

State of Alaska

Department of Natural Resources

House Finance SubCommittee

Budget Overview



Mark Myers, Commissioner
Ed Fogels, Deputy Commissioner
Fabienne Peter-Contesse, Support Services Director
February 2, 2016

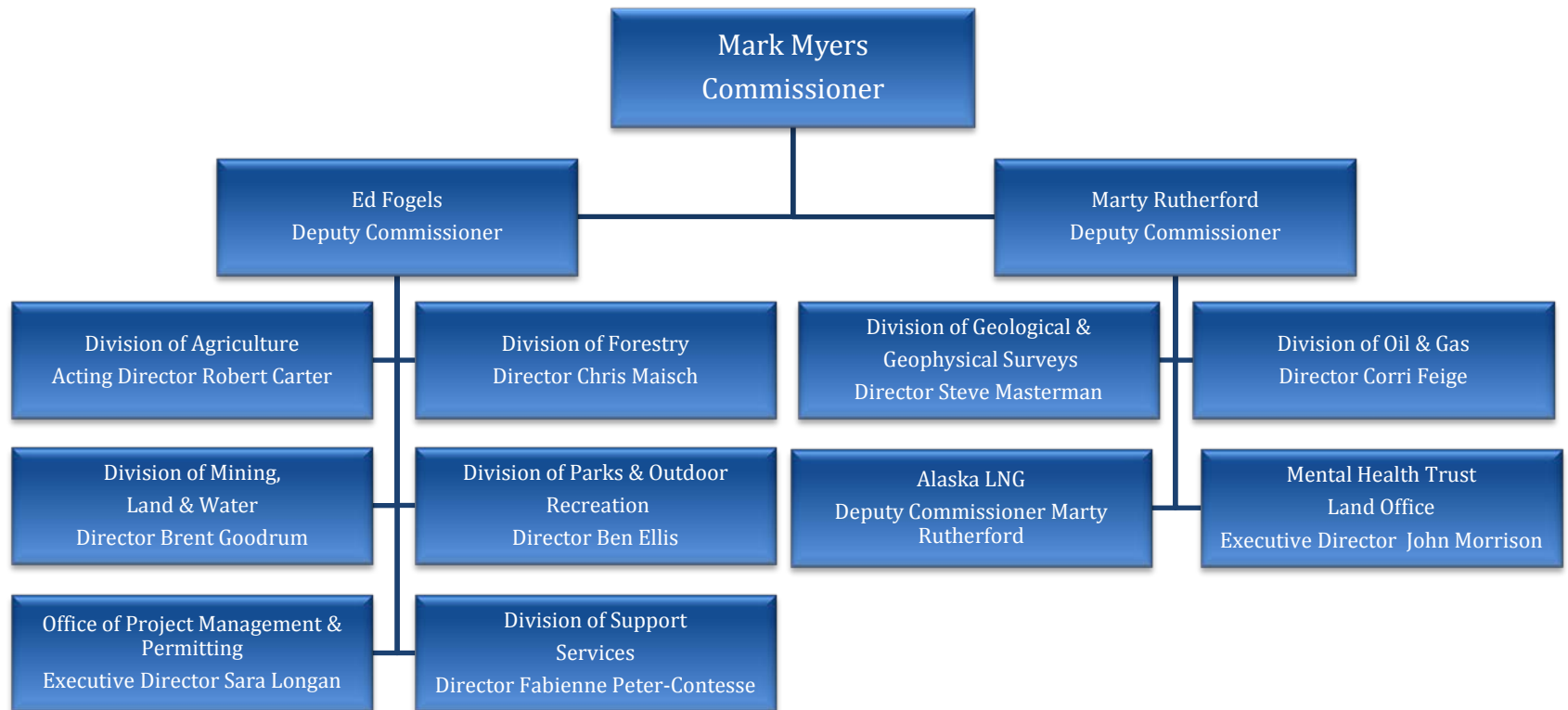


PART I



DNR Overview

ORGANIZATION CHART



MISSION AND CORE SERVICES

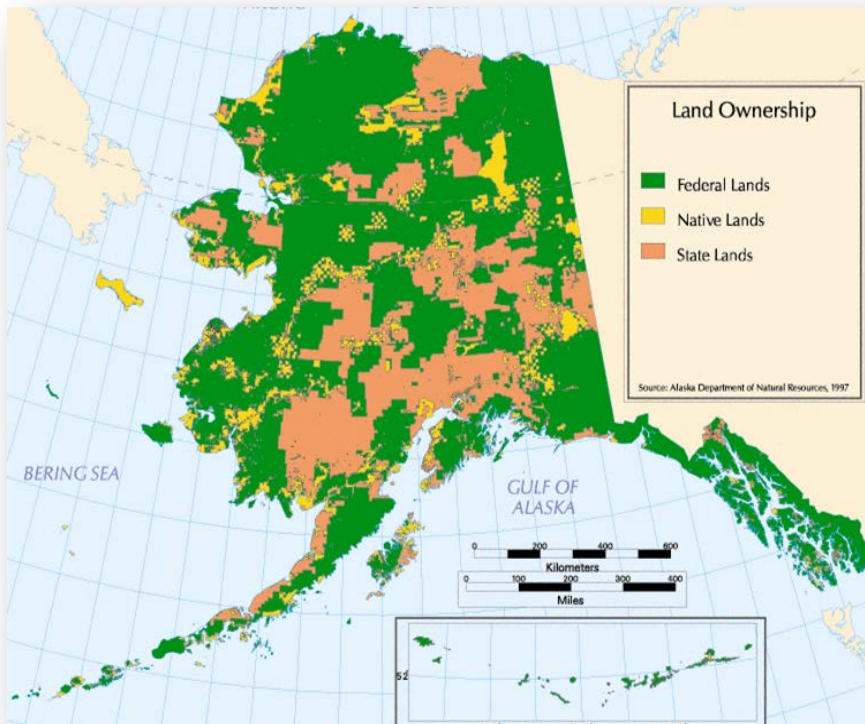
Mission

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

Core Services

- Foster responsible commercial development and use of state land and natural resources, consistent with the public interest, for long-term wealth and employment.
- Mitigate threat to the public from natural hazards by providing comprehensive fire protection services on state, private and municipal lands, and through identifying significant geologic hazards.
- Provide access to state lands for public and private use, settlement, and recreation.
- Ensure sufficient data acquisition and assessment of land and resources to foster responsible resource and community development and public safety.

LAND OWNERSHIP



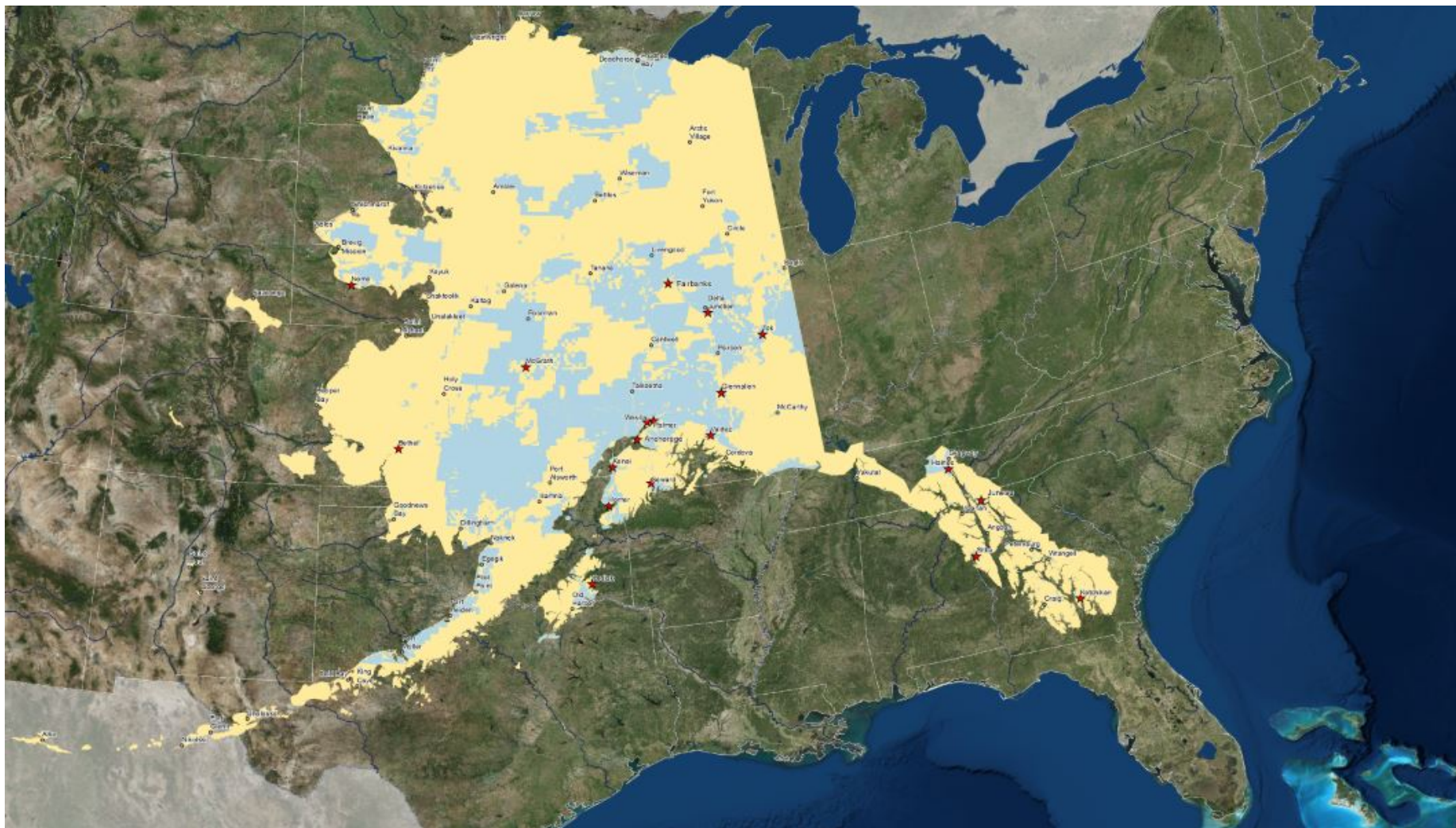
Land Ownership

- *Federal Land:* More than 200 million acres
- *State Land:* Approx. 100 million acres of uplands, 60 million acres of tidelands, shore lands, and submerged lands, and 40,000 miles of coastline
- *Native Corporation Land:* 44 million acres

DNR

- Manages one of the largest portfolios of oil, gas, minerals, renewable resources, water, and land in the world
- Manages all oil and gas fields on state land, including two of the largest oil and gas fields in North America
- Oversees all activities that occur on state land

STATE LAND POSITION DNR OFFICE LOCATIONS



DEPARTMENT OF NATURAL RESOURCES

- DIVISION OVERVIEWS -

Division of Agriculture (DoA)

- Robert Carter, Acting Director
- 39 full and part-time budgeted positions
- 3.7% of DNR's FY2017 Operating Budget Request
- \$7,040.1 total budget request (\$2,838.5 UGF)
- Promotes and encourages development of an agriculture industry in Alaska



Division of Forestry (DoF)

- Chris Maisch, Director
- 234 full and part-time budgeted positions (does not include the hundreds of fire season crews)
- 22.6% of DNR's FY2017 Operating Budget Request
- \$43,437.2 total budget request (\$24,332.6 UGF)
- 87.8% of Forestry's budget is Fire Suppression
- Serves Alaskans through forest management and wildland fire protection



DEPARTMENT OF NATURAL RESOURCES

- DIVISION OVERVIEWS -

Division of Geological & Geophysical Surveys (DGGS)

- Steve Masterman, Director
- 38 full and part-time budgeted positions
- 4.4% of DNR's FY2017 Operating Budget Request
- \$8,533.8 total budget request (\$4,458.3 UGF)
- Determines the potential of Alaskan land for production of metals, minerals, fuels, and geothermal resources, the locations and supplies of groundwater and construction material, and the potential geologic hazards to buildings, roads, bridges, and other installations



Division of Mining, Land & Water (DMLW)

- Brent Goodrum, Director
- 205 full and part-time budgeted positions
- 13.7% of DNR's FY2017 Operating Budget Request
- \$26,458.6 total budget request (\$9,658.2 UGF)
- Provides for the appropriate use and management of Alaska's state owned land and water, aiming toward maximum use consistent with the public interest



DEPARTMENT OF NATURAL RESOURCES

- DIVISION OVERVIEWS -

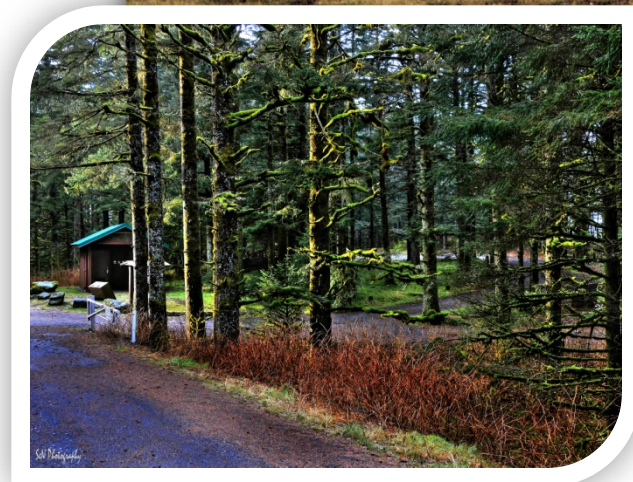
Division of Oil & Gas (DOG)

- Corri Feige, Director
- 111 full and part-time budgeted positions
- 11.6% of DNR's FY2017 Operating Budget Request
- \$22,335.7 total budget request (\$8,997.0 UGF)
- Responsible for the leasing of state lands for oil, gas, and geothermal exploration, and issuing and monitoring pipeline right-of-way leases.



Division of Parks & Outdoor Recreation (DPOR)

- Ben Ellis, Director
- 133 full and part-time budgeted positions
- 8.6% of DNR's FY2017 Operating Budget Request
- \$16,601.6 total budget request (\$3,227.8 UGF)
- Provides outdoor recreation opportunities and conserves and interprets natural, cultural, and historic resources for the use, enjoyment, and welfare of the people

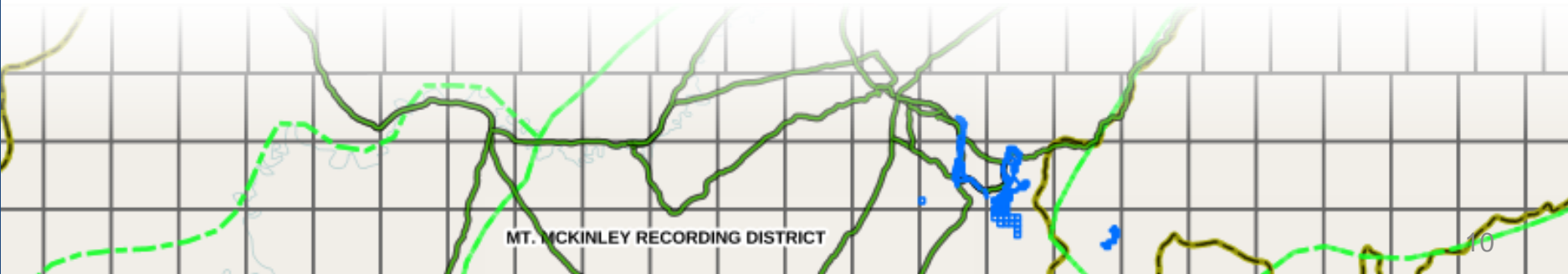


DEPARTMENT OF NATURAL RESOURCES

- DIVISION OVERVIEWS -

Division of Support Services (SSD)

- Fabienne Peter-Contesse, Director
- 114 full and part-time budgeted positions
- 6.8% of DNR's FY2017 Operating Budget Request
- \$13,153.5 total budget request (\$5,674.7 UGF)
- Provides client-focused, efficient and cost-effective financial, budget, procurement, human resource, information technology and recording services to DNR and the public



DEPARTMENT OF NATURAL RESOURCES

- OFFICE OVERVIEWS -

Office of the Commissioner

- Mark Myers, Commissioner
- 9 full-time budgeted positions
- .9% of DNR's FY2017 Operating Budget Request
- \$1,703.3 total budget request (\$1,503.4 UGF)

North Slope Gas Commercialization (NSGC)

- Marty Rutherford, Deputy Commissioner
- 21 full-time budgeted positions
- 18.6% of DNR's FY2017 Operating Budget Request
- \$35,733.1 total budget request (UGF)



DEPARTMENT OF NATURAL RESOURCES

- OFFICE OVERVIEWS -

Office of Project Management & Permitting (OPMP)

- Sara Longan, Executive Director
- 17 full-time budgeted positions
- 4% of DNR's FY2017 Operating Budget Request
- \$7,755.5 total budget request (\$912.8 UGF, \$5,648.3 Industry Receipts)
- Coordinates the review of larger scale projects in the state

Alaska Mental Health Trust Land Office (MHTLO)

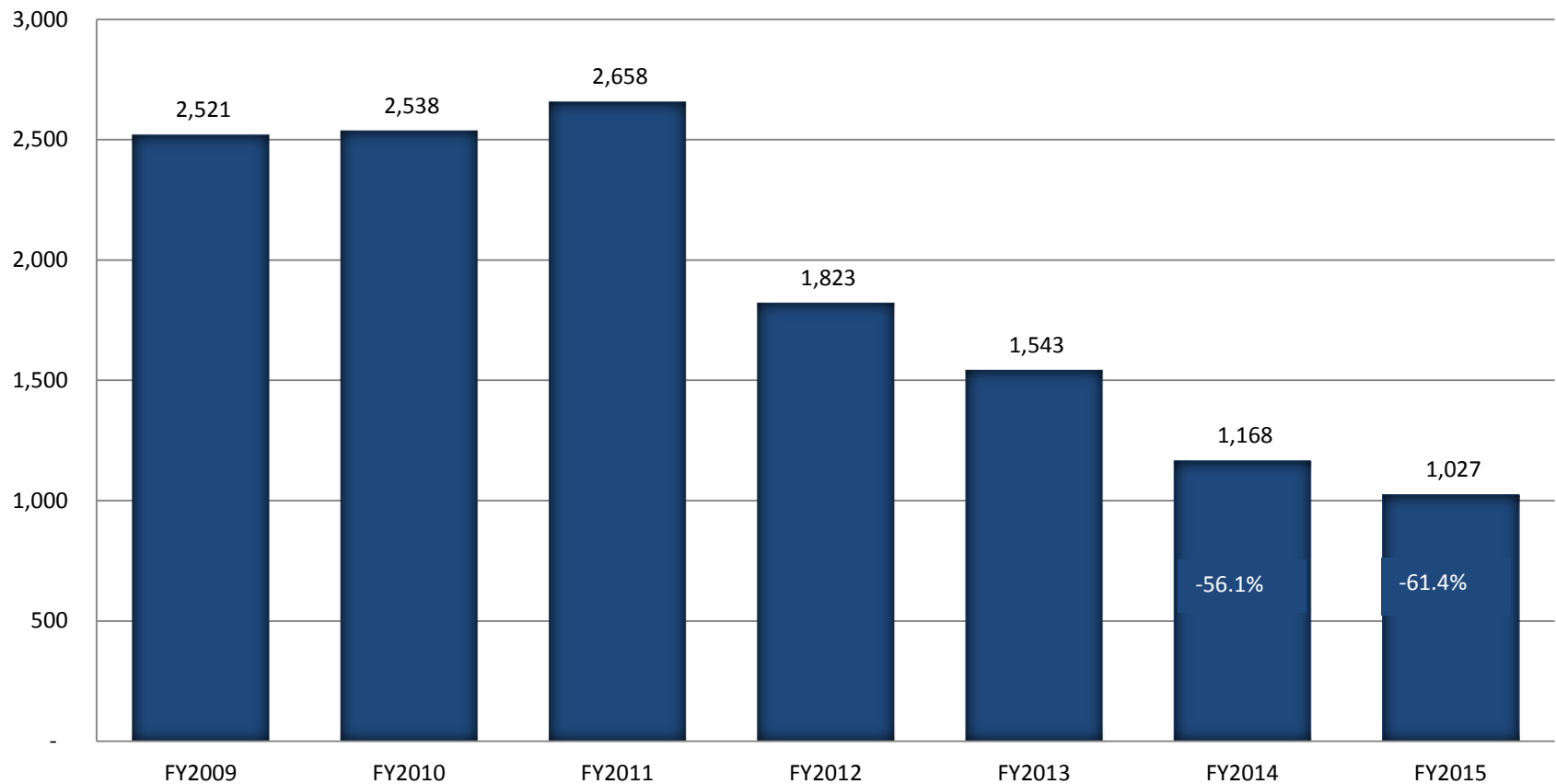
- John Morrison, Executive Director
- 17 full and part-time budgeted positions
- 2.3% of DNR's FY2017 Operating Budget Request
- \$4,397.5 total budget request (MHTAAR Receipts)
- Protecting and enhancing the value of Alaska Mental Health Trust Lands while maximizing revenues from those lands over time



PERFORMANCE MEASURES

TARGET: Eliminate 100% of the Permit Backlog

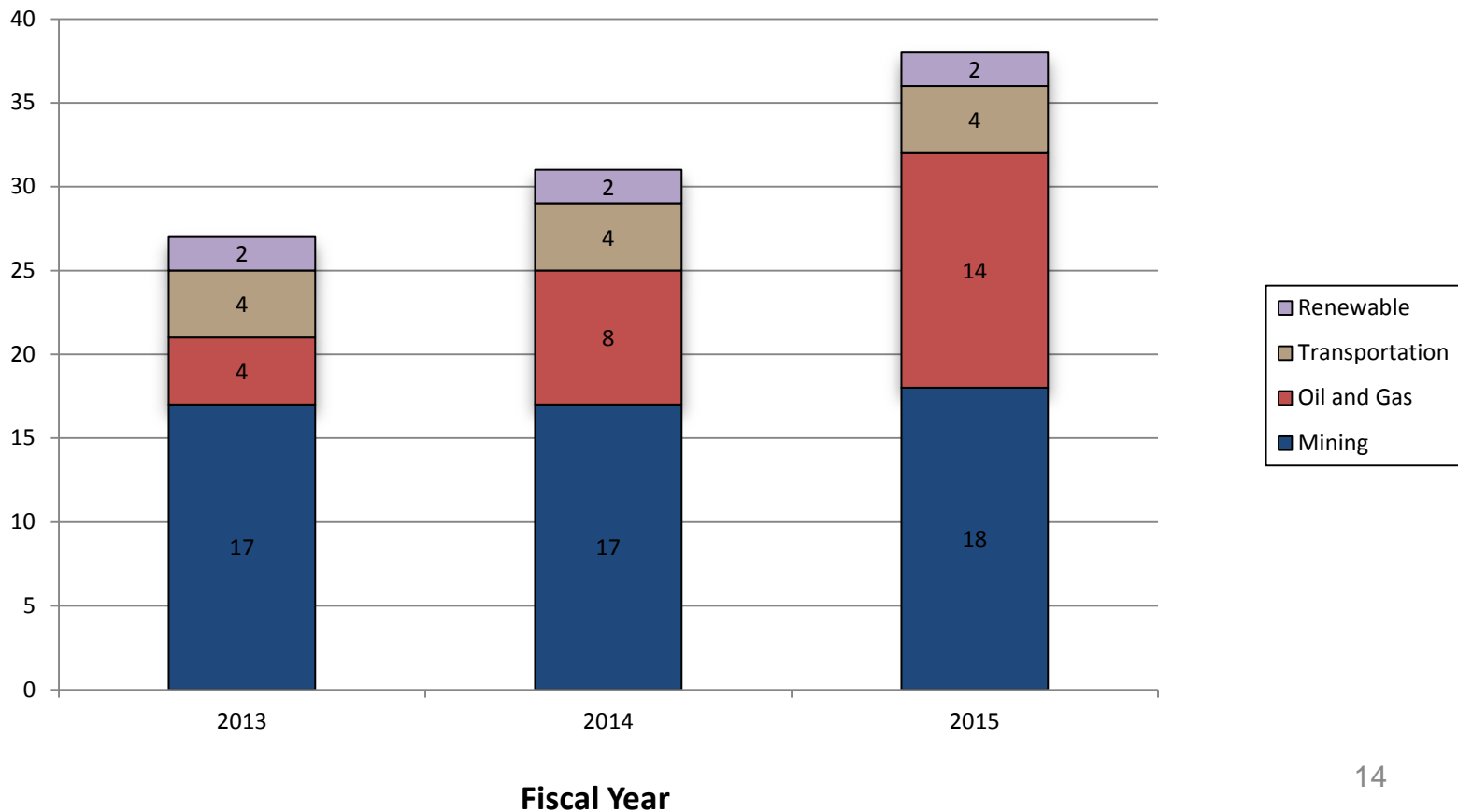
Mining, Land and Water Permit Backlog



PERFORMANCE MEASURES

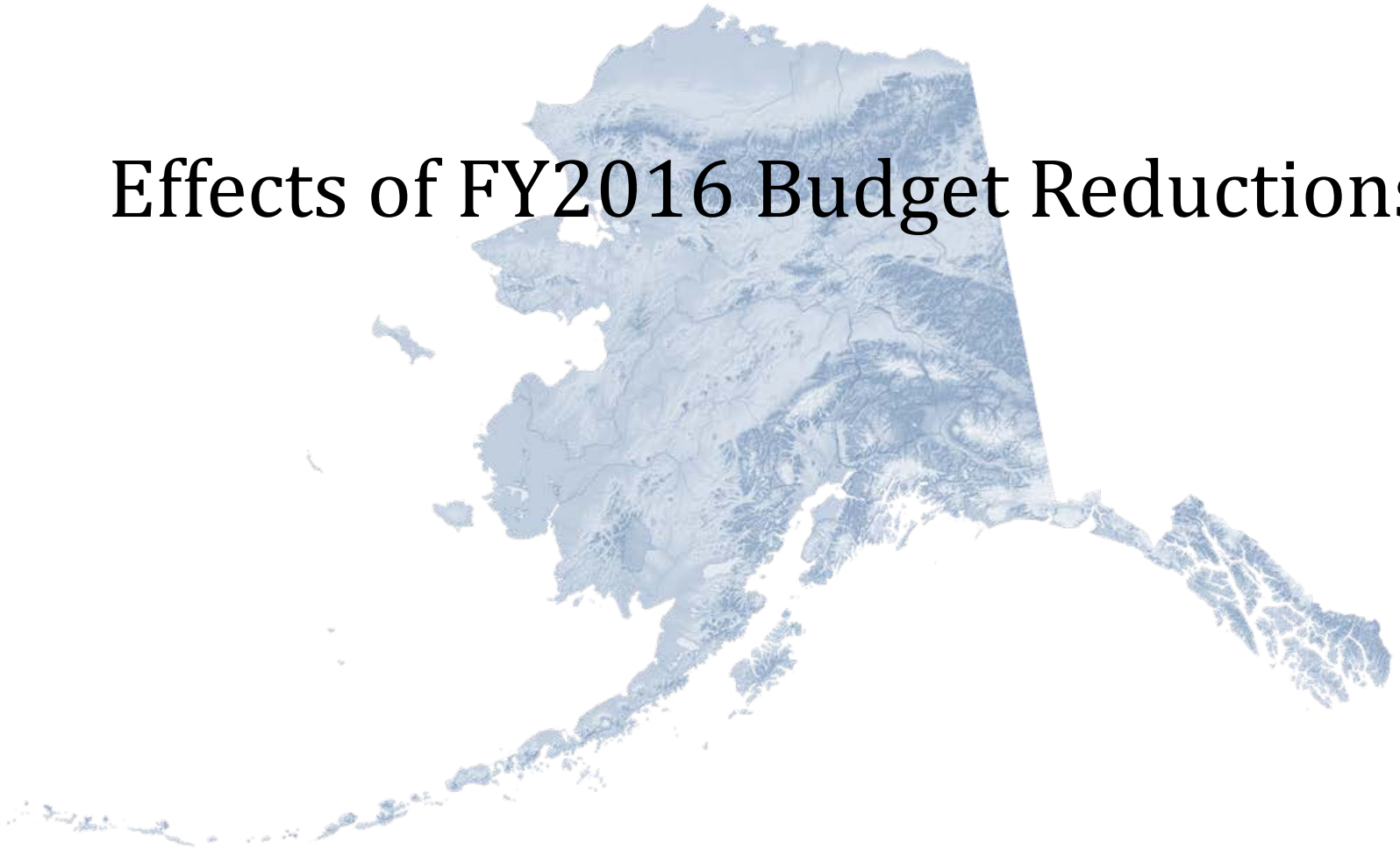
TARGET: Coordinate the review, permitting, and monitoring of natural and renewable resource development, transportation, and other specialized projects .

OPMP Coordinated Projects



PART II

Effects of FY2016 Budget Reductions



DNR FY2016 BUDGET CUT HIGHLIGHTS

Reduced UGF by \$7.6 million (-9.8%) and 76 positions

(FY2015 Management Plan to FY2016 Management Plan w/o AKLNG)

Geological and Geophysical Surveys: Cut 4 positions including 2 scientists evaluating coal/geothermal and energy resources; removed funding for airborne geophysics program.

Oil and Gas: Cut 9 positions by restructuring work processes; reduced ability to defend state's financial interests in royalty negotiations.

Forestry: Cut 35 positions in forest management and wildland firefighting; eliminated wildland fire academy and reduced small commercial and personal use timber sales.

Mining, Land and Water: Cut 6 positions working on public land access and navigability; reduced authorizations and inspections.

Parks and Outdoor Recreation: Cut 4 positions including Dillingham, Valdez and Sitka rangers; three parks put in passive management.

Project Management and Permitting: Cut 1 position supporting ANILCA reviews; eliminated funding for coordination of Tongass plan reviews.

Agriculture: Cut 4 positions; base funding removed for Farm to School program and Natural Resources Conservation and Development Board, eliminated ethnobotany program.

Support Services: Cut 5 Recorder's Office positions and 1 IT position; closed 6 rural Recorder's Offices

Agency-wide: Mandatory furloughs for exempt and partially exempt staff; delays in maintaining and replacing field and IT equipment; increased workload for remaining staff.

PART III

FY2017 Governor Budget Highlights



DNR FY2017 GOVERNOR BUDGET

- EMPLOYEES -

DNR will employ about 1,033 Alaskans in full-time and seasonal positions, in 27 locations, with main offices in Anchorage, Juneau, Fairbanks and Palmer, and regional offices throughout the state.

	PFT	PPT	NP	Total	
FY2007					
Management Plan	776	251	86	1,113	
FY2012					
Management Plan	759	248	93	1,100	
FY2013					
Management Plan	755	241	103	1,099	
FY2014					
Management Plan	757	243	112	1,112	
*FY2015					
Management Plan	753	238	110	1,101	%
*FY2016					Change
Management Plan	713	219	92	1,024	From
*FY2017					FY2007
Governor	706	217	90	1,013	-9%

*** AKLNG not included**

As of 11-15-15 compared to 12-31-14, DNR had 62 fewer active employees (PFT + PPT), second only to DOT across all departments.



DNR FY2017 GOVERNOR BUDGET

- OPERATING BUDGET BY CORE SERVICE-

Comparison of FY2016 Management Plan To FY2017 Adjusted Base

	FY2016 Management Plan					FY2017 Adjusted Base					Change from FY2016 Management Plan
	UGF	DGF	Other	Federal	Total	UGF	DGF	Other	Federal	Total	
Foster Responsible Development	26,365.4	12,102.6	36,197.4	3,127.9	77,793.3	25,576.6	10,005.0	26,390.8	3,127.9	65,100.3	(12,693.0)
Mitigate Natural Hazard Threats	24,828.3	726.6	3,514.1	13,576.2	42,645.2	24,666.4	726.6	3,514.1	13,576.2	42,483.3	(161.9)
Provide Access to State Lands	10,697.5	11,721.2	5,780.9	2,002.4	30,202.0	10,472.9	11,721.2	5,780.9	2,002.4	29,977.4	(224.6)
Sufficient Data Acquisition and Assessment	8,399.4	1,700.9	4,053.7	3,050.8	17,204.8	8,233.7	1,751.0	4,873.6	3,050.8	17,909.1	704.3
TOTALS	70,290.6	26,251.3	49,546.1	21,757.3	167,845.3	68,949.6	24,203.8	40,559.4	21,757.3	155,470.1	(12,375.2)

Comparison of FY2017 Adjusted Base To FY2017 Governor

	FY2017 Adjusted Base					FY2017 Governor					Change from FY2017 Adj Base
	UGF	DGF	Other	Federal	Total	UGF	DGF	Other	Federal	Total	
Foster Responsible Development	25,576.6	10,005.0	26,390.8	3,127.9	65,100.3	59,801.9	12,990.0	26,491.9	3,190.4	102,474.2	37,373.9
Mitigate Natural Hazard Threats	24,666.4	726.6	3,514.1	13,576.2	42,483.3	23,840.5	732.5	3,518.3	13,576.2	41,667.5	(815.8)
Provide Access to State Lands	10,472.9	11,721.2	5,780.9	2,002.4	29,977.4	9,241.2	12,435.8	5,786.5	2,052.4	29,515.9	(461.5)
Sufficient Data Acquisition and Assessment	8,233.7	1,751.0	4,873.6	3,050.8	17,909.1	7,872.3	2,017.6	4,878.5	3,063.3	17,831.7	(77.4)
TOTALS	68,949.6	24,203.8	40,559.4	21,757.3	155,470.1	100,755.9	28,175.9	40,675.2	21,882.3	191,489.3	36,019.2

DNR FY2017 GOVERNOR BUDGET

- SUMMARY OF BUDGET DEVELOPMENT -

		Funding Categories					Positions			
		UGF	DGF	Other	Fed	Total	PFT	PPT	NP	Total
FY2015 Management Plan:		88,072.8	26,468.5	41,970.0	21,819.1	178,330.4	759	238	110	1,107
FY2015 Management Plan (excluding AKLNG) :		77,924.6	26,468.5	41,970.0	21,819.1	168,182.2	752	238	110	1,100
FY2016 Management Plan:		70,326.0	26,215.9	49,544.8	21,757.3	167,844.0	720	219	92	1,031
FY2016 Management Plan (excluding AKLNG):		70,326.0	26,215.9	40,558.1	21,757.3	158,857.3	713	219	92	1,024
FY2017 Adjusted Base Actions	AKLNG Marketing Analyst Funded by SB3001						1			1
	Reversal of AKLNG Fiscal Note for SB138			(8,986.7)		(8,986.7)	(7)			(7)
	Reduce Tax Credit: Film/Oil & Gas/Gas Stor./Corp. (SB23/HB284)	(102.2)				(102.2)	(1)			(1)
	Reverse Klutina Survey and Anticipated Depositions for Dickson Case	(86.0)				(86.0)				-
	Reverse Potato Program Funding	(147.6)				(147.6)	(2)			(2)
	Reverse Base Funding for Mount McKinley Meat and Sausage Plant		(2,047.5)			(2,047.5)	(3)			(3)
	Unallocated Reductions	(1,062.0)				(1,062.0)				-
	Technical Salary Adjustments	56.8				56.8				
	FY2017 Adjusted Base (Legislative Finance):	68,985.0	24,168.4	40,558.1	21,757.3	155,468.8	708	219	92	1,019
FY2017 Governor Budget Increments:	Restore Alaska LNG Project	8,986.7				8,986.7	7			7
	Alaska LNG Project	26,746.4				26,746.4	13			13
	Maintain Trust Land Office Administration Budget			75.6		75.6				-
	Increase DOG Authority for Review and Permit Processing			15.0		15.0				-
	Restore Base Funding for Mount McKinley Meat and Sausage Plant		2,047.5			2,047.5	3			3
	Restore Potato Program Funding	147.6				147.6	2			2
	Subtotal Increments	35,880.7	2,047.5	90.6	0.0	38,018.8	25	-	-	25
	FY2017 Governor Budget Decrements:	Budget Reductions	(2,109.8)	(40.0)	26.5	125.0	(1,998.3)	(7)	(2)	(2)
MLW Fund Source Switch Using Existing Program Receipts		(2,000.0)	2,000.0			0.0				
FY2017 Governor:		100,755.9	28,175.9	40,675.2	21,882.3	191,489.3	733	219	92	1,044
FY2017 Governor excluding AKLNG:		65,022.8	28,175.9	40,675.2	21,882.3	155,756.2	705	217	90	1,012
Comparisons:	FY2016 Management Plan to FY2017 Governor	43.3%	7.5%	-17.9%	0.6%	14.1%				1.3%
	FY2016 Management Plan to FY2017 Governor (excluding AKLNG)	-7.5%	7.5%	0.3%	0.6%	-2.0%				-1.2%
	FY2015 Management Plan to FY2017 Governor (excluding AKLNG)	-16.6%	6.5%	-3.1%	0.3%	-7.4%				-8.0%

DNR FY2017 BUDGET HIGHLIGHTS

- REDUCTIONS -

Reduced UGF by \$5.3 million (-7.5%) and 12 positions

(FY2016 Management Plan to FY2017 Governor w/o AKLNG)

Oil and Gas: Reduce best interest finding, lease sale preparation, public record requests and communications - (\$139.5)UGF and 2 positions

Geological and Geophysical Surveys: Reduce production and content of annual mineral report, presence at mineral and energy trade shows, and software licensing costs - (\$52.9) UGF

Mining, Land and Water: Reduce public land stewardship - (\$363.2) UGF and 2 positions

Forestry: Reduce annual forest road maintenance and administrative support - (\$66.5) UGF and 1 position
Reduce base funding for fire suppression activity - (\$686.1) UGF

Citizen's Advisory Commission on Federal Areas: Delete Citizen's Advisory Commission on Federal Areas - (\$272.9) UGF and 2 positions

Parks Management and Access: Reduce funding for permit applications statewide and administrative support in Kodiak - (\$86.4) UGF and 1 position

Agriculture: Reduce seasonal mechanic's capacity at North Latitude Plant Material Center; reduce Alaska Grown Marketing and farm site inspections and assistance - (\$87.8) UGF and 1 position

Support Services: Delete Accounting Technician II in Accounts Maintenance unit delaying the audits of land sale contracts - (\$72.6) UGF and 1 position

Agency-wide: Work with Department of Administration to find efficiencies in chargeback and facilities costs - (\$136.9) UGF;
FY2016 one-time salary increases to be removed in FY2017 budget - (\$1,062.0) UGF

DNR FY2017 BUDGET HIGHLIGHTS

Fund Source Change

Fund source switch from UGF to DGF using existing Division of Mining, Land and Water program receipts from fees, showing correlation between work demand and revenues collected by the divisions – (\$2,000.0) UGF, \$2,000.0 DGF.

One-time Item to Base Budget

Maintain Seed Potato Program - \$147.6 UGF and 2 positions.

Maintain Mount McKinley Meat and Sausage Plant - \$2,047.5 Agricultural Loan Fund (DGF) and 3 positions.
Revenue from the plant returns all but approximately \$155.0 per year to the fund, which is healthy and revolving.

Program Expansion

North Slope Gas Commercialization: \$35,733.1 GF/LNG (UGF) and 21 positions. With the planned progression to FEED of the Alaska LNG project, in FY2017 DNR will significantly increase its gasline work.

DNR FY2017 GOVERNOR BUDGET

- OPERATING BUDGET BY DIVISION / OFFICE -

FY2017 Governor Budget

\$191,489.3

Mining, Land and Water 13.7%

FY2016 Management Plan

\$167,845.3

Division of Forestry 22.6%
(Fire Suppression is 87.8% of Division)

Division of Oil & Gas 11.6%

Facilities & Interdepartmental Chargebacks 2.4%

Support Services Division 6.8%

Geological & Geophysical Surveys 4.4%

Division of Agriculture 3.7%

Division of Parks 8.6%

Commissioner's Office 0.9%

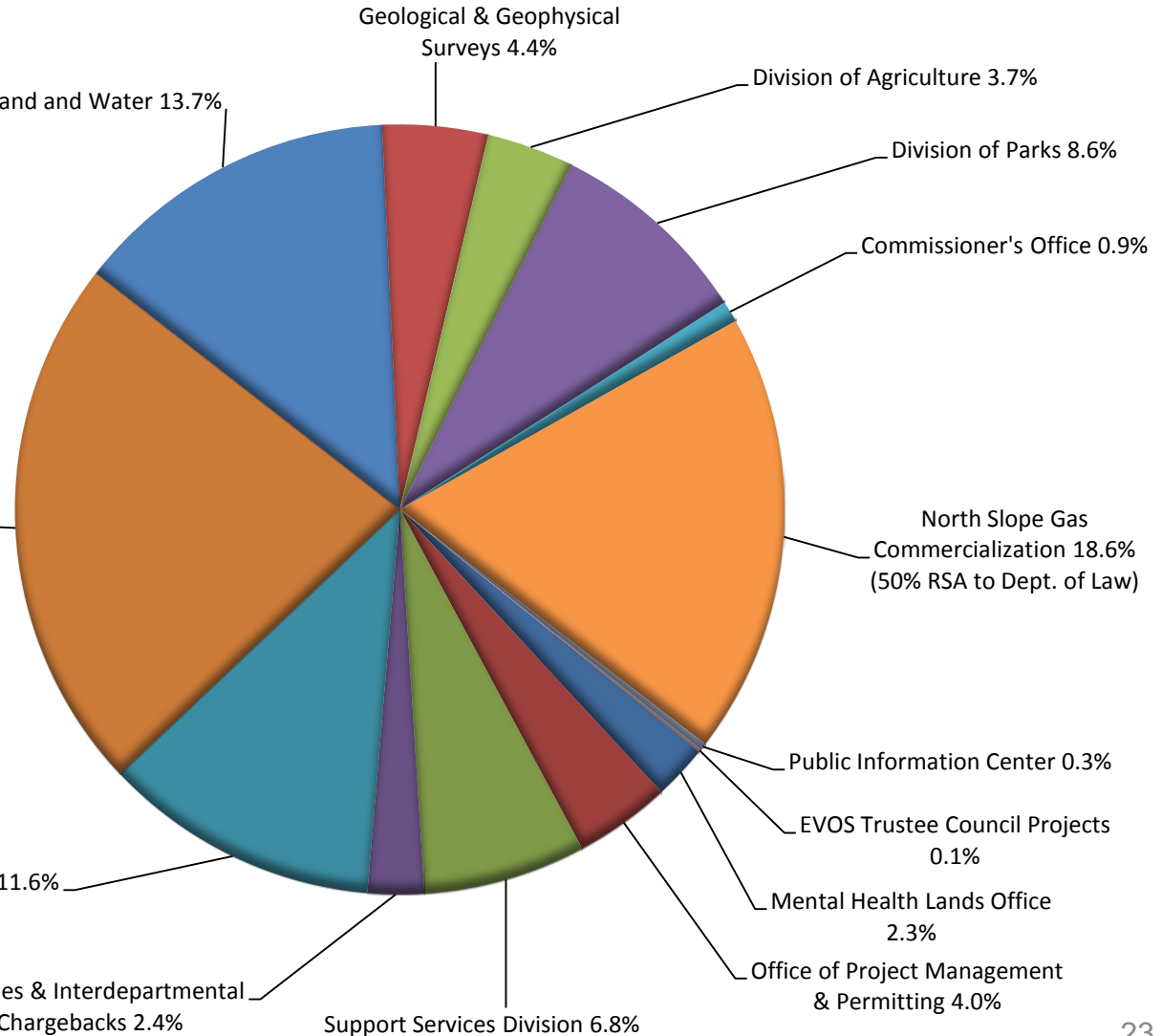
North Slope Gas Commercialization 18.6%
(50% RSA to Dept. of Law)

Public Information Center 0.3%

EVOS Trustee Council Projects 0.1%

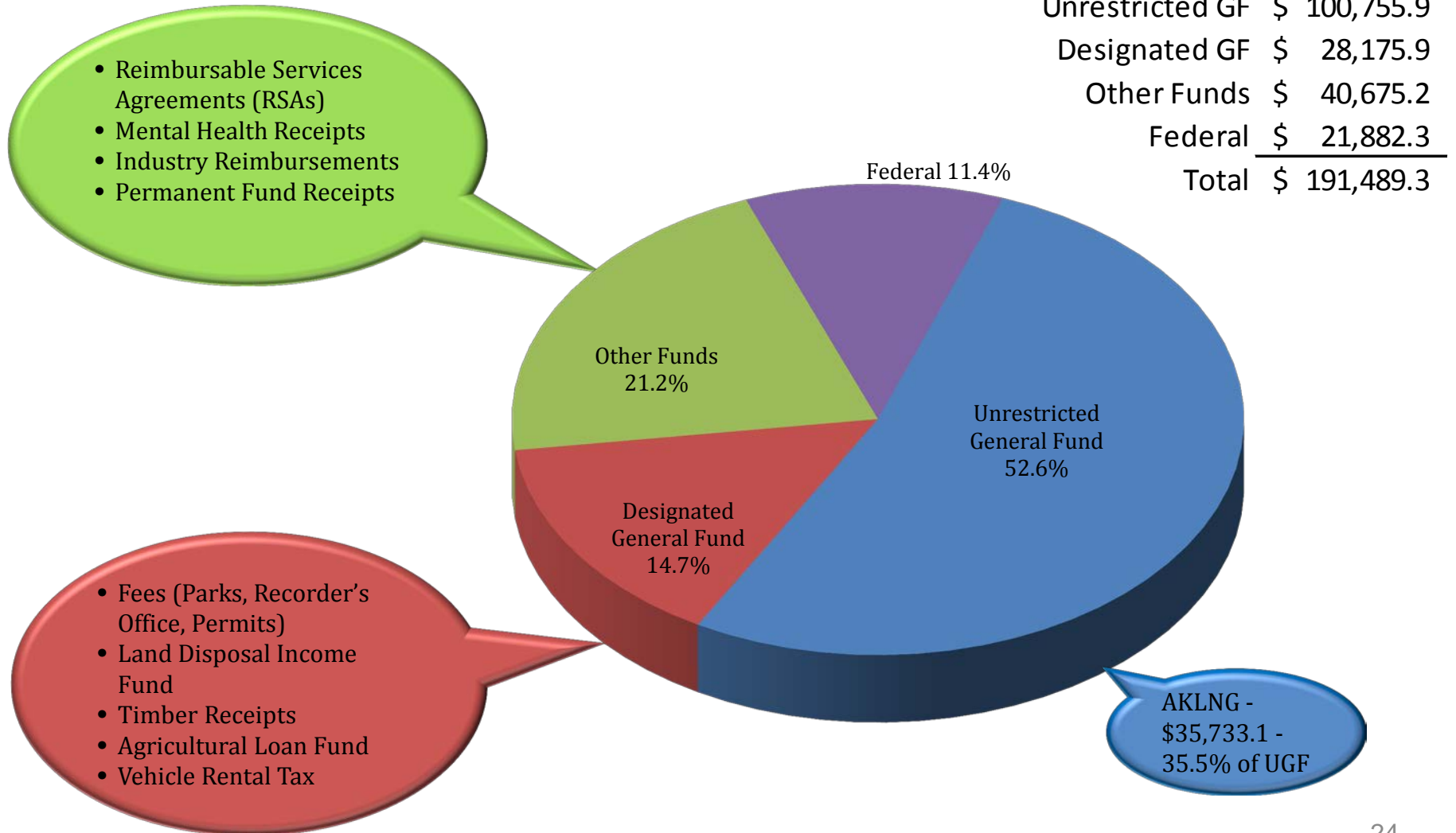
Mental Health Lands Office 2.3%

Office of Project Management & Permitting 4.0%



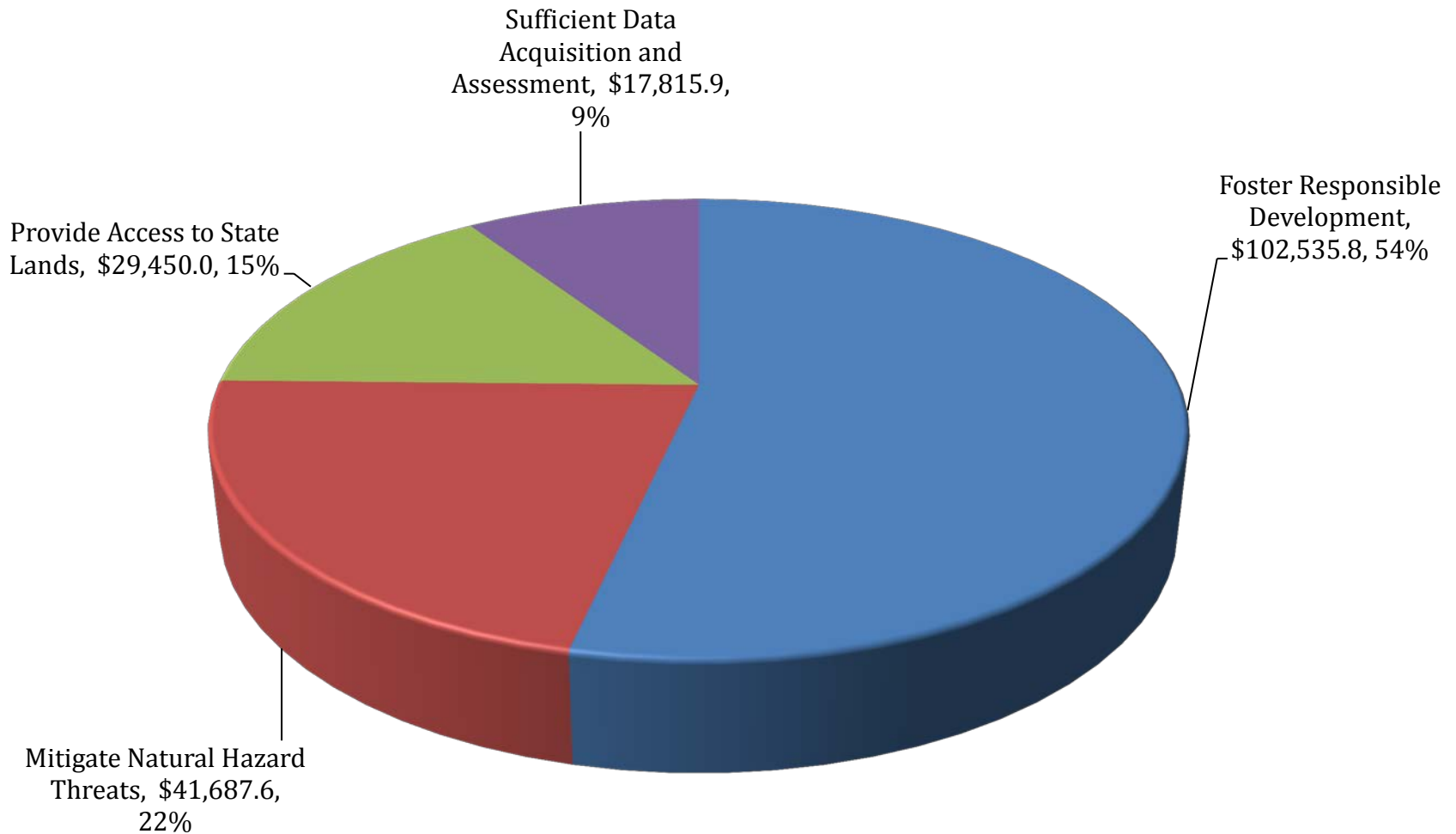
DNR FY2017 GOVERNOR BUDGET

- OPERATING BUDGET BY FUND CATEGORY -



DNR FY2017 GOVERNOR BUDGET

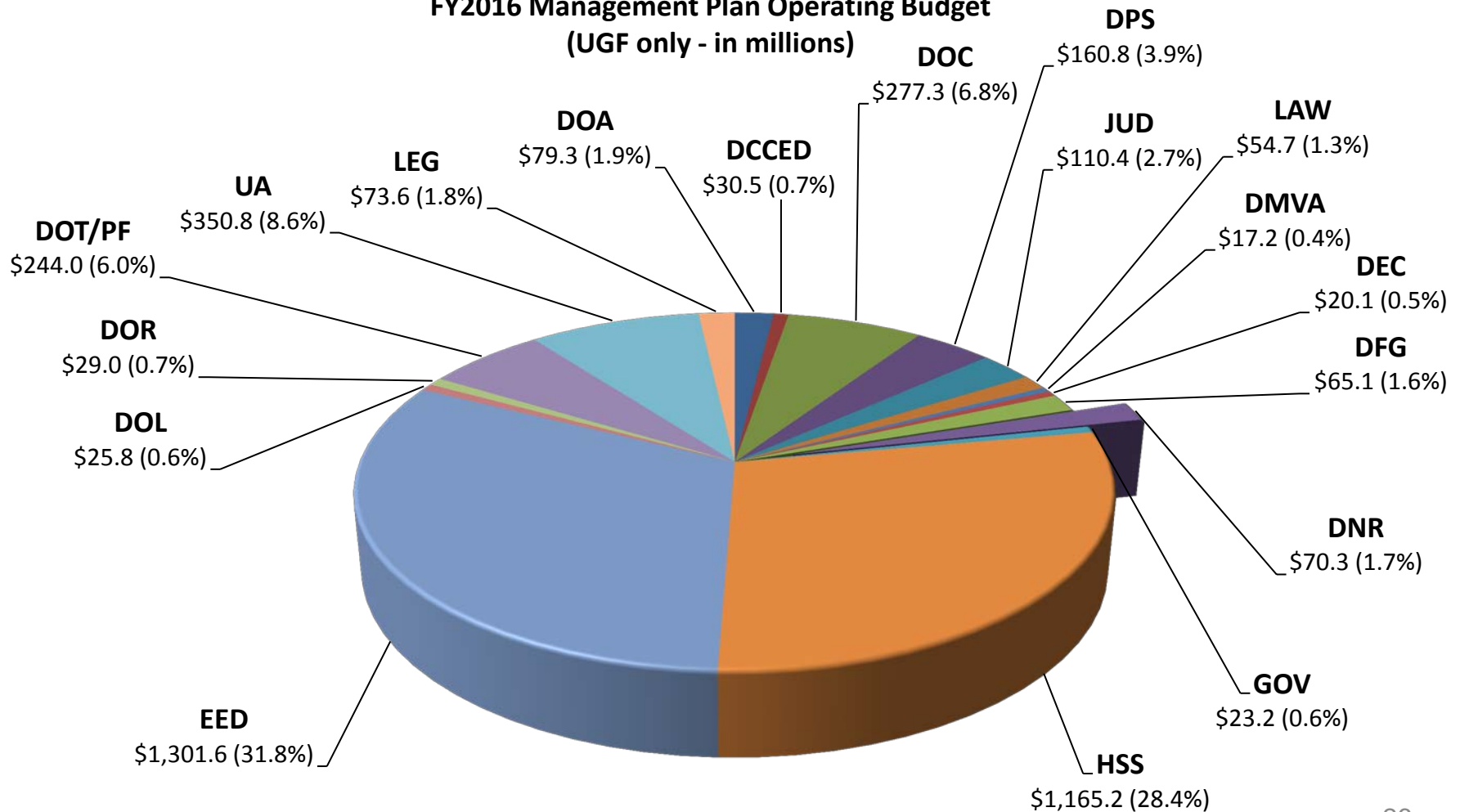
- OPERATING BUDGET BY CORE SERVICES -



DEPARTMENT COMPARISON

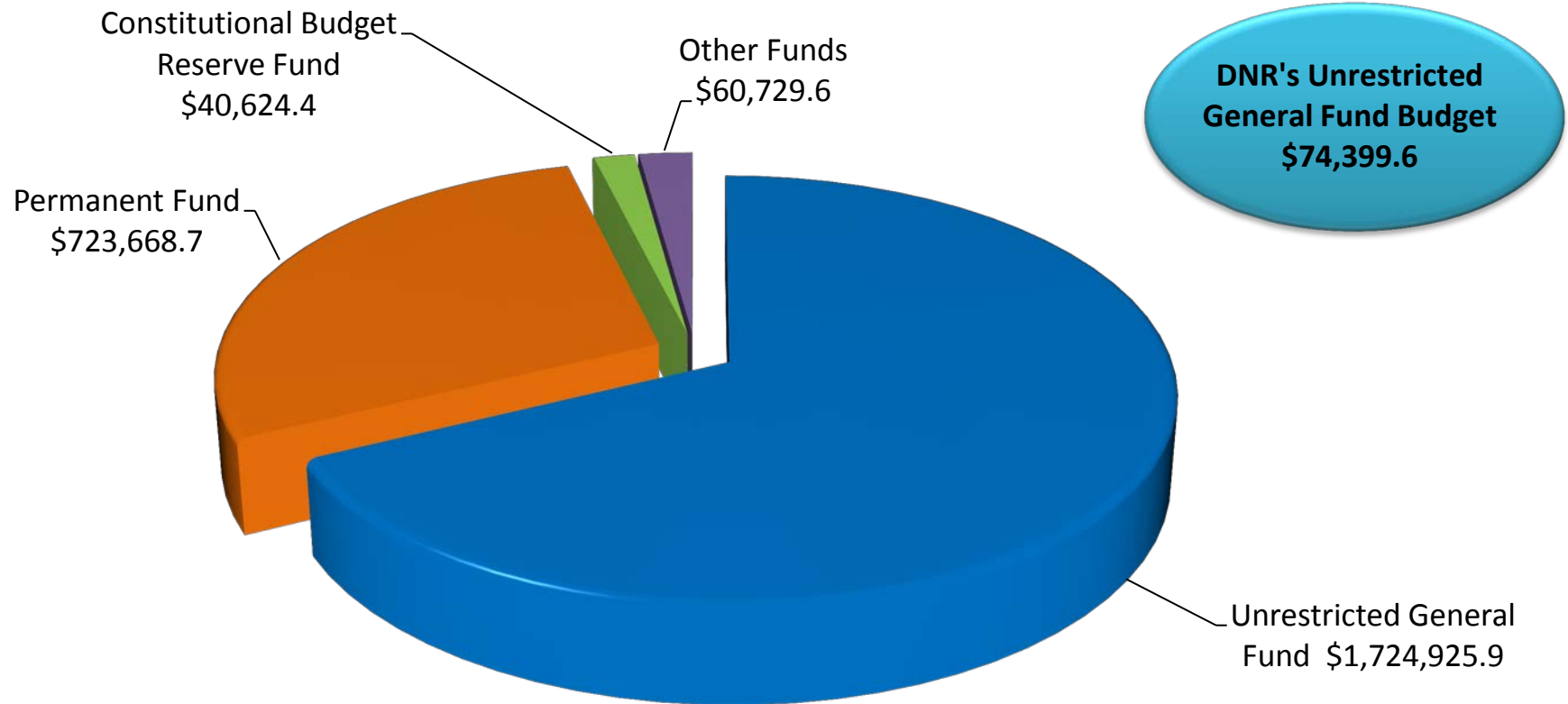
Department Comparison

FY2016 Management Plan Operating Budget
(UGF only - in millions)



DNR REVENUE GENERATION

DNR GENERATED REVENUE COMPARED TO DNR'S UNRESTRICTED GENERAL FUND BUDGET
ANNUAL AVERAGE FOR FY2006 – FY2015 (IN THOUSANDS)



DNR generates an average of \$2.5 billion in revenue annually.

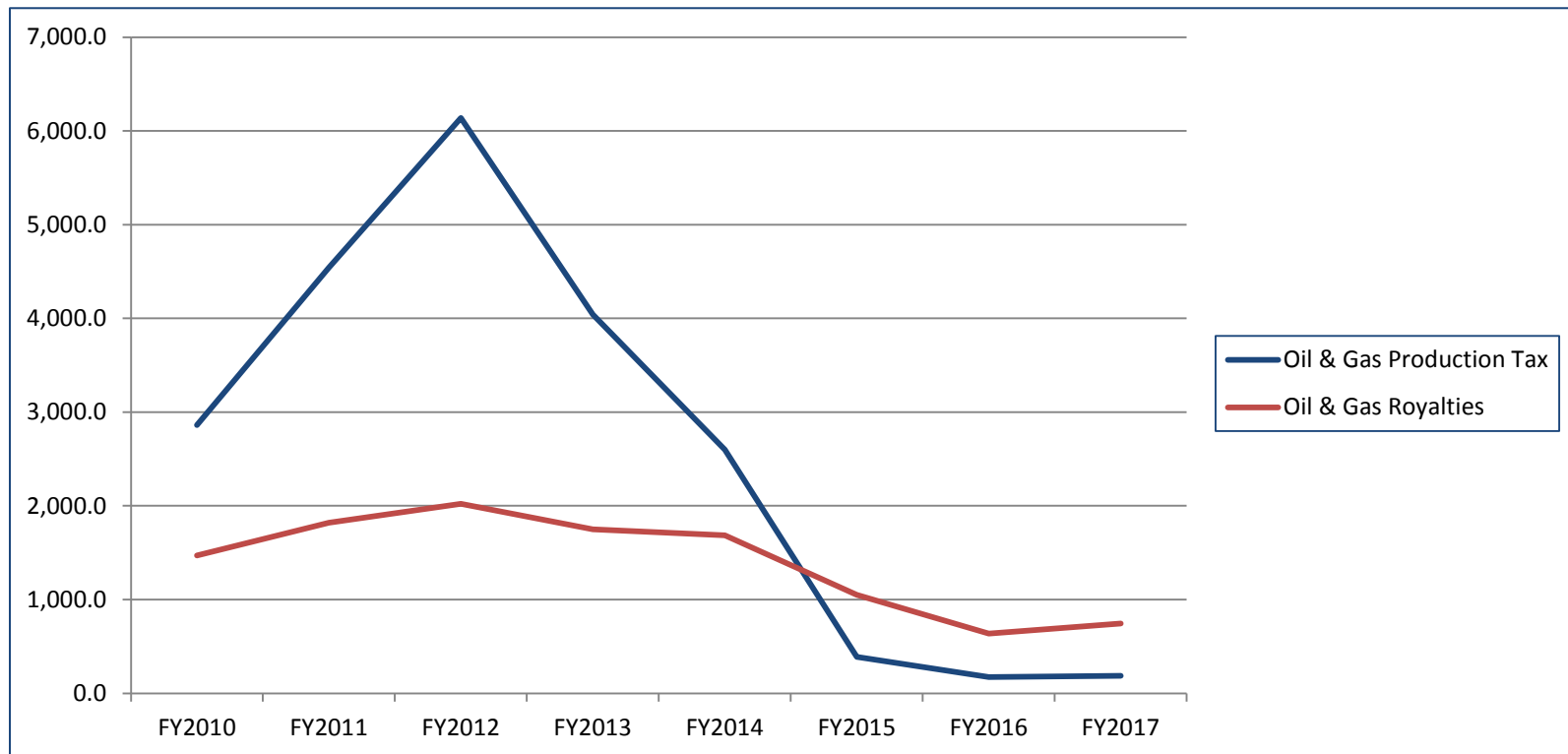
Additionally, of the \$1 billion in unrestricted general fund tax revenue collected by the Department of Revenue in FY2015, \$.4 billion was generated from oil & gas and mining activities.

REVENUE ACTUALS & FORECAST

Revenue Sources Book Fall 2015

Alaska Department of Revenue

(in millions)	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Forecast	Forecast
Oil & Gas Production Tax	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Oil & Gas Royalties	2,860.7	4,543.2	6,136.7	4,042.5	2,598.2	389.7	172.1	187.8
	1,469.0	1,821.3	2,022.8	1,748.4	1,685.0	1,052.1	637.6	745.0



PART IV

Legislative Finance Look Back



DNR FY2017 GOVERNOR BUDGET

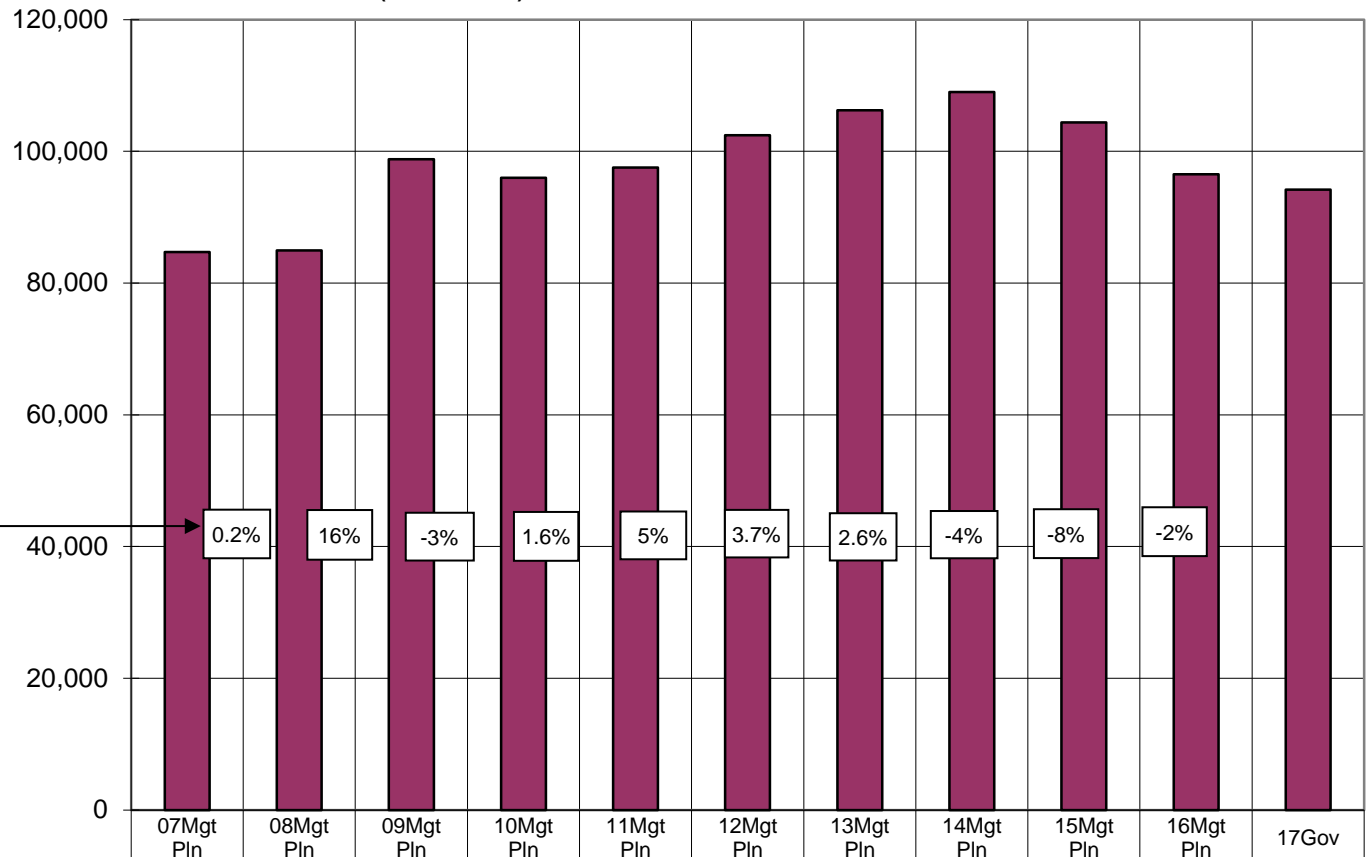
- BUDGET GROWTH ANALYSIS (PREPARED BY LEGISLATIVE FINANCE)-

Department of Natural Resources Share of Total Agency Operations
(No AKLNG)
(GF Only)
(\$ Thousands)

DNR's GF budget grew by \$9.5 million between FY07 and the FY17 Gov Budget -- an average annual growth rate of 1.1%.

The FY17 Gov GF budget equates to **\$283 per resident worker** (based on 333,174 Alaskan workers).

Percentage change year over year



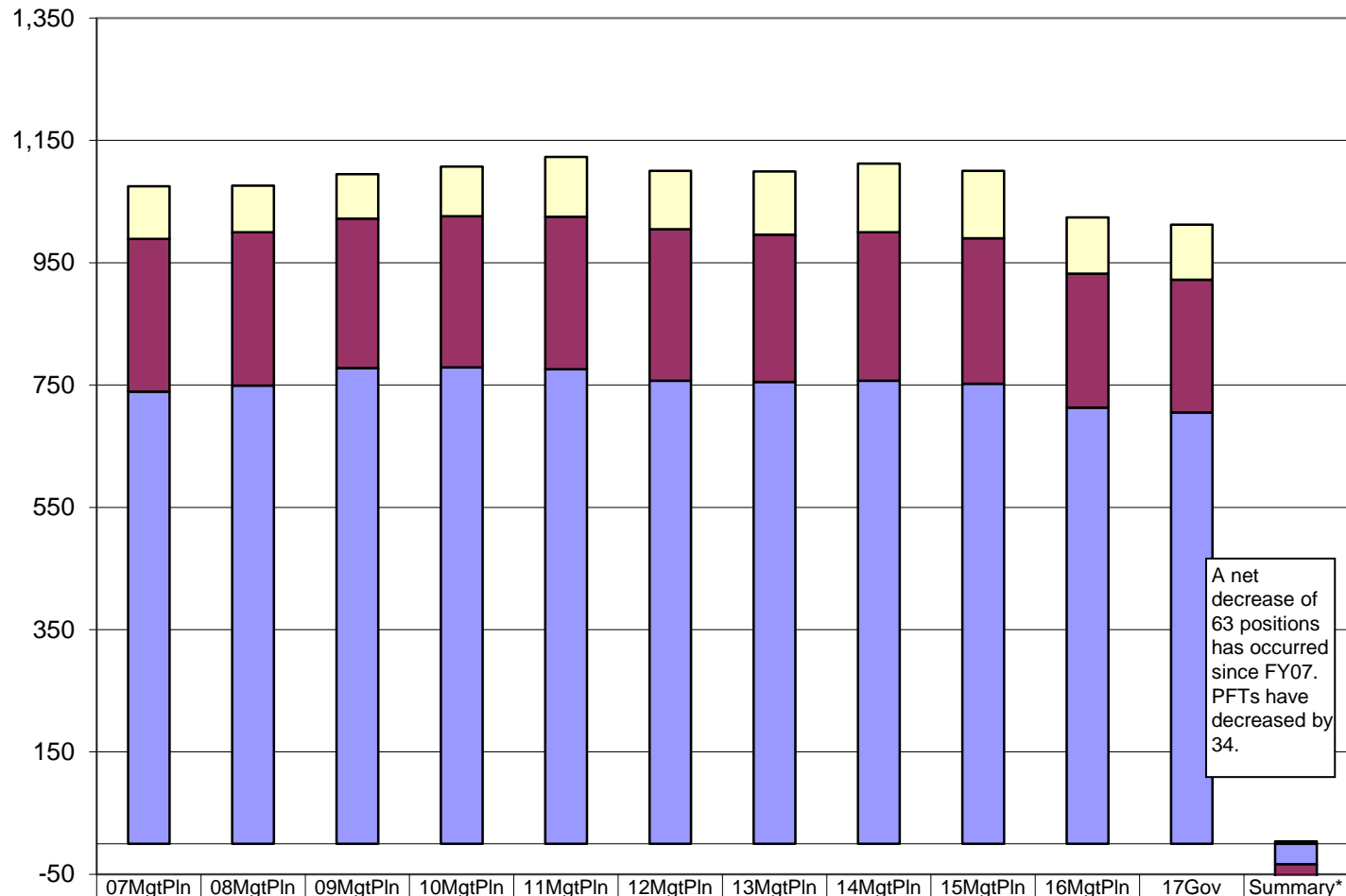
■ Total Agency Budget (GF Only)	84,732.6	84,937.6	98,820.9	95,978.4	97,524.9	102,469.	106,240.	109,029.	104,393.	96,541.9	94,203.9
% of Agency Budget to Total Agencies' budgets	2.4%	2.3%	2.4%	2.3%	2.2%	2.1%	2.1%	2.1%	2.0%	2.0%	2.0%

DNR FY2017 GOVERNOR BUDGET

- BUDGET GROWTH ANALYSIS WITHOUT AKLNG -

(PREPARED BY LEGISLATIVE FINANCE)

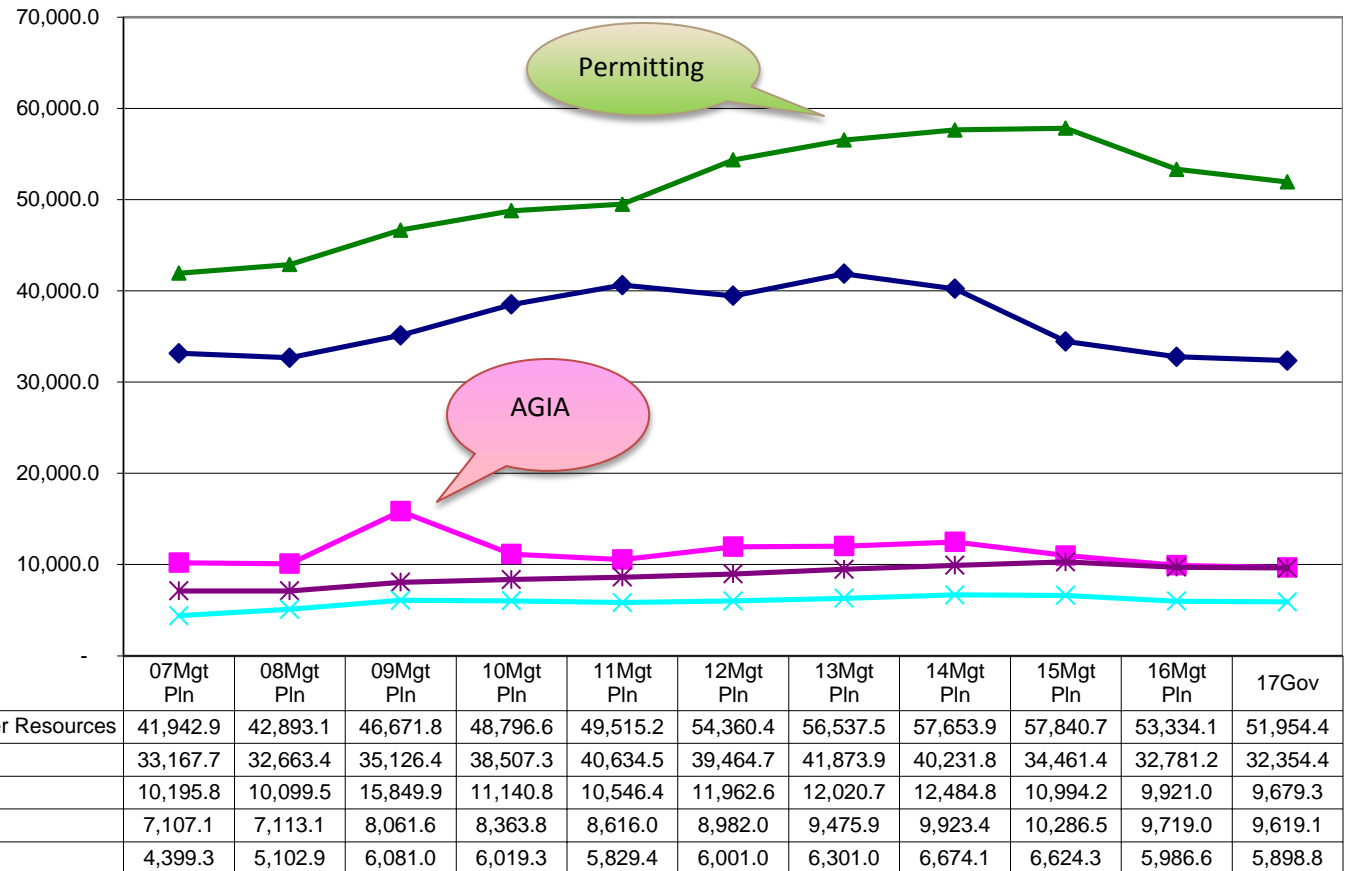
Department of Natural Resources Budgeted Positions
(No AKLNG)



DNR FY2017 GOVERNOR BUDGET

- BUDGET GROWTH ANALYSIS (PREPARED BY LEGISLATIVE FINANCE)-

Appropriations within the Department of Natural Resources
(No AKLNG)
(GF Only)
(\$ Thousands)



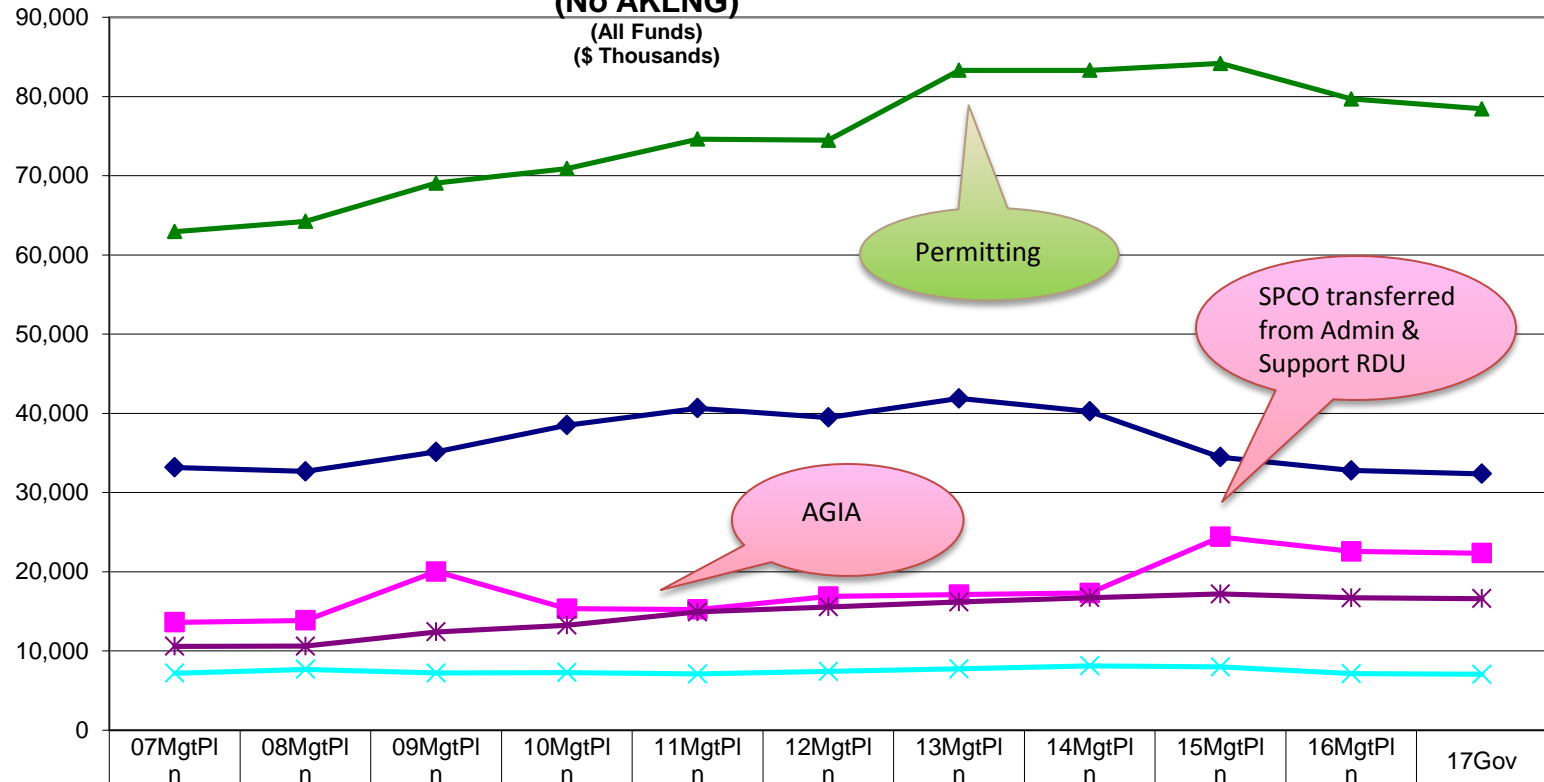
Note: During the budget cycle for FY12, the budget structure was significantly revised. The number of appropriations increased from four to six, and the number of allocations were reduced from thirty-five to twenty-six. In FY16, the structure was again modified to combine two appropriations. This new structure has been applied retroactively to depict a logical graphical representation.

DNR FY2017 GOVERNOR BUDGET

- BUDGET GROWTH ANALYSIS (PREPARED BY LEGISLATIVE FINANCE)-

Appropriations within the Department of Natural Resources (No AKLNG)

(All Funds)
(\$ Thousands)



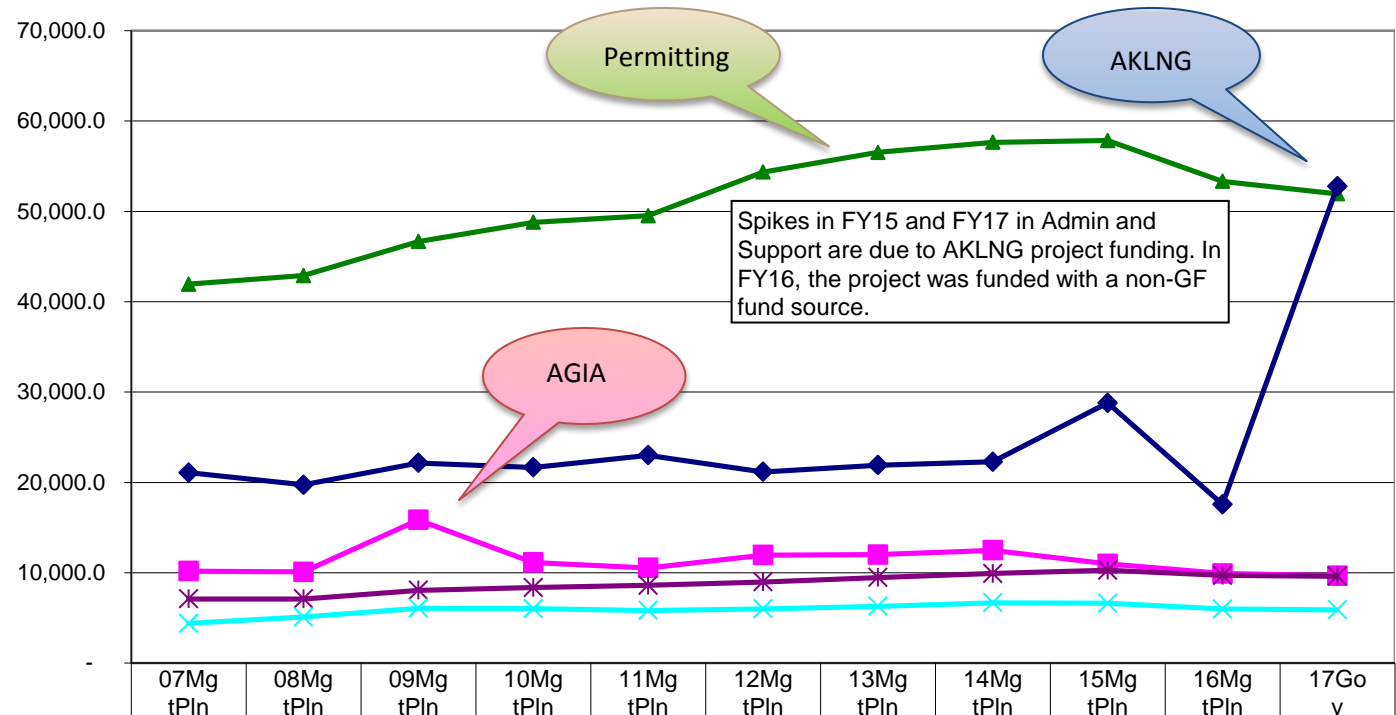
Fire Suppression, Land & Water Resources	62,954.6	64,238.2	69,074.8	70,894.9	74,617.1	74,484.0	83,300.2	83,300.2	84,167.4	79,684.3	78,429.6
Administration & Support	33,167.7	32,663.4	35,126.4	38,507.3	40,634.5	39,464.7	41,873.9	40,231.8	34,461.4	32,781.2	32,354.4
Oil & Gas	13,618.7	13,861.0	20,017.3	15,331.5	15,225.0	16,867.2	17,114.3	17,299.6	24,390.4	22,562.4	22,335.7
Parks & Outdoor Rec.	10,573.8	10,599.9	12,403.6	13,254.6	14,929.3	15,556.0	16,184.0	16,723.3	17,179.4	16,701.5	16,601.6
Agriculture	7,176.8	7,664.2	7,198.3	7,261.3	7,087.0	7,413.6	7,739.6	8,124.6	7,983.6	7,129.2	7,040.1

DNR FY2017 GOVERNOR BUDGET

- BUDGET GROWTH ANALYSIS (PREPARED BY LEGISLATIVE FINANCE)-

Appropriations within the Department of Natural Resources

(GF Only)
(\$ Thousands)



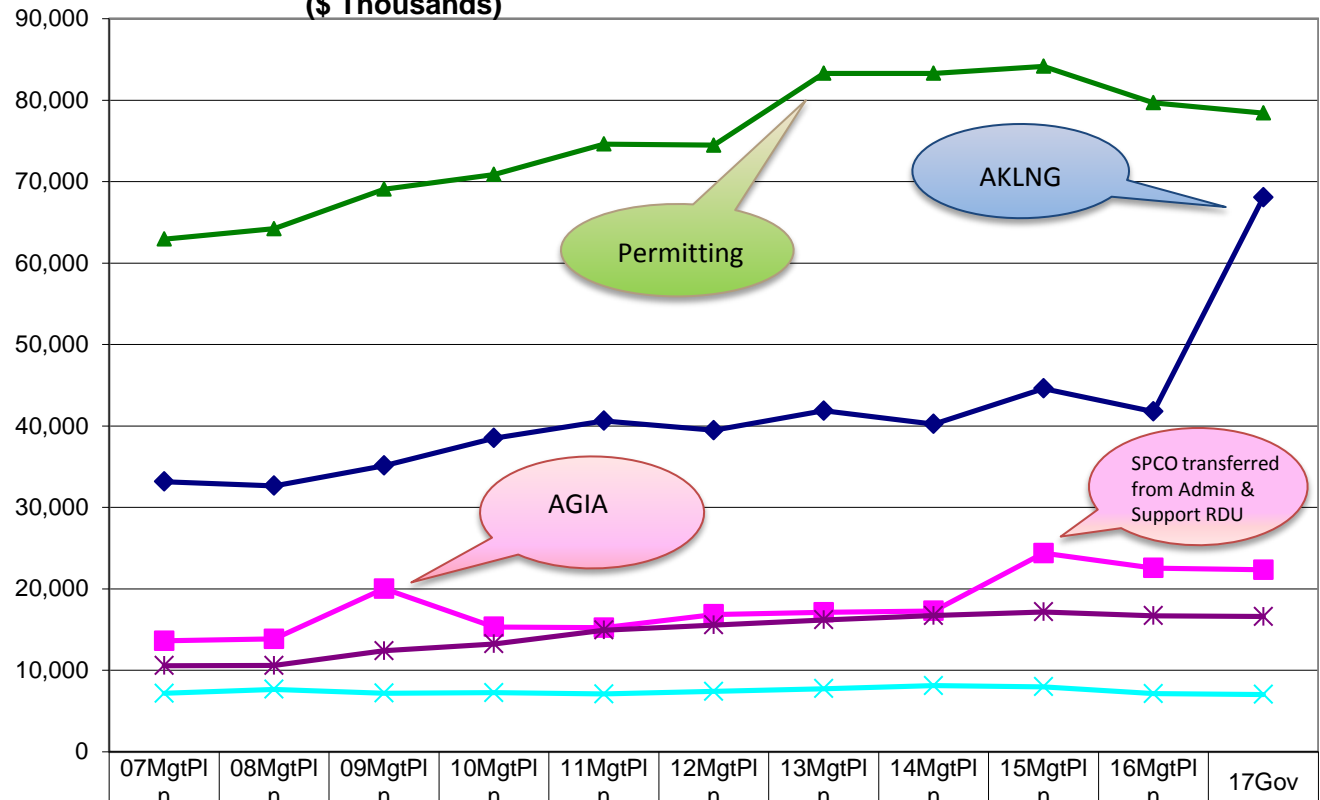
	07Mg tPln	08Mg tPln	09Mg tPln	10Mg tPln	11Mg tPln	12Mg tPln	13Mg tPln	14Mg tPln	15Mg tPln	16Mg tPln	17Go v
Fire Suppression, Land & Water Resources	41,942.	42,893.	46,671.	48,796.	49,515.	54,360.	56,537.	57,653.	57,840.	53,334.	51,954.
Administration & Support	21,087.	19,729.	22,156.	21,657.	23,017.	21,163.	21,905.	22,293.	28,795.	17,581.	52,785.
Oil & Gas	10,195.	10,099.	15,849.	11,140.	10,546.	11,962.	12,020.	12,484.	10,994.	9,921.0	9,679.3
Parks & Outdoor Rec.	7,107.1	7,113.1	8,061.6	8,363.8	8,616.0	8,982.0	9,475.9	9,923.4	10,286.	9,719.0	9,619.1
Agriculture	4,399.3	5,102.9	6,081.0	6,019.3	5,829.4	6,001.0	6,301.0	6,674.1	6,624.3	5,986.6	5,898.8

Note: During the budget cycle for FY12, the budget structure was significantly revised. The number of appropriations increased from four to six, and the number of allocations were reduced from thirty-five to twenty-six. In FY16, the structure was again modified to combine two appropriations. This new structure has been applied retroactively to depict a logical graphical representation.

DNR FY2017 GOVERNOR BUDGET

- BUDGET GROWTH ANALYSIS (PREPARED BY LEGISLATIVE FINANCE) -

Appropriations within the Department of Natural Resources
(All Funds)
(\$ Thousands)



Fire Suppression, Land & Water Resources	62,954.6	64,238.2	69,074.8	70,894.9	74,617.1	74,484.0	83,300.2	83,300.2	84,167.4	79,684.3	78,429.6
Administration & Support	33,167.7	32,663.4	35,126.4	38,507.3	40,634.5	39,464.7	41,873.9	40,231.8	44,609.6	41,767.9	68,087.5
Oil & Gas	13,618.7	13,861.0	20,017.3	15,331.5	15,225.0	16,867.2	17,114.3	17,299.6	24,390.4	22,562.4	22,335.7
Parks & Outdoor Rec.	10,573.8	10,599.9	12,403.6	13,254.6	14,929.3	15,556.0	16,184.0	16,723.3	17,179.4	16,701.5	16,601.6
Agriculture	7,176.8	7,664.2	7,198.3	7,261.3	7,087.0	7,413.6	7,739.6	8,124.6	7,983.6	7,129.2	7,040.1

DNR FY2017 GOVERNOR BUDGET

- BUDGET GROWTH ANALYSIS (PREPARED BY LEGISLATIVE FINANCE)-

Department of Natural Resources Share of Total Agency Operations

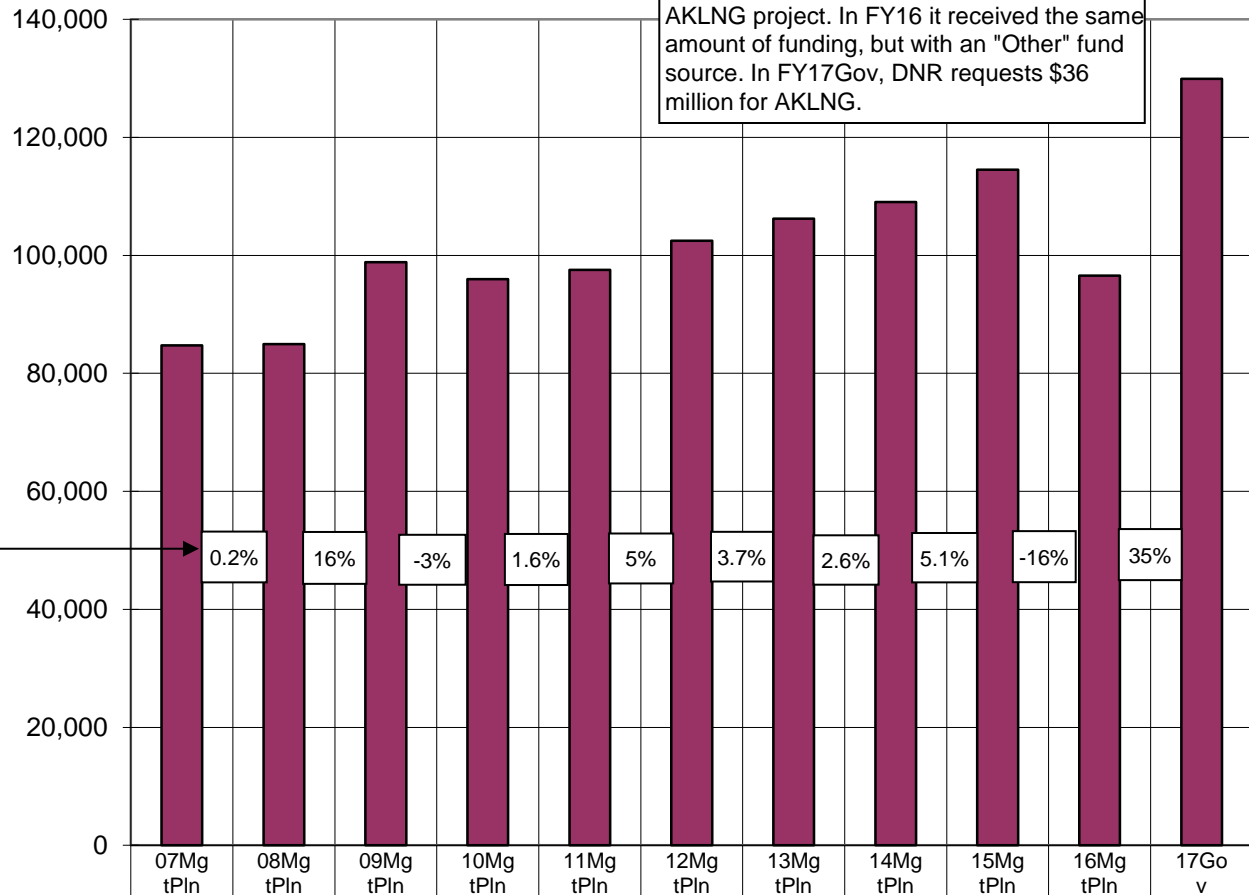
(GF Only)
(\$ Thousands)

DNR's GF budget grew by \$22 million between FY07 and the FY17 Gov Budget -- an average annual growth rate of 2.6%.

The FY17 Gov GF budget equates to **\$390 per resident worker** (based on 333,174 Alaskan workers).

Percentage change year over year

DNR received \$9 million UGF in FY15 for the AKLNG project. In FY16 it received the same amount of funding, but with an "Other" fund source. In FY17Gov, DNR requests \$36 million for AKLNG.

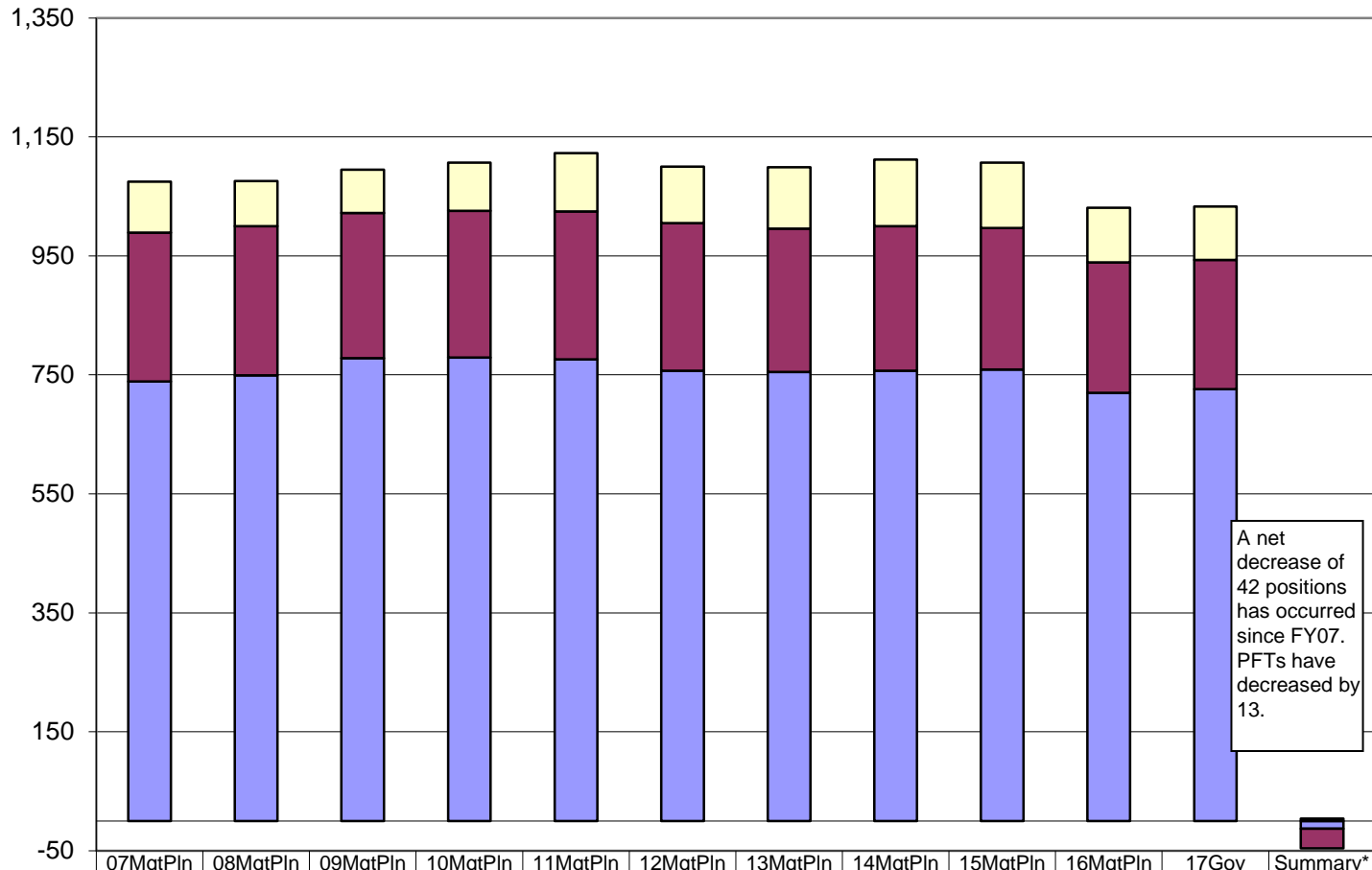


■ Total Agency Budget (GF Only)	84,732.	84,937.	98,820.	95,978.	97,524.	102,469	106,240	109,029	114,541	96,541.	129,937
% of Agency Budget to Total Agencies' budgets	2.37%	2.30%	2.42%	2.34%	2.22%	2.15%	2.10%	2.13%	2.18%	1.97%	2.69%

DNR FY2017 GOVERNOR BUDGET

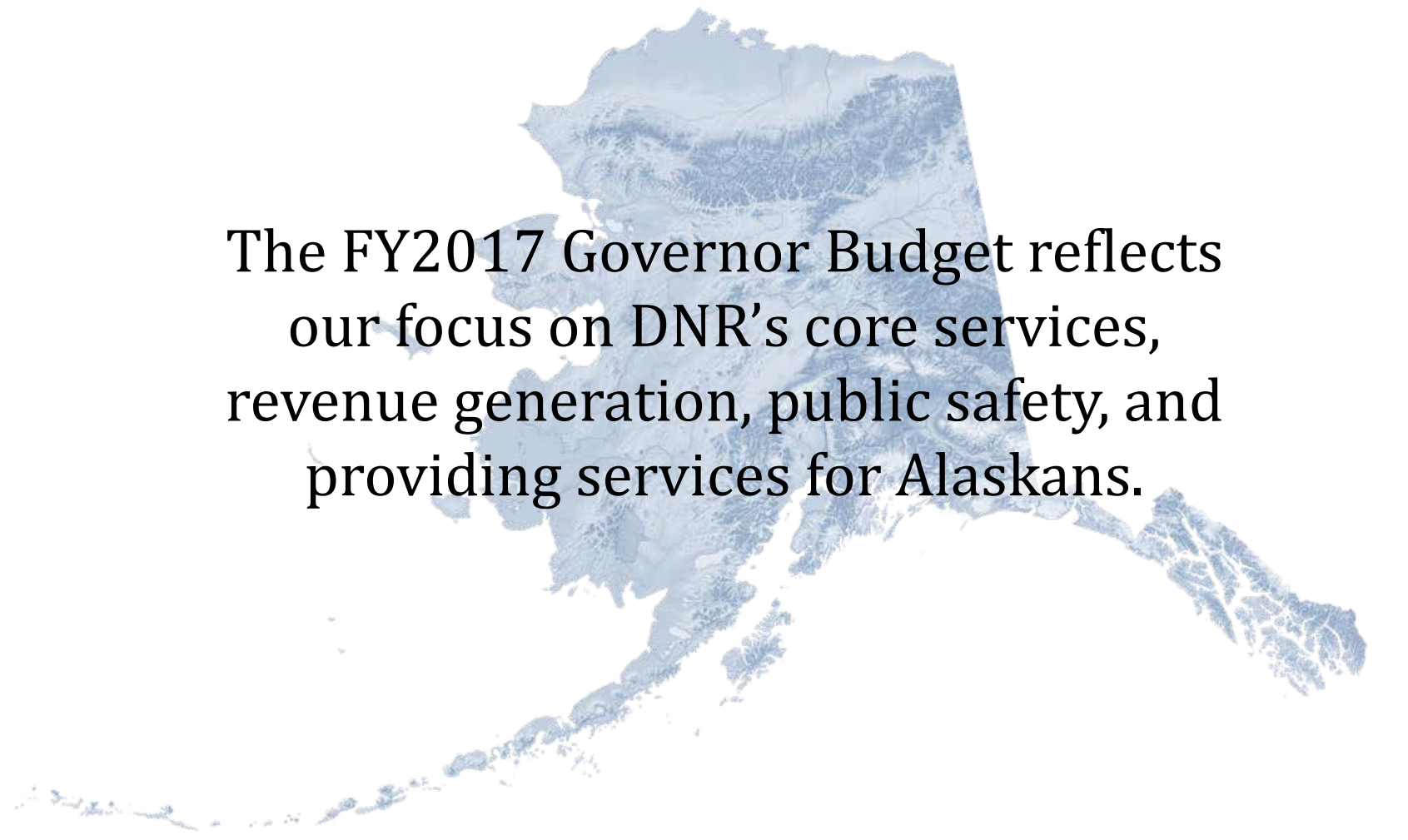
- BUDGET GROWTH ANALYSIS (PREPARED BY LEGISLATIVE FINANCE)-

Department of Natural Resources Budgeted Positions



Temporary	86	76	73	81	98	95	103	112	110	92	90	4
Perm Part Time	250	251	244	247	249	248	241	243	238	219	217	(33)
Perm Full Time	739	749	778	779	776	757	755	757	759	720	726	(13)

IN CONCLUSION



The FY2017 Governor Budget reflects
our focus on DNR's core services,
revenue generation, public safety, and
providing services for Alaskans.