To: State Parks System Advisory Council

From: Philip Bryce, Director

Date: 9/28/18

RE: Proposal to bond parks campground expansion and pay for the principle and interest with operating revenue through the parks fund.

While we have been discussing bonding park fund improvement projects with operating revenue, after further consideration I have decided that the fund should be narrowly focused on campground expansion. This ensures that there will be additional revenue coming back to pay off the bond and we are not using these funds for deferred maintenance. Campground expansion would include any new campgrounds and new facilities or expansion of campground sites or any improvements to campgrounds that specifically increase revenue. This might be adding cabins or electricity to existing sites or installing a dump station. In all cases these investments would generate additional revenue.

The need to do this was confirmed not only by the extent our campgrounds were full again on weekends and holidays again this year, but also by presentations at the National Association of State Parks Directors annual conference. According to speakers, the demand for campsites is outpacing supply. We have already identified several campgrounds where there are opportunities to expand.

We have put $600,000 in the budget to pay off debt service. I have not figured out how much that would raise but it is a start. We would follow the same process as the Cannon Mountain Advisory Commission (CMAC) however we would use the State Parks System Advisory Council (SPAC) 216-A:3-kk instead. The SPAC statute should be amended to specifically mirror the responsibilities of CMAC below. We would also mirror the approval of capital budget overview and G&C.

**12-A:29-c Cannon Mountain Capital Improvement Fund. —**

I. There is established a nonlapsing revolving fund to be known as the Cannon Mountain capital improvement fund in the department of natural and cultural resources. The revolving fund shall be used for capital improvements for the ski area and related state park facilities at Cannon Mountain.

II. All income from the lease of the state ski area at Mount Sunapee shall be deposited into the fund and may not be diverted for any other purpose.
III. The commissioner of natural and cultural resources shall submit a report detailing the activities of the revolving fund annually to the governor and council and the fiscal committee by January 31 following the close of each fiscal year.


12-A:29-b Cannon Mountain Advisory Commission. – (excerpt)
I. There is established an advisory commission which shall recommend capital improvements to the ski area and related state park facilities at Cannon Mountain.
V. The commission shall make recommendations for capital improvements for the ski area and related state park facilities at Cannon Mountain to the commissioner of natural and cultural resources. The commission shall review the servicing of debt obligations relating to the Cannon Mountain capital improvement fund prior to making any such recommendations. Recommendations approved by the commissioner shall be submitted by the commissioner to the capital budget overview committee. Recommendations approved by the capital budget overview committee shall be submitted to the governor and council for final approval. Notwithstanding any other provision of law, recommendations may be implemented upon final approval, pursuant to solicited requests for proposals. Funding for capital improvements shall be from the Cannon Mountain capital improvement fund established by RSA 12-A:29-c.


The last piece is the law that sets the limit of bonding for the fund. Here is an excerpt from the Chapter Law.

Chapter 134:13, Laws of 1998, authorized the State Treasurer “[t]o provide funds for the Cannon Mountain Capital Improvement Fund (CMCIF)… to borrow from time to time upon the credit of the State such amounts so that the total State obligation shall at no time exceed the sum of $6,000,000, and for said purpose may issue bonds and notes at such time in the name of and on behalf of the State of New Hampshire in accordance with RSA 6-A.”

6-A:1 State Bonds. – This chapter shall apply to all bonds of the state authorized by the legislature at its January, 1967, session and enacted after the passage hereof or at any subsequent session, unless otherwise provided in the authorizing acts.