



Alaska Department of Natural Resources

House Finance Committee Overview

January 29, 2010

Presented by Commissioner Tom Irwin

Who We Are and What We Do

Department Mission:

Develop, conserve and maximize the use of Alaska’s natural resources consistent with the public interest

DNR manages the state’s land. Its primary core service is to provide opportunities for responsible and best use of state land and water resources

Divisions

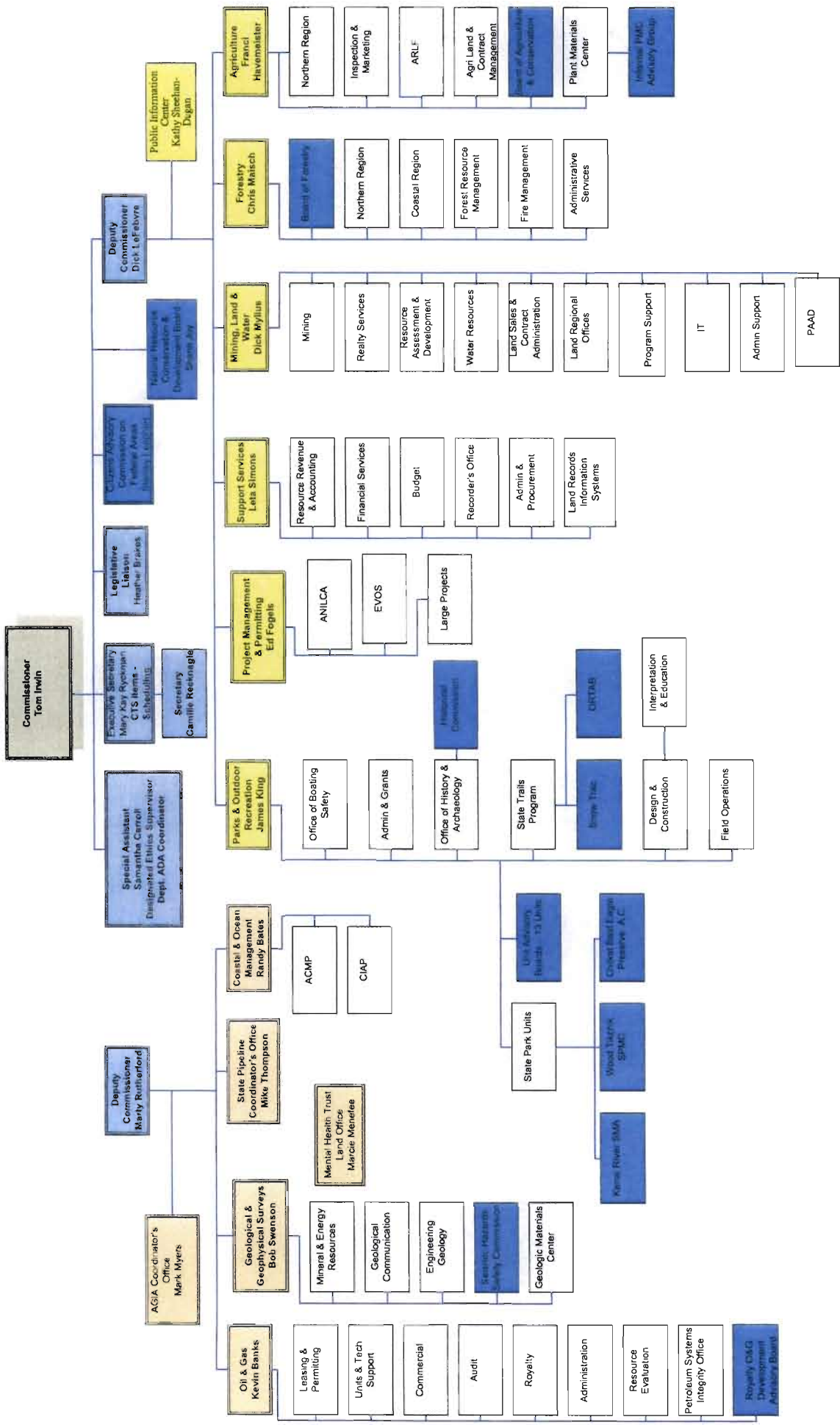
Oil & Gas
Mining, Land & Water
Forestry
Geological & Geophysical Surveys
Agriculture
Parks & Outdoor Recreation
Coastal & Ocean Management
Support Services

Offices

State Pipeline Coordinator (JPO)
Project Mgmt. & Permitting
Mental Health Trust Land
AGIA Coordinator
Public Services
Commissioner

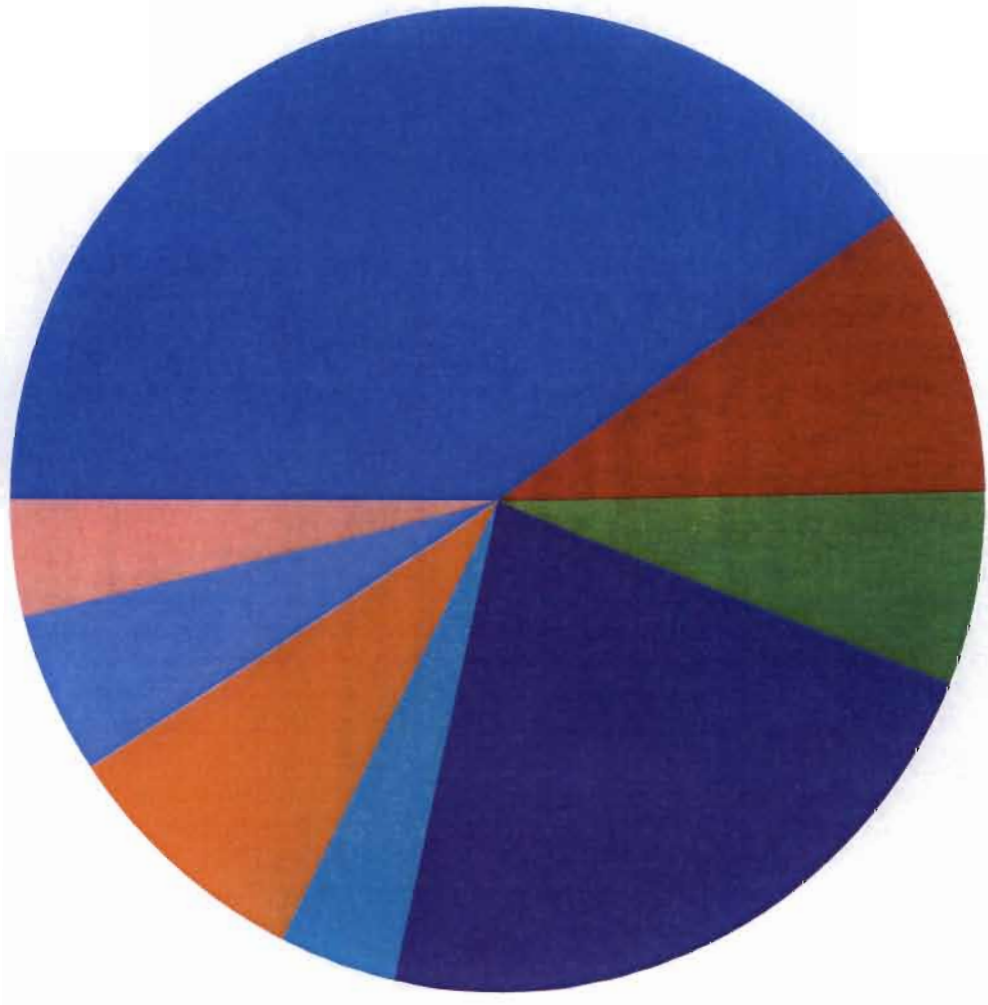
Boards and Commissions

Natural Resource Development
Board (Soil & Water Districts)
Citizen’s Advisory Commission
on Federal Areas (CACFA)



DNR FY10 Operating Budget By Priority Program

Chart 1



- (in thousands)
- Natural Resource Development - \$58,295.7 (40.1%)
- Natural Resource Information - \$13,797.7 (9.5%)
- State Land Transfers & Access - \$9,303.3 (6.4%)
- Wildland Fire Management - \$32,522.8 (22.4%)
- Conservation & Protection - \$5,644.2 (3.9%)
- State Parks Management - \$12,209.0 (8.4%)
- Agricultural Industry Support - \$7,897.2 (5.4%)
- Public Information & Recorder - \$5,586.9 (3.8%)

Total FY10 Operating Budget - \$145,256.8

Current Status

FY10 Budget

Adjusted Base \$133 million
Management Plan \$145 million
Difference: One-time items, multi-year operating appropriations and Mental Health Trust Land Office budget (zero-based)

Funding sources:

53% general fund
11% federal
36% other (CIP, interagency receipts, receipt-support services, SDPR, land disposal income fund, and others)

Positions

1,101 Permanent and Non-Permanent Budgeted Positions
Average vacancy 11.5% (130 positions)

RECENT HIGHLIGHTS

- Managed state land that generated more than 70% of the state's general fund revenue – about \$5.7 billion in FY09
- First drilling activity at the Pt. Thomson field on the North Slope since 1983
- ExxonMobil joined TransCanada to progress the Alaska Pipeline Project (AGIA)
- Advanced large development projects throughout Alaska
- Acquired 8.3 million acres of new state land over the last four years
- Limited 93% of fires in Critical and Full state managed areas to 10 acres or less in the ninth largest fire season on record (518 fires on over 2.9 million acres)
- Secured and winterized abandoned oil and gas production facilities on state lease land, preserving the value of the facilities for eventual buyer
- Awarded contracts to replace 36 dilapidated outhouse facilities in state park facilities
- Competed for and received \$10.7 million in ARRA funds (federal stimulus)

FY11 PRIORITIES INCLUDE:

Alaska Pipeline Project (AGIA)

Improved service delivery

Navigability reports to assert state ownership and management rights

Maintain facilities and equipment

Continually improve use of technology resources

DNR'S 10-YEAR PLAN

Gasline – DNR Costs

DNR's budget for the Alaska Pipeline Project (AGIA) will peak in FY11 and FY12, as project approaches construction phase

DNR Core Services – General Fund increases, FY11-FY20

- ✓ Promote increasing development of state oil and gas resources
- ✓ Increase staffing and technology resources to provide reasonable levels of service to industry, the public and other agencies
- ✓ Address \$150 million in deferred maintenance, facility replacement, and equipment replacement and upgrades

Chart 2

DNR Long-Range Plan for Alaska Pipeline Project AGIA Coordinator's Office, Consultants, Outreach, Capital Projects

(in thousands)

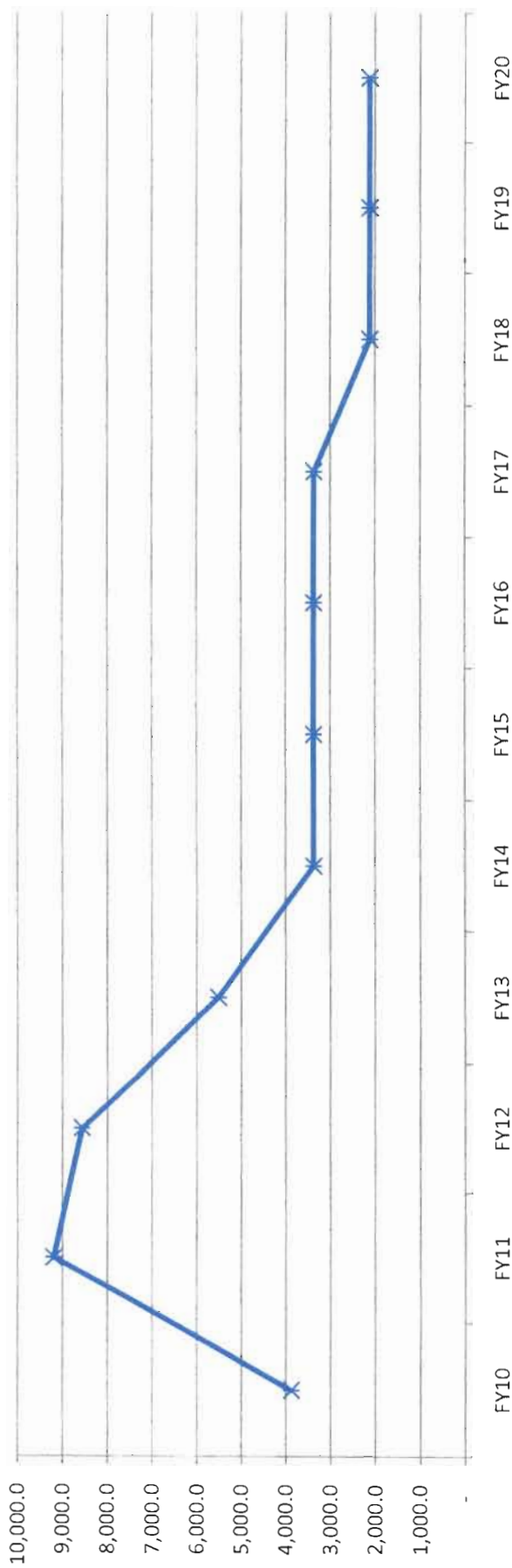


Chart 3

DNR Long-Range Plan General Fund Operating Budget FY11-FY20 (excluding gasoline)

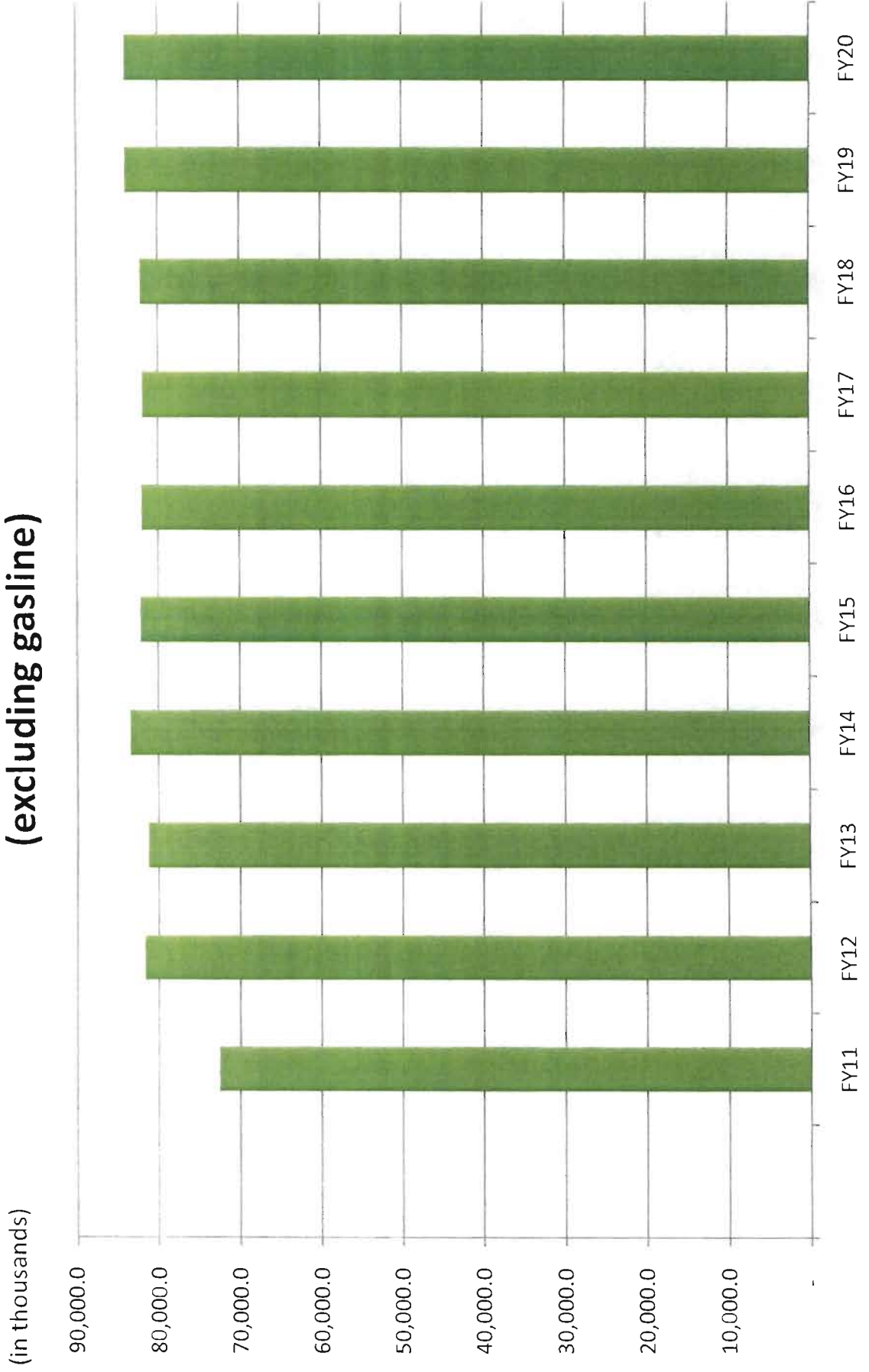


Chart 4

DNR Long-Range Plan General Fund Capital Projects FY11-FY20 (excludes gasoline)

(in thousands)

