** – Staff review and GIS mapping assistance on preliminary draft plan previously prepared by the Green Mountain Club.
- **Worcester Management Unit** (includes CC Putnam State Forest, Elmore State Park, Worcester Woods Wildlife Management Area, and Middlesex Notch Wildlife Management Area) –Work on resource assessments.
- **Aitken State Forest** - Historic assessment, natural community inventory/assessment completed. Work on wildlife assessment.

- **Townshend State Forest** – Draft amendment to existing plan was developed to incorporate new acquisitions.

**Timber sale administration** not only is a large part of the workload for division staff, it also brings in the bulk of revenues in the Lands and Facilities Trust Fund. In fact, timber sale revenues during FY'11 exceeded the funds coming back to the division. A total of ten sales were offered for bid this past year:

- **Downer SF** (Headquarters Block) - 20 acres, 136 mbf
- **Coolidge SF** (Sargent Lot) - 58 acres 170 mbf, 737 cords
- **Rupert SF**- 80 acres, 234 mbf, 304 cords
- **Coolidge SF** (Curtis Hollow Block) - 107 acres, 312 mbf, 586 cords
- **Mt Mansfield SF** (Ricker Block) - 90 acres, 122 mbf, 815 cords
- **Coolidge SF** - 15 acres, 70 mbf, 50 cords
- **Groton SF**- 115 acres, 50 mbf, 772 cords
- **Mt Mansfield SF** (Cotton Brook Block) - 132 acres, 154 mbf, 1332 cords
- **Emerald Lake SP**- 77 acres, 179 mbf, 297 cords
- **Groton SF** (Peacham Pond) - 80 acres, 140 mbf, 262 cords

In addition to the ten sales that were marked, offered for competitive bid and sold to contractors, there were an additional ten sales that had been previously sold and were active during the reporting period. Sale administration is a critical element to the timber management program, ensuring that contract stipulations and silvicultural objectives are being met. A total of 244 cords of firewood were made available through the division's roadside firewood lottery program. Public interest in this program has required the division to institute a lottery system to equitably distribute available lots. Finally, 85 cords of tree length firewood included in two of the ten timber sales offered this year for the Wood Warms program. Of this, 50 cords from one of the Mt Mansfield State Forest sales went to United Way of Lamoille County, while 35 cords from Coolidge State Forest went to the South East Vermont Correctional Facility, both for distribution to low income Vermonters.

**Forest road and trail maintenance** activities were challenged by the Spring 2011 flooding. FEMA declarations made it possible for the division to receive federal reimbursements for over \$100,000. Division staff spent considerable time evaluating and documenting damage to forest roads and hiking trails. Problems were discovered throughout the state, but key areas included Groton SF, Camels Hump SP, and Coolidge SF. A complicating factor has developed in FY '12 in that many of these same areas were impacted by Tropical Storm Irene.

Trail maintenance activities continued to be a priority in FY'11. While much of the work was actually done by VYCC and State Trails crews, Forestry Division staff oversaw most of the projects. Maintenance activities were undertaken on several trails including those at Mt. Ascutney SP, Townshend SP (Bald Mountain trail), extensive work on all of the heavily used trails at Camels Hump SP, the Frost, Maple, and Sterling Trails at Mt. Mansfield SF and the Long Trail relocation and kiosks at Bingham Falls in Stowe. Considerable work was accomplished on mountain bike trails at the Perry Hill Block of CC Putnam. Finally, trail repair took place on Mt. Pisgah overlooking Lake Willoughby.

Overall stewardship of Agency lands is a challenge as staffing has not kept up with acquisition. Since the establishment of the Lands and Facilities Trust Fund in 2001, ANR has acquired nearly 40,000 acres of

new lands or conservation easements. Projects over and above those listed above, ranging from boundary line maintenance, to mowing trail-head parking lots, to cleaning culverts, to administration of special use permits take time and resources. Agency land also has an important role to play as demonstration areas. Several initiatives will be pursued in 2012.

**State Lands Survey - \$34,419**

State lands survey staff responded to several alleged encroachments or boundary disputes and conducted surveys or related investigations at Alburgh Dunes State Park in Alburgh, Willoughby State Forest in Sutton, and Groton State Forest in Marshfield. Survey staff also provided assistance on other projects including finalizing the deeds for a land exchange with Jay Peak Ski Resort, developing a draft ROW deed to the Town of Groton regarding property at the intersection of Boulder Beach Rd. and Rt. 232 at Groton State Forest, development of legal description and draft deed for the transfer of Maidstone Road to the Town of Maidstone, review and resolution of a boundary issue with an adjacent landowner at Steam Mill Brook WMA in Walden, and miscellaneous mapping and other small projects involving ANR lands.

**Coolidge State Park Nature Center - \$1,394**

The new Nature Center building at Coolidge State Park was constructed by an AmeriCorps youth crew in 2010 and measures 12 feet by 16 feet. The Department finished the interior and developed various exhibits for this attractive log structure in FY' 11. The project is now complete. The new Nature Center receives considerable use and is quite popular with state park users.

**Okemo Mt. Fire Tower - \$45,967**

In FY' 10 and continuing through FY' 11, work began in earnest on a major rehabilitation to the historic fire tower on the summit of Okemo Mt. During FY' 11, the steel components of the tower's stairway and railing were cleaned and painted, unsafe steps were replaced and landing floors were reinforced with pressure treated lumber, new vinyl clad chain link fencing was installed along the stairs and around the landings, holes in the tower cabin were patched as needed, and new ground wires were installed. These improvements significantly enhanced visitor safety at the fire tower. We are hopeful that we will be able to repair or replace the roof of this structure this coming summer so that this project can be completed.

**Bomoseen State Park Access Improvements - \$2,383** The project includes improvements to state park access roads in the vicinity of Glen Lake within Bomoseen State Park. The goal of the project is to improve both the appearance and function of these areas to facilitate public access to and use of state land in concert with the stated management goal of "quiet recreation" for this block of Bomoseen State Park. During FY' 11, trust fund monies were used to repair road surfaces, expand and improve opportunities for parking, and enhance visitor informational signing in this area. A small amount of additional roadway and parking improvements are planned for the summer of 2012.

**State Lands Maintenance (Districts 1 thru 4) - \$450**

This project includes on-going maintenance activities on Agency lands in districts 1 through 4. Projects included control of invasive exotics, state park tree maintenance and other on-going activities.