



Baxter State Park Authority Meeting Minutes
Burton Cross Building, Augusta, Maine
10 am, October 24, 2023

Approved by Authority Vote (Date): _____ Chair Signature: _____

Attendees:

Baxter State Park Authority: Chair and MFS Director Patty Cormier, ME IF&W Commissioner Judy Camuso

Assistant Attorney General: Lauren Parker

BSP Staff: Director Kevin Adam, Director of Administrative Services Lori Morrison, Office Specialist Georgia Manzo

BNY Mellon: BSP Endowment Manager Michael Daley

BSP Advisory: Carl Carlson, Bob Baribeau, Mike Perry, Carla Ritchie, Anne Huntington

Friends of Baxter: Executive Director Aaron Megquier

Other guests: Rick Bray

Chair Cormier called the meeting to order at 10:05 a.m. with a welcome and introduction.

Consideration of the July 21, 2023 minutes: Commissioner Camuso moved to approve the minutes as presented, and Chair Cormier seconded the motion. No discussion. Motion carried, 2-0.

BSP Endowment Fund Update:

Michael Daley described the economic environment and the market in the past couple of months. Prior to August, despite increased risks, most asset classes were positive YTD. In the past few months, the market has reflected concern that rates have started to rise quicker than expected and more importantly there's the expectation the Fed is going to keep rates higher for longer. In September most major asset classes were down significantly. October has been a difficult month, especially for smaller-cap companies which are more susceptible to the impact of higher interest rates.

Inflation is now just under 4%, down from 9% in 2022, and BNY expects CPI to come down next year to 2.5-3.5% (Fed target is 2%). With oil prices increasing and geopolitical tensions in the Middle East, reaching that target will be difficult. BNY recommends a "neutral" allocation to equities/bonds/alternatives. The portfolio is overweight U.S. large and small-cap equities. U. S. equities have outperformed non-U.S. over the past 10+ years and that trend is expected to continue (with a strong dollar playing a role).

The portfolio's overall asset allocation stands at approximately 62% equity, 25% bonds, and 12% alternatives. The asset allocation has changed over time through a disciplined and thoughtful

approach to move away from public equities and into private equity. This is seen with large institutional portfolios willing to take illiquidity risks and additional risks in search of long-term returns that private investments can generate. Overall performance YTD through the end of September is +5.5%. Private equity has dragged a bit this year due to the banking crisis, lack of IPO activity, and lack of M/A activity .. but over the long term is still a desirable asset class. Long-term performance numbers continue to be very strong in the portfolio.

Investment Policy Statement Proposal: A summary of the existing allocation ranges across the asset classes with minimum and maximum thresholds was presented along with the IPS ranges under consideration. For public equities, BNY Mellon (with the support of the Investment Committee), would like to bring the ranges in line with how the portfolio is currently being managed by shifting the allocation range for public equities down 10% and establishing a midpoint of 60% public equity. The portfolio right now is 62% public equity. For special opportunities (private equity), shifting the policy allocation to 15% with the max increased to 25% (we are currently bumping up against the existing maximum of 15%), and adding additional private strategies as they become available - specifically private credit (we took the first step last year into a Fortress Fund). Specific risk-oriented comments we suggest be added - put an illiquidity cap (no more than 25% in these strategies). Currently, 12% is illiquid. The current target is 15%. Also, language around the maximum amount of risk in the portfolio is suggested - capping at 80% of total assets (risk assets are any assets other than cash and investment grade U.S. bonds). We've talked about a risk cap for a number of years and have monitored it but have never documented it in the policy.

The Authority acknowledges this interim checking point and the Authority agrees to allow BNY Mellon to re-write the Investment Policy Statement with the revisions as described and as shown in the summary, and BNY Mellon will forward the redlined policy to the Authority a week or two before the December 8th meeting so that they may review it. The Investment Policy changes will be discussed and voted upon at the next meeting.

Donations Report: Lori Morrison presented the Donations Report from May 24, 2023 through October 13, 2023. **Commissioner Camuso motioned to approve the Donations Report for those donations of \$1,000 and above, seconded by Chair Cormier. Motion carried 2-0 with no further discussion.**

BSP Advisory Committee Recommendations: Director Kevin Adam explained that following a nomination process, Carl Carlson was selected as Chairperson by fellow committee members to replace Erica Dubois who had to step down from the committee for personal reasons. Carl has been on the Advisory Committee since 2019. He and his family are longtime visitors of the Park and are especially fond of the Daicey Pond Campground. Kevin Adam asked the Authority to accept Carl Carlson as the BSP Advisory Chair. **Commissioner Camuso moved to approve the recommendation of Carl Carlson as Chairperson for the BSP Advisory Committee, seconded by Chair Cormier. The motion carried 2-0, with appreciation to Carl for stepping up to the position of Chair.**

Also, to move toward more staggered committee member terms, Mike Perry and Anne Huntington are stepping down (though they had extended terms that would have expired in 2024)

allowing for Ed Pontbriand and Rick Bray to be considered for their Advisory seats. Ed retired from the NPS in 2014 after 31 years. With a degree in recreational management, he spent his service time out west, and the past 11-12 years at Acadia National Park. Currently, Ed is the director of the Wilderness Rescue Team and has spent time between BSP and Acadia helping with SAR events and working with MDI SAR on winter training. Ed worked at Baxter Park for two seasons in 2014 and 2016. Rick Bray is an industrial arts educator and long-time volunteer in the Park. He has previously served on the BSP Advisory Committee, ending his term as Chair in 2016. Director Adam asked the Authority to consider the appointments of Ed Pontbriand and Rick Bray as Advisory Members. **Commissioner Camuso moved to approve the appointments, seconded by Chair Cormier. The motion carried 2-0.**

Director Adam thanked Anne Huntington and Mike Perry for their many years of service. Anne's legal background proved to be very helpful in her role as Advisor and she approached Park issues with that perspective. Her passion for preserving and archiving the history of the Park and her interest and knowledge in all things flora and fauna were invaluable, and her shoes will be hard to fill. Mike Perry's experience as a backcountry hiker in the Park has been immensely valuable when issues related to trails and Park use arose, and Mike always expressed his viewpoint, which is what is hoped for from an Advisor. Few people have hiked the long-lost and forgotten trails in the Park like Mike has. Mike will continue to serve on the Daicey Pond Cabins project subcommittee.

Park Updates: Lori Morrison provided an update on the **Current Park Conditions phone line and website information**. Reported activity since July 1: 1,424 calls, and 6,172 clicks. **Reservation stats** were provided and included total reservations (people count) during the season (May 15-Sept 30) was down 3.4% in 2023 (60,321) as compared to 2022 (62,439), likely due to the rainy season, with 55% being Maine residents.

IT system stabilization and enhancement have been a focus, with upgrades to Starlink Satellite Internet at Togue Pond and Matagamon Gates, Togue Ranger Camp, and the Hemlock Camps in the SFMA. Other improvements include initiating a computer replacement cycle. Twenty-one new laptops were deployed during the season. Older laptops were refurbished for failure readiness, and upgrades to Windows 11 were completed. Management Analyst Tim Deetz also created a **data collection model** for the following stats: Trails, Visitation (camping, parking lot, day use) including AT hikers, Gates (vehicles/people), Visitor Center, and Reservation calls.

Finance: In FY24, Q1, Revenue and balance forward - \$1,603,401 - a 5% positive variance over 2022. Personnel expenses - \$1,313,611 - under budget 5.3% due to vacant positions. All Other expenses - \$289,790 - were under budget by 23.8%, primarily due to the timing of the expenditures, and there were no Capital expenditures (because the legislature-approved budget excluded Capital in Q1).

The **Winter camping lottery** is scheduled for November 1 at headquarters, and the winter season begins December 1. The Reservation office is closed on weekends from Indigenous Peoples Day through Memorial Day.

In **Trails**, the five-person BSP trail crew along with the Baxter Youth Conservation Corp (BYCC) and volunteer trail adopters were very busy Parkwide this season blazing, brushing, and clearing blowdowns and cleaning debris from turnpike swales and drainage ditches. Construction and repair

of trails included major work on the Saddle Trail, re-route of a portion of the OJI Trail, and continued work on the Hunt Trail relocation (by Maine ATC). The BYCC installed new bog bridging from the Pogy Notch Trailhead to the North Traveler Trailhead and installed 30 stepping stones on a seasonally muddy portion of the Katahdin Lake Trail. Trail Specialist Kris English and Trail Supervisor Brennan Turner replaced a ~75' bridge/boardwalk over Blacksmith Brook and the adjacent bog. Trailwork this season was often met with difficulty due to the very rainy season and some equipment issues.

Natural Resources: Staff are collecting alpine phenology plot data, controlling invasive plants, and installing acoustic bat detectors. Park staff and volunteers participated in the Maine Audubon Society's Annual Loon Count. In total 51 loons were observed on 23 waterbodies in the Park. Interpretive Specialist Cassandra Knudsen's strong efforts to recruit participants made this the highest number of waterbodies surveyed in the Park since this data collection started in 2002.

State Geologists Bob Johnston (retired) and Lindsay Theis introduced BSP Staff to bedrock and surficial geology and explored Traveler Rhyolite formations and the potholes and alluvial fan of Howe Brook.

Information and Education: Visiting Artist Donna Chase provided informal talks and a workshop for Park visitors at Kidney Pond, and displayed her artwork in an open-house format at the Kidney Pond library. Cassandra Knudsen developed a new program about bats in Baxter Park, to be presented at the campgrounds and community events.

In advance of the full solar eclipse in April 2024, staff are implementing a communication plan about the limited access to the Park during that time of year and have reached out to regional partners and businesses to plan for a potentially large influx of visitors. The Katahdin Collaborative is focused on this as well. Patty Cormier, Andy Cutko, and Kevin Adam provided comments about state park closures for an article about the eclipse in the New York Times.

Maintenance: A log loader (trailer) was purchased and put to use salvaging logs from along the Park's road corridors - areas hard hit by blowdown events in the past two years. Quality sawlogs will be salvaged for Park projects, including the Daicey Pond project and lean-to construction, and other salvaged wood will be used for firewood.

Propane delivery and service, as well as outhouse pumping services, take a lot of time and planning. We are working toward licensing additional staff (currently only one is licensed) and upgrading appliances to increase efficiency and decrease service needs. In some locations, the Park has switched from propane to LED lights fueled by solar energy. Staff has been working with our propane supplier to decrease the logistical burden of propane deliveries. Trash in outhouse vaults has been an ongoing issue and has caused damage to the contractor's pump equipment.

Daicey Pond Project: The hiring of the Project Superintendent and Crew Member positions are scheduled for January and April respectively. Over 260 spruce logs have been harvested from the SFMA and trucked to Patten to be peeled using a pressure washer, and some milled, by a contractor. The logs will then be moved to a staging location near the project site before snowfall.

SFMA: Crews from Horizon Forestry completed 200 acres of pre-commercial thinning in September and a crew from Horizon will return in the coming weeks to complete eight miles of boundary line maintenance in the north end of the SFMA. Lands Manager Shane Miller and Natural Resource Director Nava Tabak recently made presentations on a webinar hosted by Friends of BSP

(FOB) about forestry in Maine and in the SFMA. A recording of the webinar is available on the Friends' Website. FOB will tour the SFMA this Friday.

Law Enforcement: Issues included filming without a media permit, dogs in the Park, oversized groups, importing plants, and leaving rocks on the summit. Staff conducting a mountain patrol noticed the rocks on the summit, some painted and with writing on them. The church group responsible was issued a warning. Around 40 search and rescue responses involving staff, MASAR Teams, the MFS Aviation branch, and the 126th Medvac National Guard have occurred this season.

Baxter Park Wilderness Fund: Trustee John Loyd provided a summary of the fund which is at \$29M up ~\$5M from December 31, 2022. The Trustees meet virtually a couple of times a month and in person once annually. The Park's current FY disbursements currently stand at \$100,000 quarterly and are based on an equation and serious considerations that Jim Garland developed years ago. The BPWF Trust is now a tax-exempt supporting organization, and the trustees are appointed by the Authority for three-year terms.

Commissioner Camuso moved pursuant to Title 1 §405 (6) (c) and (e) of the Maine Revised Statutes to go into executive session to discuss with our attorney the status of the lease of the Katahdin Lake Wilderness Camps, the condition of those camps, and the future of those camps and the lease. The motion was seconded by Chair Cormier, motion passed 2-0.

Authority, staff, and counsel emerged from the Executive Session having discussed the deliberations mentioned in the motion to go into the executive session and did not speak about anything else, and no votes were taken.

Adjourn: Commissioner Camuso motioned to adjourn at 12:05 p.m. seconded by Chair Cormier. Motion carried 2-0.

Respectfully submitted,

Georgia Manzo
Office Specialist