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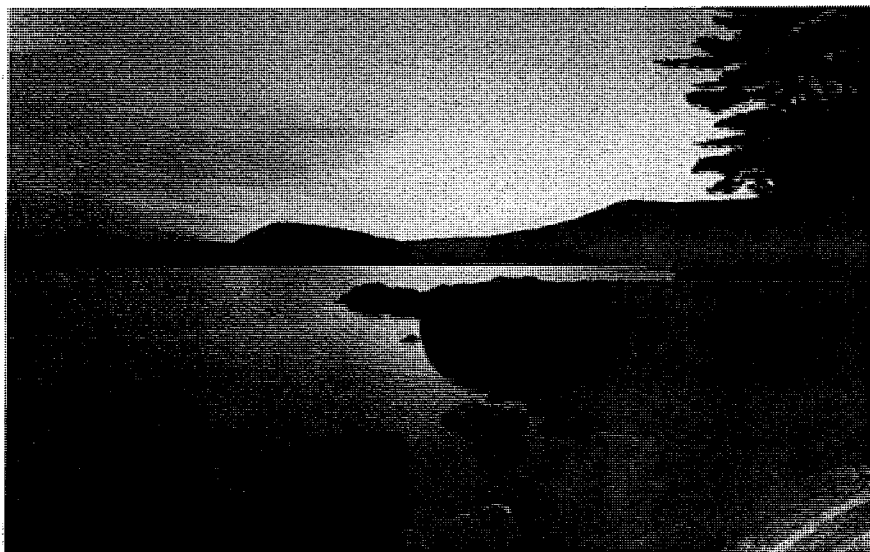
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# 2002 ANNUAL REPORT

On Maine's Public Reserved and Non-reserved Lands,  
Submerged Lands, and Coastal Islands

*To the Joint Standing Committee  
On  
Agriculture, Conservation, and Forestry*



*Campsite on Tunk Lake, Donnell Pond Unit*

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**Submitted By:**

**MAINE DEPARTMENT OF CONSERVATION  
Bureau of Parks and Lands**



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## I. EXECUTIVE SUMMARY

The Bureau of Parks and Lands is responsible for the management and administration of Maine's Public Reserved and Non-reserved Lands, Submerged Lands, Coastal Islands, and other lands as provided by law. The Bureau is statutorily mandated to manage the Public Reserved and Non-reserved Lands in a manner consistent with the principles of multiple land use to produce a sustained yield of products and services in accordance with both prudent and fair business practices and the principle of sound planning (Title 12 M.R.S.A., § 1833 and 1847).

The "Lands" division of the Bureau is a dedicated revenue component of the agency funding all of its administrative, planning, management, and operational activities for these lands from revenue generated from the land base. Ten year, multiple-use plans for the major properties guide the Bureau's management activities. These plans are prepared with the assistance of a Public Advisory Committee and discussed in a public meeting before adoption by the Commissioner. Benefits from the wise management of these lands include:

- **Protection of unique natural and cultural resources**
- **Enhancement of wildlife habitat**
- **Access to recreational opportunities**
- **Production of forest products**

The Bureau also has responsibility for protecting public trust rights to Submerged Lands, and, when granting leases for the use of Submerged Lands, includes conditions to maintain customary and traditional public access, navigation, and commercial marine uses.

## II. HIGHLIGHTS OF SIGNIFICANT ACCOMPLISHMENTS AND CONCERNS IN 2002

- **Submerged Lands** - Completed development of a Shore and Harbor Grant program to assist municipalities in the preparation of harbor and waterfront management plans and ordinances, and public access facilities.
- **Forest Certification** - Awarded certification under both the Sustainable Forestry Initiative and the Forest Stewardship Council audit programs
- **Timber Management Program** - The amount of staff time dedicated to forest certification and to non-timber issues, combined with the extended period of depressed market prices for timber products, has resulted in the Bureau's management account balance being reduced to its lowest level in many years
- **Recreation** - Significant progress made towards the development of a recreation management plan for the state-owned coastal islands
- **Wildlife** - The long-term habitat management agreement between the Department of Inland Fisheries and Wildlife and the Bureau of Parks and Lands was finalized
- **Planning** - A process, timeline, and budget were developed towards the completion and revision of all management plans
- **Acquisitions** - Completed initial phase of the West Branch project

## III. PREFACE

Title 12, M.R.S.A., § 1839 requires the Bureau of Parks and Lands to prepare a yearly report of its Reserved, Non-reserved, and Submerged Lands. This report is submitted on or before March 1st

of each year to the Joint Standing Committee on Agriculture, Forestry, and Conservation. The first section of this Report provides a summary of the Bureau's management activities during the 2002 calendar year in the following program areas:

- Land Management Planning
- Wildlife
- Recreation
- Timber Management
- Transportation
- Land Transactions
- Submerged Lands
- Public Access
- Shore and Harbor Management Fund
- Coastal Island Program
- Income and Expenditures Accounting
- Administration

As required, information on gates and barriers preventing public vehicle access to Public Reserved and Non-reserved Lands is included; as well as campsite or recreation facility fees charged for the use of these lands. The report also contains information on income and expenditures for calendar year 2002.

Lastly, a Financial Report for FY 2004 is included as part of this document. The ACF Committee, in turn, has the obligation to report by March 15th to the Appropriations Committee on the Bureau's budget.

#### IV. INTRODUCTION

The Bureau of Parks and Lands is an agency within the Department of Conservation. In addition to its responsibilities for the management of State Parks, Historic Sites, Allagash Wilderness Waterway, Penobscot River Corridor, Boating Facilities, Snowmobile and ATV programs, the Bureau has responsibility for the management of approximately 523,064 acres of Public Reserved Lands, 3,575 acres of Non-reserved Lands, 41,160 acres of

conservation easements, 2,300,000 acres of the State's marine and freshwater Submerged Lands, and approximately 1,325 public coastal islands. The Bureau staff involved with the management of Reserved and Non-reserved Lands includes specialists in planning, forest transportation, wildlife, outdoor recreation, and field forestry; all of whom collaborate to ensure an integrated and balanced approach to the management of resources on these lands to benefit Maine citizens.

Since the creation of the Bureau of Public Lands in 1973, many of the remaining small, scattered, original public lots have been traded with other landowners to consolidate the State's holdings into larger, more efficient management units with higher public use values. Other lands, such as coastal islands, surplus institutional lands, and land acquired by the Land for Maine's Future Program have been assigned to the Bureau for management. The Bureau is statutorily mandated to manage these Reserved and Non-reserved Lands "under the principles of multiple use to produce a sustained yield of products and services by the use of prudent business practices and the principles of sound planning" (12 M.R.S.A., § 1833, 1847).

Submerged Lands beneath coastal waters to the 3-mile limit and natural Great Ponds are managed by the Bureau under the Public Trust Doctrine to protect the public trust rights to fishing, waterfowl hunting, navigation, and recreation. In addition, the Bureau maintains the Coastal Island Registry, which catalogs the ownership of all coastal islands.

#### V. LAND MANAGEMENT PLANNING

The Bureau manages 29 "Consolidated Units" and 136 non-consolidated parcels referred to as "scattered lots." Of the 29 consolidated units, 22 have adopted plans, and plans for

the other 7 units, as well as the scattered lots, will be developed. (See Table 1, page 3, and map showing location of the consolidated units, back page).

### RESOURCE ALLOCATION SYSTEM

The Bureau's *Integrated Resource Policy* adopted in 1985 and revised in 2000 guides resource management decisions and governs management planning for all Public Reserved and Non-reserved lands. The planning process allocates areas for specific uses including:

- **Special Protection**
- **Wildlife**
- **Recreation**
- **Timber**

Because of the nature of multiple-use management, these areas often overlap, creating zones where management is designed to accommodate a variety of uses. The relative impact of one use upon another is carefully weighed to establish a hierarchy of resource management that protects the most sensitive resources and uses, while allowing other management activities to continue. For example, planned timber harvests in deeryards can provide a sustained yield of forest products and deer browse, while maintaining the winter shelter value of these areas.

### DEVELOPMENT OF UNIT MANAGEMENT PLANS

The unit management planning process involves the public in two ways. For each unit, a Public Advisory Committee of 15-30 individuals is established, representing local, regional, and statewide interests. The committee meets during the course of plan development to serve as a forum for discussion of management issues and ideas; to provide local and regional knowledge, and a statewide perspective to the planning process; and to review draft plans. When the Bureau and advisory committee have discussed all the issues and a draft plan has been developed, it is presented at a public meeting where all

interested parties are invited to comment. After consideration of these comments, the Bureau develops a final plan, which is then adopted by the Commissioner of the Department of Conservation.

The Bureau was directed by the Legislature to complete management plans on all of its units by the end of 1989. This legislative requirement was enacted in 1987, and applied to parcels owned at that time, with management plans completed for those units supporting significant public use. Due to forest certification activities, new or revised management plans were not developed in 2002. However, significant progress was made in developing a process and budget for the completion of all plans, in response to a five-year, forest certification requirement. In addition, preplan steps were taken towards the revision of the **Donnell Pond** Unit management plan.

**Table 1. Management Plans**

1	Bald Mountain	To Do
2	Bigelow	Adopted Aug. 1989
3	Chain of Ponds	To Do
4	Chamberlain Lake	To Do
5	Cutler Coast	Adopted Nov. 1993
6	Dead River/Spring Lake	To Do
7	Deboullie	Adopted Jan. 1987
8	Dodge Point	Adopted Nov. 1991
9	Donnell Pond *	Adopted Jan. 1992
10	Duck Lake	Adopted Feb. 1989
11	Eagle Lake	Adopted Mar. 1990
12	Four Ponds	Adopted Oct. 1989
13	Gero Island	To Do
14	Great Heath	Adopted Aug. 1984
15	Holeb	Adopted Dec. 1989
16	Little Moose (formally Little Squaw)	Adopted Oct. 1988

17	Mahoosuc	Adopted Feb. 1988
18	Moosehead	Adopted July 1997
19	Nahmakanta	Adopted Nov. 1995
20	Pineland	Adopted Sept. 1988
21	Richardson	Adopted Mar. 1990
22	Rocky Lake	Adopted Dec. 1989
23	Round Pond	Adopted Dec. 1992
24	Salmon Brook Lake Bog	To Do
25	Scraggly Lake	Adopted Oct. 1988
26	Seboeis	Adopted Feb. 1990
27	Squapan	Adopted Mar. 1990
28	Telos	Adopted Feb. 1990
29	Wassataquoik	To Do

\* To include the LMFB acquisition of Spring River Lake

#### NATURAL RESOURCE INVENTORIES

As part of its management planning process, the Bureau contracts with ecologists to conduct natural resource inventories. These inventories identify rare animals and plants, significant natural communities, and other natural features to be considered for "Special Protection" status within management plans. "Special Protection" areas are set aside by the Bureau to avoid detrimental impacts that might occur from active land management practices. Although no forest management occurs in "Special Protection" areas, dispersed recreation is often a compatible use.

In 2002, the Bureau developed a contract with the Maine Natural Areas Program to assist the Bureau in updating natural resource inventories across the state. An update of the **Donnell Pond Unit** inventory will be underway in the spring of 2003.

#### ECOLOGICAL RESERVES

In 2000, the 119th legislature authorized the Director of the Bureau of Parks and Lands to designate ecological reserves from among areas of its ownership identified in a 1998 report ("An Ecological Reserves System Inventory," J. McMahon, July 1998). The purpose of ecological reserves is to represent native ecosystem types in a protected system. In turn, these areas serve as benchmarks to measure changes in both managed and unmanaged ecosystems, provide habitat unlikely to occur on managed lands, and serve as sites for scientific research, monitoring, and education. In 2001, 13 reserves were designated, totaling 68,994 acres. In 2002, the Ecological Reserves Monitoring Committee carried out extensive fieldwork on Ecological Reserves at **Spring River Lake** and **Donnell Pond**, **Salmon Brook Lake Bog**, and the **Bigelow Preserve**. The data collection from these field visits will be utilized to implement a monitoring protocol for plants and animals. This project received funding through a grant from the Maine Outdoor Heritage Fund, which has also agreed to fund 2003 fieldwork on Ecological Reserves at **Nahmakanta**, **Cutler**, and **Wassataquoik**.

#### VI. WILDLIFE

A key component of the Bureau's integrated resource management program is coordinating land management activities with fisheries and wildlife habitat enhancement. Since 1984 a wildlife biologist from the Maine Department of Inland Fisheries and Wildlife has been assigned to the Bureau through a cooperative agreement between the two agencies. The primary responsibility of the position has been to develop and implement a habitat management program for Bureau managed lands. During 2002, the following projects were undertaken:

1) Reviewed 9 integrated resource timber management prescriptions covering 5,775 acres to ensure that habitat guidelines were incorporated into land management activities. Many of these prescriptions involved significant amounts of riparian zone and deer wintering areas.

2) The Bureau entered into a long-term cooperative habitat management agreement with Inland Fisheries and Wildlife that covers all the lands which the Bureau manages. Patterned after similar agreements with other landowners, this agreement sets the standards for developing specific plans for management of large blocks of softwood for deer and other wildlife. Development of a specific habitat management plan for approximately 10,000 acres on the Round Pond Unit was begun.

3) Planted 30 American chestnut Trees (donated by the Maine Chapter of the American Chestnut Foundation) in 5 locations throughout the state. Seedlings were protected with collars and fencing.

4) Maintained 84 waterfowl nesting boxes, with no new boxes installed.

5) Seeded 43.25 acres of disturbed soil for wildlife forage and erosion control.

6) Continued planning and administration for fish, wildlife, and biodiversity issues concerning the third party audit under both the SFI and FSC to maintain the Bureau's certification status. The position co-chaired a bird session at the Northeast Fish and Wildlife Conference in Portland, Maine in April.

7) Management planning for the Bureau's large lands units was restarted after a two year hiatus with field trips and information gathering for the **Donnell Pond/Spring River Lake Unit** in Hancock County.

8) The Department of Inland Fisheries and Wildlife assisted the bureau by mowing 1-acre of orchard at the **Hebron** public lot.

9) No deer wintering area aerial surveys were conducted due to the lack of restrictive conditions in the target areas.

10) The seasonal wildlife field assistant conducted waterfowl brood counts, high elevation bird surveys and loon nest location/monitoring work. Habitat enhancement work was conducted at 5 public lots.

11) Maintained approximately 11 acres of fields at **Chain of Ponds, Richardson Lake**, and the **Bigelow Preserve** for open habitat.

## VII. RECREATION

In response to public demand, and in accordance with management plan commitments, the Bureau continues to develop new recreation opportunities on its lands. The Bureau's Lands Division is responsible for 204 campsites, 187 miles of hiking trails, 35 trailored and hand-carry boat launching areas and 131 miles of public access roads. In 2002, projects completed or worked on were:

1) **Grafton Loop Trail.** The Bureau continued to be an active member of a coalition of nonprofit organizations and private landowners developing a 35-mile hiking trail in the Mahoosuc Mountains. The trail will branch off from the Appalachian Trail on the **Mahoosuc Unit** and continue east over private land to Puzzle Mountain, where it will then return to the Appalachian Trail. The eastern segment (approximately 17 miles) was completed this year and will be officially opened on June 7, 2003 National Trails Day.

2) **Little Moose Unit.** Extensive rehabilitation of trail steps was continued on



the Big Moose Mountain (formally Big Squaw Mountain) hiking trail.

3) **Coastal Islands.** The Bureau is working with the Maine Island Trail Association to prepare a recreation management plan for the state owned islands on the Maine Island Trail. The islands have seen steady increases in visitation over the past decade, from campers and day users traveling by small boat along the coast. The work is funded through a grant from the Maine Outdoor Heritage Fund.

4) **Fire Towers.** Fire towers on Deboullie, Allagash, and Round Pond Mountains were evaluated for future recreational use.

#### PUBLIC INFORMATION

The Bureau continued to print and distribute pocket-sized brochures describing the location of hiking trails, campsites, and other recreation opportunities for the management units listed in the table below. New brochures were developed and printed for the **Pineland, Duck Lake, Scraggly Lake, and Squapan Units**. Also, "Your Islands and Parks on the Coast" was published to help visitors plan safe and enjoyable trips to the coastal islands. The **Cutler** brochure was also revised and reprinted. Work continues on revisions to the **Bigelow Preserve** brochure and developing a new brochure for the **Nahmakanta Unit**. Other public information efforts in 2002 include outreach programs in the schools and informative signs posted on the units.

**Table 2. Completed Brochures**

Bigelow Preserve
Cutler Coast
Deboullie
Dodge Point
Donnell Pond
Duck Lake
Holeb
Little Moose
Mahoosuc
Pineland

Richardson/Bald Mountain
Rocky Lake
Scraggly Lake
Seboeis
Squapan
"Your Islands and Parks on the Coast"

#### STAFFING

A full-time Recreation Specialist and six seasonal rangers are involved in recreation management activities. The seasonal rangers, located in the Northern, Western, and Eastern Regions of the Bureau's Lands Division are responsible for recreation facilities maintenance and construction, and ensuring that visitors observe Bureau rules and outdoor etiquette. In addition, the Regional Managers and staff spend time on recreation management issues. The full-time **Bigelow Preserve** Manager spends most of the summer managing recreational use for the area. Full-time Bureau staff also performs recreation facility construction and maintenance with the assistance of volunteers. The expanding land base and increasing visitor use have required the Bureau to commit more resources to this effort.

Much of the recreation facility development continues to be accomplished on Reserved and Non-reserved Lands with labor supplied by the Maine Conservation Corps (MCC). This program utilizes federal moneys in conjunction with Bureau allocations to fund corps members' salaries and project expenses. This has been an efficient and cost effective means for developing recreational opportunities and performing other work on Bureau managed lands. In 2002, one college corps team worked 2,400 hours, accomplishing trail development on the **Little Moose Unit**. The Bureau's Recreation Specialist, in coordination with regional staff, designed and located the trails and related camping facilities, and scheduled the work for the MCC crews.

## FEES

Fees are not charged on most Public Reserved and Non-reserved Lands managed by the Bureau; however, in four situations fees are charged because these lands are near or within private recreation management systems where similar management objectives are shared. Each situation is discussed below:

1) Approximately 88,500 acres of Public Reserved Lands managed by the Bureau are within the nearly three million-acre North Maine Woods (NMW) system. To access these lands the public must pass through checkpoints, where they are charged day use and camping fees at the NMW rates, and travel over roads on private land within the NMW system. In 2002, Maine resident camping fees were \$5.00 per night per person and \$4.00 per day per person for day use. Fees are retained by NMW for facility maintenance and development, except that camping fees at **Deboullie** (a consolidated unit within the NMW system) are returned to the Bureau once the Bureau's seasonal park ranger assumes campsite responsibilities for the summer months.

2) The Bureau leases campsites on the **Richardson Unit** (Upper Richardson Lake) to the owner of the South Arm Campground, who also leases other campsites on land managed by the Seven Islands Land Company. In 2002, the campground owner charged \$13.91 (including tax) per night per site. The owner retains a portion of this fee for maintenance of 12 campsites on the Bureau's ownership and the Mill Brook public boat launch facility at the north end of Richardson Lake.

3) Recreation facility maintenance for **Gero Island** (Chesuncook Lake) is carried out by Parks Division staff because they can more efficiently manage the facilities as a part of the Penobscot River Corridor program. Visitors to the area passed through checkpoints operated by North Maine Woods, Inc., which collected the

Penobscot River Corridor's camping fee of \$4 per person per night for residents and \$5 per person per night for nonresidents. Camping fees were returned to the Bureau for reimbursement of campsite management and maintenance expenses. Resident and nonresident day use fees (\$4.00 and \$7.00 respectively) were charged and retained by North Maine Woods to cover operating costs for the checkpoint system.

4) Management of recreation sites on Webster Lake in the **Telos Unit** have been assigned, by mutual agreement, to the Baxter State Park Authority. Most of the use of Webster Lake is connected with the Webster Stream canoe trip, made famous through the travel journal of Henry David Thoreau, which traverses the northern end of Baxter State Park. Under the agreement, campsites at the west end of Webster Lake are administered through Baxter State Park and subject to its rules and policies.

## PARTNERSHIPS

For some properties, the Bureau has entered into partnerships with other organizations to cooperatively manage recreational use. Noteworthy examples are:

- **Appalachian Trail.** The Bureau continued its partnership with the Maine Appalachian Trail Club to accomplish stewardship and trail maintenance along the AT corridor in the **Mahoosuc, Four Ponds, Bald Mountain, and Nahmakanta Units**, as well as the **Bigelow Preserve**.
- **Bigelow Preserve.** An agreement is in place with the Maine Appalachian Trail Club to ensure a summer staff presence at heavily used areas of the Appalachian Trail in the Preserve.
- **Dodge Point.** An arrangement is currently in place with the Damariscotta River Association to assist with the maintenance of trails and facilities.
- **Coastal Islands.** The Bureau continued to participate in an island recreation and

stewardship project sponsored by the Maine Island Trail Association.

- **Moosehead Lake Properties.** The Bureau of Parks and Lands manages a private contract for the maintenance of remote campsites on the lake.
- **Cutler Coast.** The Cobscook Trails coalition is providing trail stewardship and visitor information through a management agreement with the Quoddy Regional Land Trust, The Nature Conservancy, Maine Coast Trust Heritage Trust, Moosehorn Wildlife Refuge, Maine IFW, local businesses, and the Bureau.

## VIII. TIMBER MANAGEMENT

### FOREST INVENTORY PROJECT

The Bureau manages the natural resources on the lands under its care through a carefully planned multiple use program that balances timber management with all other natural resource values. An important facet of the Bureau's timber management program is examination and inventory of the forest resource. The complete re-inventory of forest land is ongoing. The field data acquired during 1999 detailed timber, site, and natural resource measurements. This data was analyzed during 2000 and 2001, to provide information for both Bureau staff and third-party forest certification auditors.

Analysis revealed a total inventory of nearly 7 million cords on 349,414 regulated acres (the acres used in calculating sustainable harvest levels), or a stocking of 20 cords per acre. This is approximately a 30 percent increase from what was reported for all of Maine's timberland by the U.S. Forest Service in 1995. The most abundant tree species on BP&L lands is red spruce, and its volume per acre is over 50 percent greater than that shown statewide in the 1995 report.

### PRESCRIPTIONS

Planning for the timber management of Public Reserved and Non-reserved Lands is a two-step process:

- *A management plan for the unit as a whole is prepared and adopted;*
- *More detailed plans for discrete areas between 500 - 2,000 acres (known as compartments) are then developed for the unit.*

Compartments are examined on a 15-year cycle to identify timber and wildlife resources and recreational opportunities. Based on the field examination and the information collected, work plans (prescriptions) are developed to ensure adequate protection of special resources and a sustained yield of forest goods and services, which include timber, wildlife, and appropriate recreational uses. In 2002, Bureau staff examined and prescribed 14,050 acres for a wide range of resource management activities. This figure is significantly higher than the previous year (5,622) but is less than earlier years, in large part because of staff limitations. These prescriptions are developed by foresters with the assistance of staff specialists in wildlife, recreation, and transportation to ensure that all aspects of multiple-use management have been considered. Once the prescription has been developed, it is carefully reviewed and approved in a formal process by this interdisciplinary group of resource professionals prior to implementation.

### TIMBER SALES

If a timber harvest is prescribed in a compartment, a timber sale is developed. The majority of timber sales are put out to competitive bid. Contracts are awarded utilizing a bid process, which follows State rules and procedures governing the sale of State property and purchase of services. Most timber is sold as stumpage. Under this system, the contractor agrees to pay the Bureau a bid price per unit for each type of forest product harvested. A lesser

volume is sold using contracts for logging services. Under this system, the Bureau pays the contractor to harvest timber and deliver it to specified mills; these mills then pay the Bureau directly for these products. Logging service contracts provide an opportunity for contractors to operate on Public Reserved and Non-reserved Lands who could not otherwise secure a market for harvested products. They also allow the Bureau to accomplish forest management objectives, which might not otherwise be pursued. Also, by assuming the marketing responsibilities and being able to enter into agreements with local wood using mills for a specific volume of raw material, the Bureau can in most situations increase revenue.

Once the timber contracts are awarded, Bureau foresters and forest technicians work closely with the contractors to ensure contract compliance, and to ensure that timber management objectives are met. Bureau staff closely supervises each harvest by marking individual trees for removal or by providing loggers with strict harvesting criteria. These criteria specify which trees are to be harvested. All harvest operations are inspected by Bureau staff on a weekly basis, and more often when individual situations warrant.

In 2002, the implementation of prescriptions resulted in:

- A total of 49,577 cords (allowable cut is 112,000 cords) harvested from 7,796 acres (allowable acreage is 16,250 acres).
- With the expiration of the long-term contract with Fort James, no wood was sold through Bureau held contracts with local sawmills and pulp mills.
- A total of 28 operations were ongoing in 2002, not including firewood sales to individuals. These operations are a combination of newly established sales, and sales carried over from previous years.
- In concert with the Bureau's contractors, wood was marketed to over 50 mills statewide.

The 2002 harvest was 1,016 cords more than reported the previous year, with a corresponding increase in acres operated at 1,160. This represents 44% of the Allowable Cut. Additional workloads during 2001 resulting from the forestry audit limited the amount of acres prescribed that year, with a corresponding limit on harvest volumes in 2002, and the staff time dedicated toward satisfying conditions of certification also served to limit timber sale volumes.

The average value per cord harvested declined by over 10% from 2001 to 2002, for three reasons.

First, the timber market demand and prices remained low, with the biggest impact on high value products such as spruce and hardwood sawlogs.

Second, the Bureau worked hard at marketing lower value products such as hardwood pulp, to improve the condition of the forest. The ratio of hardwoods to softwoods sold has changed from 34%H-66%S in 2000 to 52%H-48%S in 2002.

Third, the Bureau conducted considerable harvesting of low volumes per acre, which typically results in lower timber prices. The average harvest volume per acre in 2002 was 13% lower than in 2001, with one result being the retention of high quality residual stands after the harvest.

The reduction in timber revenue over the last several years has resulted in the Bureau's account balance being at its lowest level in many years. The Bureau is working to streamline its timber sale process and to increase the completion of prescriptions, while maintaining the high quality of its timber harvests, so to put additional sales on line for late 2003. However, economic conditions that result in poor markets, and weather events that can reduce harvest levels, will remain beyond Bureau control.

#### SILVICULTURAL ADVISORY COMMITTEE

In 1986, the Bureau established a Silvicultural Advisory Committee, with representatives from

environmental groups, academia, and forest managers from public and private landowners, to review and critique forest management on public lands. Each year the Bureau sponsors a field trip on which the Committee examines work the Bureau has completed or is planning, providing valuable input to staff through on-site dialogue. In 2002 the Committee visited the Deboullie and Eagle Lake Units, each for the first time on these field trips. At Deboullie we discussed the visual aspects of harvesting along public access roads, old growth forest issues, and spruce-fir management. During the evening the group held a wide-ranging discussion on the process and costs/benefits of forest certification for the public lands. The next day at Eagle Lake, we addressed the appropriate timing and technology of overstory removal harvests in an area with excellent saplings in the understory, and northern hardwoods management, then viewed a stand which had been precommercially thinned in 1985, resulting in nearly pure fir.

#### BOUNDARY LINES

In the past year the Bureau continued to place importance on the maintenance of boundary lines. In 2002, Bureau staff, with assistance from the Maine Conservation Corps, maintained 21.5 miles of property lines. However, this is well below the goal of maintaining 10% of the estimated 824 miles of property lines within the state ownership on an annual basis.

#### FORESTRY AUDIT

The Bureau was awarded certification of its forestlands under the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC) programs in 2002. Third-party audits of its timberlands were conducted in 2001, to determine if these lands were being managed on a sustainable basis. The process for conducting the audit was rigorous and unique in that the Bureau underwent the two audit programs simultaneously. The audit was comprised of a field analysis of

forest management practices at selected sites around the state, and an analysis of the Bureau's financial, personnel, policy development, and record-keeping systems.

A Bureau-wide Certification Team was developed in 2002 to address and implement various "conditions" and "minor nonconformances" stipulated in the audit reports. These include: significant enhancements to forest inventory data, including development of a computerized forest-modeling program; revision and development of management plans for the entire land base over the next five-year period; improvements in the use of Best Management Practices to protect water quality; and new commitments to public outreach and education programs. The Bureau is required to meet these conditions within certain timeframes in order to keep its certification status in good standing over the next five-year period.

### **IX. TRANSPORTATION**

During 2002, the Bureau continued efforts to improve public access to consolidated units, focusing primarily on those units with timber stands requiring management and where public vehicle access was needed to take advantage of recreational opportunities. The following is a summary of those accomplishments:

- 1) The road to the **Molunkus** Lake boat launch was improved to allow better access and eliminate some erosion problems.
- 2) The right of way was cleared back and the stream crossing structures were replaced as the first part of a larger project to maintain access and address environmental issues on the Kelly Wharf road in the **Days Academy** unit.
- 3) The bridge over the West Seboeis Stream on the **Seboeis Unit** was raised to prevent further damage from ice. The abutments on the bridge over Nahmakanta Stream in the **Nahmakanta Unit** were

stabilized to prevent further undermining. A bridge was constructed over Moose Brook in the **Little Moose Unit**, along with a short section of trail, to eliminate off-road vehicles from having to cross Route 15.

4) Completed new construction of 1.75 miles of public use road in the **Little Moose Unit**; constructed or reconstructed 6 miles of management road in **Nahmankanta, Bradford, Squapan, Debouille, and New Canada**.

## X. PUBLIC ACCESS

Three-fourths of the Public Reserved Lands are accessible to the public without fee or special arrangements. There are a few circumstances where public vehicle access is limited or affected by restrictions. As required in 12 M.R.S.A., § 1853, the following is a report of barriers to public access where they block the sole or primary motor vehicle access.

### EXTERNAL GATES TO PUBLIC LANDS

#### 1) *North Maine Woods Checkpoints*

There are seven checkpoints, staffed seasonally, controlling primary access from Maine points to 88,473 acres of Public Reserved Land within the nearly three million acre North Maine Woods area. These checkpoints are all on private land and serve to facilitate management of recreational use of the areas on both public and private land.

#### 2) *KI/Jo-Mary Checkpoints*

The Katahdin Iron Works checkpoint controls access to the 960-acre public lot in **Bowdoin College Grant East**. Access to the **Nahmakanta Unit** has been developed from the west and Nahmakanta is no longer managed as part of the KI/Jo-Mary system, in accordance with the management plan. However, historic access from Route 11 to the unit through the KI/Jo-Mary system continues as in the past.

3) *Cary Plantation, Aroostook County*. A locked cable gate on private land prohibits access to this 230-acre parcel.

4) *Magalloway Plantation, Oxford County*. A locked metal gate on private land prohibits access to this 1,000-acre parcel.

5) *Dallas Plantation, Franklin County*. A chained, metal gate on private land prohibits access to the north lot in **Dallas Plantation**, and to the lot in **Davis Twp**. The total area of the two lots is 1,050 acres. The gate is owned and maintained by the camp owners on the south end of Kennebago Lake.

6) *Lagrange, Penobscot County*. A pipe gate erected by Bangor Hydro on private land restricts access to this 900-acre parcel.

### INTERNAL GATES

The Bureau maintains 16 internal gates to protect sensitive areas from vehicle traffic, on service roads, and for safety reasons. None of the barricades restrict foot traffic into the protected areas. Many of the barriers are left open during the winter season to allow safe passage by snowmobiles.

## XI. LAND TRANSACTIONS

The Bureau continues to experience an increase in the number of acquisition projects, due to the availability of state (Land For Maine's Future and Maine Outdoor Heritage Funds) and federal (Forest Legacy and stateside Land & Water Conservation Funds) monies, public concern about protecting important natural resources, and landowner willingness to discuss acquisition opportunities. In 2002, the Bureau completed the following transactions:

1) The initial phase of the **West Branch** project was completed with the acquisition

of approximately 6 miles of Moosehead Lake shoreline, and Big Spencer Mountain totaling 4,242 acres. The frontage on Moosehead Lake will provide additional opportunities for camping and day use. Existing boat launches at Northeast Carry and Norcross Brook were also part of the acquisition. Big Spencer Mountain came to the Bureau as an ecological reserve due its extensive intact northern hardwood forest, and will be managed primarily for non-manipulative scientific research and non-motorized public use, in accordance with the legislation. The funding for this acquisition came from the federal Land & Water Conservation Funds, and private funds.

2) As part of the 6,000 **Mt. Abraham** project, the State received approximately 4,033 acres from The Appalachian Trail Conference as a gift. This was gifted to the Bureau as an ecological reserve due to its extensive area of alpine habitat and rare plants, and will be managed primarily for non-manipulative scientific research and non-motorized public use, in accordance with the legislation. This project is a continuation of a transaction begun in 2001.

3) As part of the on-going **Mt. Blue/Tumbledown** project, the Bureau acquired two parcels totaling approximately 4,199 acres. The largest parcel, 3,778 acres, protects the summits of Tumbledown and Little Jackson Mountains and portions of the hiking trails leading to these summits. The land will be managed for multiple-use, including, wildlife, recreation, and timber management. The Bureau also acquired a 7,832-acre conservation easement adjacent to the large fee parcel mentioned above. The easement prevents further development, allows for responsible forest management, and ensures public access and recreation. The funds for these purchases came from the Land For Maine's Future fund, federal Forest Legacy funds, and private sources.

3) The Bureau received a 3,281-acre conservation easement from The Nature Conservancy, referred to as the **Jugtown Plains** project located in southern Maine. The easement protects a statewide significant Pitch Pine Heath natural community, prevents further development, allows for responsible forest management, and ensures public access and recreation. The funds for this purchase came from the Land For Maine's Future fund, and the Maine Outdoor Heritage Fund.

4) The Legislature approved three transactions in 2002. Two occurred on the **Eagle Lake Unit**, where the Bureau will convey its ½ ownership of the so-called Sly Brook Road to the Town of Eagle Lake, allowing the road to be established as a public way; and a small parcel of land containing an existing septic system to the abutting landowner. The Bureau will also convey an approximately 5-acre parcel currently occupied with residential structures from the **Codyville** public lot in Codyville Plantation to the owner of the structures to clear title for the landowner.

## XII. SUBMERGED LANDS

These lands are managed under the Public Trust Doctrine to ensure protection of the public trust rights of fishing, waterfowl hunting, navigation and recreation. The Submerged Lands Program plays an important role in maintaining a balance among competing uses of submerged lands and resolving conflicts between public trust rights and the demand for private and commercial uses of these lands.

1) In 2002, the Submerged Lands Program processed 63 applications for projects that required a submerged lease or easement. The Bureau also reviewed 144 environmental permit applications and determined they did not require a conveyance. The Program issued 45 new leases and 18 easements, bringing the combined total to 1568.

2) The Bureau continued to research information on easements and constructive easements needing to be registered by 2005 when their grandfathered status expires.

3) The Submerged Lands Advisory Board met four times during the year. This group, established by the legislature in 1997 to provide advice to the Director, discussed a variety of topics relating to submerged lands, including underwater cables, constructive easement conversions, and development of the Shore and Harbor Grant Program.

4) The Bureau authorized 1 new sunken log salvage operation at Moosehead Lake and the recovery of stockpiled logs left from an earlier salvage operation in 2001. Approximately 165 hardwood logs (25,000 board feet) were recovered.

#### **XIV. SHORE AND HARBOR MANAGEMENT ACCOUNT**

In 1991, the Legislature created the Shore and Harbor Management Fund in anticipation that annual revenues from the Submerged Lands Program would exceed operating costs. These funds could then be used to support shore and harbor management activities by providing grants to municipalities.

The \$1,200 cap on submerged lands rents that was passed by the legislature in 1997 has significantly reduced the anticipated revenues. However, during 2000 and 2001, this fund received significant revenues from the sale of submerged lands to Bath Iron Works Company. It is the Bureau's intention to use the BIW funds as "trust monies" with accrued interest used to fund municipal grants - thus ensuring a permanent source of funding. In November, the Bureau initiated the first round of grants using \$75,000 in interest monies to support municipal planning and access projects in 2003. Unfortunately, this grant offering

was subsequently withdrawn when these funds were redirected to help meet the FY 2003 general fund shortfall. At current interest rates, it is anticipated to be several years before interest rebuilds sufficiently to again offer grants to municipalities.

#### **XIV. COASTAL ISLAND PROGRAM**

Maine's Coastal Island Registry was created by the 106th Legislature as a means of clarifying title to 3,000 coastal islands by establishing and registering ownership. By now most island owners have registered their islands. The Bureau continues to receive requests for changes in registrations, either changes of address for previous registrants or sales to new owners. There are also many requests for general ownership information from persons with an interest in Maine islands.

The Bureau's brochure "Your Islands on the Coast" continues to be updated each year. It shows the location of approximately 40 State-owned islands suitable for recreational use and explains the Bureau's visiting, camping, and resource protection policies. The Maine Island Trail is a water trail extending along the entire coast of Maine and includes both publicly and privately owned islands. The Bureau continues its partnership with the Maine Island Trail Association in the management and oversight of the State-owned islands on the Trail.

#### **XV. INCOME AND EXPENDITURES ACCOUNTING**

The Bureau has several different accounts established for specific purposes with statutory restrictions on their use. The statutes require that these financial summaries be done on a calendar year basis. As a result, the figures presented in this report do not match those reported elsewhere on a fiscal year basis, and may



tend to exaggerate the Bureau's income and expenditures in any one calendar year, depending upon where the income and expenses actually fall within the fiscal year.

**Public Reserved Lands Management**  
**Account (014.04A.0239.22)**

This account is restricted to uses related to the management of lands that have Public Reserved Lands status, which includes the original public lots, land acquired through trading Public Reserved Lands, and other lands designated as Public Reserved Lands. Sources of income to this account include the sale of timber stumpage and gravel, camplot leases and other special leases on the Reserved Lands, and interest on the account balance. Income for calendar year 2002 was \$2,112,945 with expenditures of \$2,928,759. Because the Bureau's largest source of revenue is timber, income fluctuates in response to the amount of wood harvested and economic conditions that affect timber markets. The revenue has decreased due to the drop in harvest levels and from economic strains resulting in poor timber markets. These conditions remain beyond Bureau control, as well as increases in salaries. The cash balance is used to make up the difference when revenues drop and expenses exceed the income.

Not shown in either the income or expenditure figures above are the portion of moneys received from camplot leases and timber sales that are shared with towns and plantations pursuant to 12 M.R.S.A., § 1854. Based on the income received in 2001 (payable in 2002), the Bureau revenue sharing amounts total \$176,311 with 18 towns and plantations. Income from the Reserved Lands Account supports administration, planning, timber, transportation, recreation, and wildlife.

**Public Lands Management Account**  
**(014.04A.0239.23)**

This account is used for the management of lands not in the Public Reserved Lands System. These Non-reserved Public Lands include institutional lands (those lands

considered surplus by other State agencies) assigned to the Bureau for natural resource management, and coastal islands. Sources of income are primarily derived from agricultural leases though the sale of timber contributes occasionally when timber harvests are completed on Non-Reserved Lands. Income for calendar year 2002 was \$1,973 against expenditures of \$27,663. Expenses are primarily for the management of the Maine Island Trail and the Casco Bay Islands.

**Submerged Lands Account**  
**(014.04A.0239.27)**

The Submerged Lands Account is comprised of funds generated from leases and easements on the State's submerged lands. Most of the fund's income is derived from leases of coastal waterfront properties to allow commercial uses such as marinas, piers, and boatyards. In 1997, additional income was generated as part of a registration program requiring holders of constructive easements to pay a \$50 fee. This fee was collected again in 2001, for the period of January 1, 2001 to December 31, 2005. Additional revenues were generated from the sale of salvaged logs and gravel. Total revenues in 2002 were \$167,919, with expenses of \$ 151,140. Funds for personnel services (salaries) comprise the bulk of the program's budget.

**Shore and Harbor Management Fund**  
**(014.04A0239.29)**

A Shore and Harbor Management Fund was established in 1991 to provide grants to municipalities for harbor planning, public access, and similar local management activities on submerged lands. This account receives funds from the Submerged Lands account when income from leases exceeds the operating costs of the program. In the past the current rental cap of \$1,200 has significantly limited the amount of money available for this fund. However, with the infusion of monies from the sale of submerged lands and dredged materials for the Bath Iron Works expansion project, the fund balance is increasing. Total revenues in 2002 were

\$45,486, mostly from interest, with no expenses. This revenue, along with interest on the cash balance, contributed to the year-end balance of \$1,710,387. With such a large cash balance, \$ of these funds were redirected to help meet the FY 2003 general fund shortfall. This resulted in withdrawing the grants to support municipal planning and access projects in 2003, which is estimated to take several years before interest improves sufficiently to fund grants to municipalities.

**Land Acquisition Fund**  
**(014.04A.0239.24)**

Funds from this account are restricted by statute to the acquisition of lands of significant public use and value for the Public Reserved Lands System and acquisition related costs. Funds from this account cannot be used for operation or maintenance of existing land, and therefore expenditures do not take place on a regular, scheduled basis. Income that accrues as a result of sales, trades or interest is carried forward until needed for land acquisition. Income for calendar year 2002 was \$426,104 against expenditures of \$255,340. This income represents interest earned on the account balance and reimbursements from federal grants. The principal expenses included the acquisition of approximately 6 miles of Moosehead Lake shoreline, and Big Spencer Mountain totaling 4,242 acres completing the initial phase of the West Branch project; the purchase of two parcels at Mt. Blue/Tumbledown totaling approximately 4,199 acres protecting the summits of Tumbledown and Little Jackson Mountains; a 3,281-acre conservation easement from The Nature Conservancy, referred to as the **Jugtown Plains** project located in southern Maine; with additional expenditures on legal, appraisal and survey costs associated with land acquisitions.

**Public Non-Reserved Land Acquisition Fund**  
**(014.04A.0239.37)**

This account was recently established to receive revenue from the sale of Public

Non-Reserved Lands. In 2001, \$138,471 of revenue was deposited from the sale of 44 acres in the Pineland Unit. This account does not have any planned budget for 2004 at this time. Funds from this account are restricted by constitutional amendment (Article IX, Section 23, § 598-B) to the acquisition of lands of significant public use and value for the Public Non-Reserved Lands System and acquisition related costs.

**Mackworth Island Trust Fund**  
**(014.04A.0239.30)**

Section 2 of Chapter 102 Public Law 1998, authorizes the proceeds from the sale of a 157 acre Bureau of Parks and Lands property in Colorado to be invested as a separate trust fund and managed by the State Treasurer for the benefit of Macworth Island. In November 1999, the Colorado property was sold. The proceeds of \$60,000 has been deposited into this trust fund. The Bureau has a non-lapsing account, 014.04A.0239.30, set up to receive income from the trust fund interest. This account will be used to manage public recreational activities and related resources on land under the Bureau's care on Mackworth Island in Falmouth. Income for calendar year 2002 was \$3,925 and no expenditures.

## **XVI. ADMINISTRATION**

During 2002, the Bureau continued to experience an expansion of staff responsibilities needed to support the increase in programs and activities, manage more land, and integrate related activities from its other divisions.

The Bureau received approval of a Part II budget request in FY 2002 to address current and future responsibilities and management needs. These new positions are necessary to assist with the increasing workload. The Part II Budget provided funds to increase 2 Clerk Typist III positions from 30 to 40 hours per week,

add a Planning & Research Associate II for 26 weeks, extend 2 seasonal Park Rangers by 3 weeks, add 3 new Park Ranger positions, 6 new Forester I positions, 1 new Chief Forester II, and 1 new Interpretive Specialist.

Budget constraints warranted a conservative approach in filling these positions. Currently the Chief Forester, the Interpretive Specialist, and the part-time Planning & Research Associate II have been filled with 6 Forester I positions still vacant. At this time it is anticipated that the remaining positions will be filled at a later date when the revenues become more stable. The increase of two Clerk Typist III positions from 30 hours to 40 hours per week has already been completed.

The Bureau continues to explore and utilize new technology, and to look for ways to deal effectively with its increasing workload.

## XVII. FINANCIAL REPORT FOR FY 2004

### INTRODUCTION

Pursuant to Title 12 M.R.S.A., § 1839 and 1853 the Joint Standing Committee on Agriculture, Conservation, and Forestry must review allocations for the Bureau of Parks and Lands dedicated funds and revenue accounts pertaining to Public Reserved and Non-reserved Lands for the upcoming fiscal year, and submit a written report to the Joint Standing Committee on Appropriations and Financial Affairs by March 15th. To assist in the preparation of that report, the Bureau is submitting information regarding Bureau income, expenditures, and management of the following seven dedicated accounts:

- ***Public Reserved Lands Management Fund***
- ***Public Lands Management Fund (Non-reserved Public Lands)***
- ***Public Reserved Lands Acquisition Fund***
- ***Submerged Lands Fund***
- ***Shore and Harbor Management Fund***
- ***Mackworth Island Trust***
- ***Public Non-Reserved Lands Acquisition Fund***
- ***Coastal Island Registry***

These accounts derive revenue from the sale of the forest products, lease fees, interest on cash balances, and the sale of land. Since programs funded by these accounts receive no support from the State's General Fund, the dedicated revenues must cover all operating expenses. The Bureau plans its expenditures for the ensuing fiscal year based on a level of income it projects to receive from its various revenue sources. If projected income is not expected to be sufficient, then the Bureau determines whether the balance in its contingency fund is sufficient to carry it through until additional revenues are received. If both revenue projections and contingency funds are insufficient, then the Bureau postpones planned expenditures until revenue returns to an adequate level. The Bureau has established these internal financial management procedures, and reviews budgetary matters on a monthly and quarterly basis.

In the past, this internal management has proven successful. The Bureau has adjusted its expenditures and managed its financial resources in such a manner that core program activities have been funded. The Bureau continues to manage the State-owned Public Reserved and Non-reserved Lands to produce timber on a sustained yield basis and within established levels for allowable harvest to generate revenue to support resource protection, wildlife, and recreation programs. Presented below are the FY 2004 Part I and Part II budget allocations proposed for each of seven dedicated accounts within the Bureau's "Lands" division. These allocations represent the limits within which the Bureau must operate.

## FY 2004 ACCOUNT SUMMARIES

### 1. Public Reserved Lands Management Fund Account # 014.04A.0239.22

Income		Expenses	
Earnings on Investments *	\$185,000	Personal Services	\$2,748,178
Rent of Lands*	\$775,994	All Other (not including STACAP)	\$954,950
Camplot Leases*	\$154,000		
Registration Fees	\$12,000		
Misc Services & Fees	\$20,000	Capital	
Sale of Gravel	\$7,500	Buildings	\$12,000
Sale of Equipment	\$5,000	Equipment	\$25,000
Sale of Stumpage *	\$3,390,000	Roads and Bridges	\$300,000
Misc Income	\$65,000	Capital Subtotal	\$337,000
DICAP**	(\$451,063)	STACAP	\$56,465
<b>Total Income</b>	<b>\$4,133,443</b>	<b>Total Expenses</b>	<b>\$4,096,593</b>

\* Represents the major components of the Bureau's income stream.

\*\* Consistent with state accounting practices, DICAP is shown as a "revenue debit," although it is actually an expenditure.

The Bureau currently (Feb. 20, 2003) has an account balance of \$706,245, which serves as its contingency fund. Because most of the Bureau's timber harvesting takes place during the winter (to minimize environmental impacts and potential conflicts with recreational users), there is a significant seasonal fluctuation in income. The contingency fund enables the Bureau to operate during the first half of the fiscal year when income is low and expenses are relatively constant. It also serves as a buffer to cover operating costs when expenses exceed revenues. The contingency fund balance at the end of CY 03 is projected at \$475,000, the lowest level in recent history.

#### **Part II Request**

The Lands Division has experienced significant increases in responsibility due to additional acreage, new facilities, and raised public expectations. Exemplary land management, including silvicultural, wildlife, and recreation management, as directed statutorily, cannot be accomplished within existing staff classifications. These requests can be funded through the dedicated revenue generated from timber harvesting at increased rates while operating within sustainable levels.

A Part II budget request has been submitted for approval for FY 2004 for the following: funds to reclass a Clerk Typist III to a Secretary, funds to reclass all three Lands Regional Managers, funds to reclass the GIS Coordinator, and funds to reclass all the Forester positions. These reclasses were reviewed and approved by the Bureau of Human Resources, who assigned the job classifications in accordance with the current level of work responsibilities. A new planning position, split funded between the Lands Management Account and the Parks General Fund is being requested to deal with the backlog of statutory management planning and forest certification requirements. In addition, funds are being requested for the purchase of two snowmobiles; one ATV; and one 16' boat, motor, and trailer. These items are necessary to provide equipment needs to new forestry staff positions

approved in a previous Part II budget request (anticipated to be filled in FY 04-05), and to address additional land management responsibilities.

Given the self-funding nature of this dedicated account, adequate funds must be available in the account balance for these approved requests.

#### PART II Request

Approved for 2004		Dedicated Revenue	
Personal Services	\$65,455	Sale of Stumpage	\$134,903
All Other	\$2,062	DICAP	(11,028)
Capital	37,000		
<b>TOTAL</b>	<b>\$104,517</b>	<b>TOTAL</b>	<b>\$123,875</b>

#### 2. Public Lands Management Fund Account # 014.04A.0239.23

Income		Expenses	
Earnings on Investments	\$2,700	All Other (not including STACAP)	\$31,039
Rent on Lands and Buildings	\$16,000	Capital	\$21,000
Sale of Stumpage	\$35,800	STACAP	\$317
DICAP**	(\$2,010)		
<b>Total Income</b>	<b>\$52,490</b>	<b>Total Expenses</b>	<b>\$52,356</b>

\*\* Consistent with state accounting practices, DICAP is shown as a "revenue debit", although it is actually an expenditure.

Both income and expenses will be less than the budgeted allocations in this account. The account has a balance of \$81,870, which is used as a contingency fund to cover expenses that occur between the relatively small and infrequent timber harvests on these lands. It is unlikely the Bureau will harvest the amount of timber needed to meet the proposed revenue projection. Therefore, management expenditures and associated activities will be limited.

#### 3. Public Reserved Lands Acquisition Fund Account # 014.04A.0239.24

Income		Expenses	
Earnings on Investments	\$143,000	All Other (not including STACAP)	\$100,707
Sale of Land	\$670,500	Capital	\$700,000
DICAP**	(\$10,767)	STACAP	\$1,699
<b>Total Income</b>	<b>\$802,733</b>	<b>Total Expenses</b>	<b>\$802,406</b>

\*\* Consistent with state accounting practices, DICAP is shown as a "revenue debit", although it is actually an expenditure.

By statute, the money in this account is used only for purposes related to the acquisition of interest in land. Lands purchased with the funds from this account have Public Reserved Land status. These funds are necessary to acquire rights-of-ways, in-holdings, conservation easements, and additions to the existing land base. As in most years, it is difficult to predict the timing, income, and expenditures involved in potential land transactions. This budget allows the Bureau, if the opportunity arises, to acquire land or other interests within the available allocation. The "All Other" expenses are used to cover the cost of legal assistance for title searches, drafting deeds, appraisals, and related items. This account currently has a balance of \$690,705.

#### 4. Submerged Lands Fund Account # 014.04A.0239.27

Income		Expenses	
Earnings on Investments	\$17,000	Personal Services	\$170,989
Rent of Lands	\$200,000	All Other (not including STACAP)	\$24,006
Sale of Gravel		STACAP	\$2,872
Misc Income	\$18,000		
DICAP**	(\$20,848)		
<b>Total Income</b>	<b>\$214,152</b>	<b>Total Expenses</b>	<b>\$150,242</b>

\*\* Consistent with state accounting practices, DICAP is shown as a "revenue debit," although it is actually an expenditure.

Most of the rental income for the program is not received until late in the fiscal year because rent payments are due in February. Like the Public Reserved Lands account, the Submerged Lands account carries a balance that funds the program through the first eight months of the fiscal year. This account currently has a balance of \$413,502. With the \$1200 rental cap that is now in place, annual program expenses exceed rental income, and this fund balance is needed to cover the anticipated shortfall through FY 2004. The fund balance will be drawn down during this period, but will be supplemented in 2005 by revenues from constructive easements being brought under lease.

#### 5. Shore and Harbor Management Fund Account # 014A.0239.29

Income		Expenses	
Earnings on Investments	\$115,000	Grants to Cities & Towns	\$115,000
<b>Total Income</b>	<b>\$115,000</b>	<b>Total Expenses</b>	<b>\$115,000</b>

This account was set up by the legislature in 1991 in anticipation that the Submerged Lands Program would eventually yield revenues that could provide benefits to the public beyond what was needed to administer the program. These funds are to be set aside in this special account and made available to municipalities for grants to enhance their shore and harbor management, planning, and access efforts. From the conveyance of submerged land and reuse of dredged material as fill to Bath Iron Works, the program received an additional \$490,000 to this account in FY 2001, the interest from which will be distributed to municipalities as grants. In the short-term, it was necessary to divert the accrued interest from this account to meet the FY03 general fund shortfall. At current interest rates, it is anticipated to be several years before interest rebuilds sufficiently to offer grants to municipalities. The account currently has a balance of \$1,713,315.

#### 6. Mackworth Island Trust # 014.04A.0239.30

Income		Expenses	
Earnings on Investments	\$4,500	All Other (not including STACAP)	\$3,730
DICAP**	(\$399)	STACAP	\$63
<b>Total Income</b>	<b>\$4,101</b>	<b>Total Expenses</b>	<b>\$3,793</b>

\*\* Consistent with state accounting practices, DICAP is shown as a "revenue debit", although it is actually an expenditure.

This account will be used to manage public recreational activities and related resources on land under the Bureau's care on Mackworth Island in Falmouth, Maine. The account currently has a balance of \$4,748.

#### 7. Public Non-Res Lands Acquisition Fund Account # 014.04A.0239.37

Income		Expenses	
Sale of Land	\$200,000	All Other (not including STACAP)	\$58,400
DICAP**	(\$600)	Capital	\$200,000
		STACAP	\$1,600
<b>Total Income</b>	<b>\$199,400</b>	<b>Total Expenses</b>	<b>\$260,000</b>

\*\* Consistent with state accounting practices, DICAP is shown as a "revenue debit", although it is actually an expenditure.

The money in this account is used only for purposes related to the acquisition of interest in non-reserved land. Lands purchased with the funds from this account have Public Non-Reserved Land status. These funds are necessary to acquire rights-of-ways, in-holdings, conservation easements, and additions to the existing land base. As in most years, it is difficult to predict the timing, income, and expenditures involved in potential land transactions. This budget allows the Bureau, if the opportunity arises, to acquire land or other interests within the available allocation. The "All Other" expenses are used to cover the



cost of legal assistance for title searches, drafting deeds, appraisals, and related items. This account currently has a balance of \$685,910.

#### **8. Coastal Island Registry Fund Account # 014A.0241.26**

<b>Income</b>	<b>\$112</b>	<b>Expenses</b>	<b>\$101</b>
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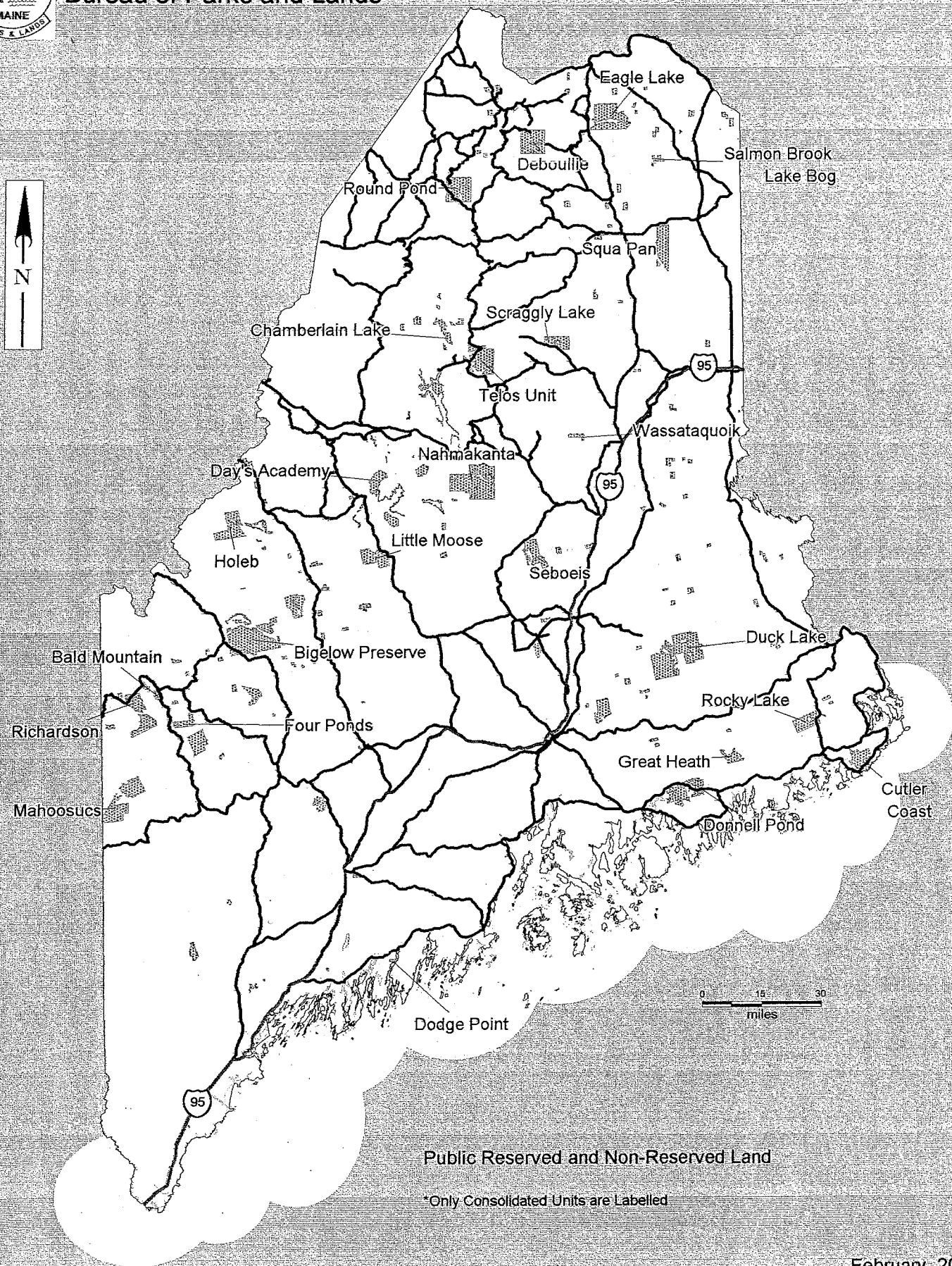
Funding in this program covers the cost of reviewing new applications for island registrations. Most private coastal island titles have been reviewed and current program activity, for the most part, involves providing information to the public and occasionally reviewing application and deed information. The funds from this account have been diverted to meet the FY03 general fund shortfall. The account currently has a balance of \$3,111.

### **XVIII. CONCLUSION**

Expenditures will be managed as necessary to operate within the Bureau's financial means for all accounts. The Income and account balance in the Public Reserved Lands Management Fund is expected to be a place of continuing concern over the next year due to suppressed market prices for forest products, demands on staff time regarding new acquisition initiatives, and increasing non-timber related responsibilities. The Bureau will continue to explore ways to stabilize revenues in all accounts, while managing Public Reserved and Non-reserved Lands on a sustained yield basis to provide numerous benefits for Maine citizens.



# Department of Conservation Bureau of Parks and Lands



Public Reserved and Non-Reserved Land

\*Only Consolidated Units are Labelled