

**01/31/14**  
**BUDGET**  
**OVERVIEW**  
**FY 15:**  
**DEPARTMENT**  
**OF NATURAL**  
**RESOURCES**

<TARGET><BILL></BILL><SUBJECT>01-31-14 BUDGET OVERVIEW  
FY 15 DEPARTMENT OF NATURAL  
RESOURCES</SUBJECT><COMM>HF IN28</COMM></TARGET>



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

Department of Natural Resources

Office of the Commissioner

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February 12, 2014

The Honorable Alan Austerman, Co-Chair  
The Honorable Bill Stoltze, Co-Chair  
House Finance Committee  
Capitol Rm. 519  
Juneau, AK 99801

During the House Finance committee meeting on January 31, questions were asked by committee members and the Department of Natural Resources offered to provide some follow-up. The questions are italicized and underlined.

*Question: How long does it currently take to get a permit, in particular a tideland permit for a dock?*

At the beginning of FY12, there was a backlog of 2,658 authorizations including applications for permits, leases, easements, material sales, water rights, and reservation of water applications. As of the end of CY2013, the backlog stands at 1,237 permits, a reduction of 53.5%. The Division of Mining, Land and Water (DMLW) has been able to reduce cycle times for certain authorizations, in particular those related to leasing and material sales due to statutory changes.

For permits issued in CY 2013 it took on average a little over 4 months for an applicant to receive a permit. The median amount of time took about 6 weeks for the issuance of a permit. As the Division continues to work applications that come in the door daily, it also works on those applications that have been in backlog. As the backlog is reduced further, average processing times should decrease.

For tideland permits related to docks, 9 dock permits were issued during CY 2013 within 3-9 months of their applications being received by the Division of Mining, Land and Water. There are various reasons why it may take longer to adjudicate the dock permit applications received. Often it is because the applicant did not respond with a required development plan, did not timely respond to a request for additional information, or the applicant refused to take responsibility for the dock – when trying to resolve potential trespass situations.

When examining issued dock permits in CY 2013, it appears that when the Division has a willing applicant that supplies all the information needed, and there are no other critical issues that challenge the issuance, the Division can generally issue a permit within 4 months for smaller docks and a lease within 2 years when a larger dock is being applied for. (Note: prior to a lease being issued, often an Early Entry Authorization (EEA) is issued to allow the applicant to begin construction and “get to work” even though the final lease for the dock has not yet been issued. A lease is issued only when a complete appraisal and survey is completed and submitted to DMLW.)

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Question: Does DNR not put fires out until they endanger structures?

No, the Alaska Interagency Wildland Fire Management Plan identifies four level of protection for initial attack response when a fire starts, either from human or natural ignitions. The four levels are: Critical, Full, Modified and Limited. Most of the area around the immediate Fairbanks area is in either Critical or Full protection which means, any fire ignitions will be aggressively initial attacked, with a goal of minimizing acreage burned and rapid extinguishment to protect human life and property. The main difference between these two levels of protection is that during times of limited resources, due to other ongoing fires, the Critical protection area will have priority for resources over the Full protection area.

Things get a little more complicated with the other two categories. The Limited level is primarily used in more remote locations, where fire can be allowed to burn and play the important role it has in keeping the boreal forest healthy and productive. Habitat is a key item here, and most interior animal species depend on a mosaic habitat with a variety of vegetation both in age and species composition. The Division works closely with ADF&G and other landowners/managers to determine areas designated for Limited status. When cabins or other human improvements are located in Limited protection areas, we will usually utilize the concept of "point protection" to protect that resource. This means we will utilize a variety of fire suppression techniques to limit or prevent damage to the identified resource.

The last category is Modified. Areas with this designation are treated as Full protection earlier in the year, when fires have the potential to get large and burn all summer, but around mid-July, this designator switches to a Limited (the conversion date) and fires can be allowed to burn. Areas with this designation are less remote and are areas where fire would be beneficial, but only later in the fire season because of risk to nearby higher level protection lands. The conversion date varies by year and is determined by the Alaska Wildland Fire Coordinating Group (AWFCG) based on weather and other risk factors.

Firefighting is a complicated topic and once a fire escapes initial attack, another whole process is initiated to determine the best response to suppressing or monitoring a fire. If there is interest, the Division of Forestry is willing to discuss this process and topic in further detail with the committee.

Question: Why is DNR spending so much on fire fighting rather than being more proactive?

The Division of Forestry is very proactive in fire prevention, public awareness and in advanced planning. We have Community Wildfire Protection Plans (CWPPs) for many communities in the state. The CWPPs are a collaborative effort between wildfire suppression agencies, federal, state, and local governments, community groups and individuals that outline a risk assessment and mitigation plan for the community.

The primary objective of hazard fuels reduction or vegetation treatments is to remove enough of this fuel to reduce the risk posed by wildfire. In general, fuels treatment projects reduce surface fuels and/or maintain healthy forests using thinning and limbing techniques. These plans identify areas of high risk due to proximity to fuels, topography and important resources, like homes, and make recommendations on the location of fuel treatment projects to help reduce risk.

The Division also promotes the Firewise program, which teaches home and business owners how to reduce the risk to their individual properties from wildland fire.

Most wildland fires are caught, but even in Critical and Full protection areas, a small number escape our initial suppression efforts. When this happens, fires can become large and expensive to suppress, despite our concerted efforts to keep costs in line with objectives for any given incident. We are constantly looking for ways to contain costs and be effective and efficient at fighting wildland fire.

*Question: Can DNR allow more firewood cutting in the Fairbanks area to help minimize wildfires and smoke pollution?*

The forests around Fairbanks are being actively managed for both commercial and personal use. The Division has a bi-annual timber sale program in the Fairbanks Area Office of larger sales for commercial operators and is working on a larger value added (AS 38.05.123) timber sale for Superior Pellets LLC to help supply their increased need for wood. While these activities will help reduce fire risk, it is not possible to fully prevent wildland fires through forest harvesting and management. As an example, the fires in and around Fairbanks this year would not have been prevented by more aggressive forest management. The largest, the Stewart Creek fire, came off of military training lands and was the result of "live" fire training.

*Question: How much has DNR spent on fire in the past few years and in particular, how many fires and number of acres fought?*

Fire management planning, preparedness, suppression operations, prescribed burning, and related activities are coordinated on an interagency basis. The Division of Forestry has cooperative agreements with the Departments of Agriculture and Interior, and numerous local government and volunteer fire departments to respond to wildland fires, reduce duplication of efforts, and share resources.

In 1984 the State of Alaska adopted the National Interagency Incident Management System Incident Command System concept for managing fire suppression. The Incident Command System (ICS) guiding principles are followed in all wildland fire management operations.

The table below breaks down the costs of fire based on the entity responsible for the fire on a calendar year basis. For example, a fire in state protection on federal land is 100% federal fiscal responsibility. The table below does not demonstrate which protection area the fires were located in but depicts on whose land the fires burned. The table demonstrates who is ultimately responsible for paying the bill (USFS, AFS, or State) and not who paid the bill first (e.g. instances where the state pays but is later reimbursed).

Please note that for CY2013, the difference between the total costs and those associated with specific agency fiscal responsibilities are attributed to bills from the Northwest Wildland Fire Protection Agreement, also known as the Northwest Compact (NWC). This compact allows for different states (Alaska, Idaho, Oregon, Montana, and Washington) and Canadian territories (Alberta, British Columbia) to request assistance from each other for use of personnel, equipment, supplies, or aircraft in fighting wildland fires. The costs have not been charged against specific fires and thus the responsible parties for payment have not yet been identified.

Landowner	CY2011		CY2012		CY2013	
	# of Fires	Acres	# of Fires	Acres	# of Fires	Acres
<b>BLM-AFS Fiscal Responsibility</b>						
Bureau of Indian Affairs (BIA)	2	8.3	4	122.0	1	465.3
Bureau of Land Management (BLM)	26	46,595.6	39	51,620.2	41	408,622.8
US Fish and Wildlife Service (USFWS)	31	30,347.6	30	40,057.2	37	108,216.7
Military Lands	32	10,010.9	16	61,304.5	30	97,623.2
Native Claims Act (NCA)	26	25,575.2	41	38,883.4	73	71,030.1
National Park Service (NPS)	17	7,790.1	22	76,820.8	27	169,018.6
<b>BLM-AFS Fiscal Responsibility Costs</b>	<b>\$8,907,883</b>		<b>\$6,809,846</b>		<b>\$35,326,590</b>	
<b>State Fiscal Responsibility</b>						
Private	220	2,951.2	148	303.2	238	2,298.9
State of Alaska	130	169,683.0	99	17,772.0	147	459,009.4
Boroughs	22	54.2	12	4.1	10	2.4
<b>State Fiscal Responsibility Costs</b>	<b>\$41,167,109</b>		<b>\$9,731,417</b>		<b>\$30,079,337</b>	
<b>USFS Fiscal Responsibility</b>						
US Forest Service (USFS)	9	1.9	5	0.5	9	1.1
<b>USFS Fiscal Responsibility Costs</b>	<b>\$0</b>		<b>\$7,656</b>		<b>\$0</b>	
<b>Total (Fires/Acres)</b>	<b>515</b>	<b>293,018.0</b>	<b>416</b>	<b>286,887.9</b>	<b>613</b>	<b>1,316,288.5</b>
<b>Total Cost</b>	<b>\$50,074,992</b>		<b>\$16,548,919</b>		<b>\$69,206,877</b>	

*Question: How many streams in the state have reservations of water?*

As of February 4, 2013, there are 62 streams in Alaska that have a reservation of water. Some of these streams have multiple reaches or segments of the stream that contain reservations. For example, there are 6 segments of the Chatanika River that have a reservation of water. DMLW has issued 89 reservations of water, 56 of which were issued after 2009 (beginning in 2010). All reservations were issued for purposes of reserving water for fish use and to maintain habitat for fish. Only four of the reservations were not issued to the Alaska Department of Fish & Game (ADF&G) and instead were issued to DNR as they were associated with applications for removal of water for export or sale.

(Note: there are over 700,000 rivers and stream throughout the state of Alaska.)

*Question: Can you tell us who the organizations are that applied for reservations in the Chuitna River?*

The Chuitna Citizens No-Coalition was the organization that applied for (3) water reservations on Middle Creek or Stream 2003. Stream 2003 is a tributary of the Chuitna River and the stream that runs through


the proposed project area of PacRim Coal. ADF&G has an application for a water reservation on the main stem of the Chuitna River.

Question: What is the timeframe for DNR to report back to the Legislature on whether or not the Department(s) intend to pursue assumption of the regulatory program for dredge and fill activities?

The Department of Environmental Conservation (DEC), the lead agency for assumption of the program, anticipates being able to report to the Legislature in 2015. DNR has attached a letter sent to all legislators on January 24, 2014, with DEC's update on efforts undertaken by the State thus far.

If there are any additional questions, please contact Esther Tempel, our Legislative Liaison, or Jean Davis, our Support Services Director.

Sincerely,



Joe Balash  
Commissioner



# State of ALASKA

Department of Natural Resources



## House Finance Committee

DNR FY2015 Budget Overview

January 31, 2014

Commissioner Joe Balash  
*Alaska Department of Natural Resources*  
[www.dnr.alaska.gov](http://www.dnr.alaska.gov)

# AGENDA



**PART I: DNR Overview**

**PART II: FY 2015 Budget Highlights**

# Part I



## **DNR OVERVIEW**

# State of Alaska

Department of Natural Resources



Joe Balash  
Commissioner

Ed Fogels  
Deputy  
Commissioner

Bob Swenson  
Deputy  
Commissioner

Division of  
Agriculture

Division of  
Forestry

Division of Geological &  
Geophysical Surveys

Division of  
Oil & Gas

Division of  
Mining, Land &  
Water

Division of Parks &  
Outdoor Recreation

Mental Health  
Trust Land  
Office

State Pipeline  
Coordinator's Office

Office of Project  
Management &  
Permitting

Support Services  
Division

# State of Alaska

Department of Natural Resources



## Article 8, Section 1 of the Alaska Constitution provides:

- *"It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest."*

## DNR Mission Statement:

- *Responsibly develop Alaska's resources by making them available for maximum use and benefit consistent with the public interest.*

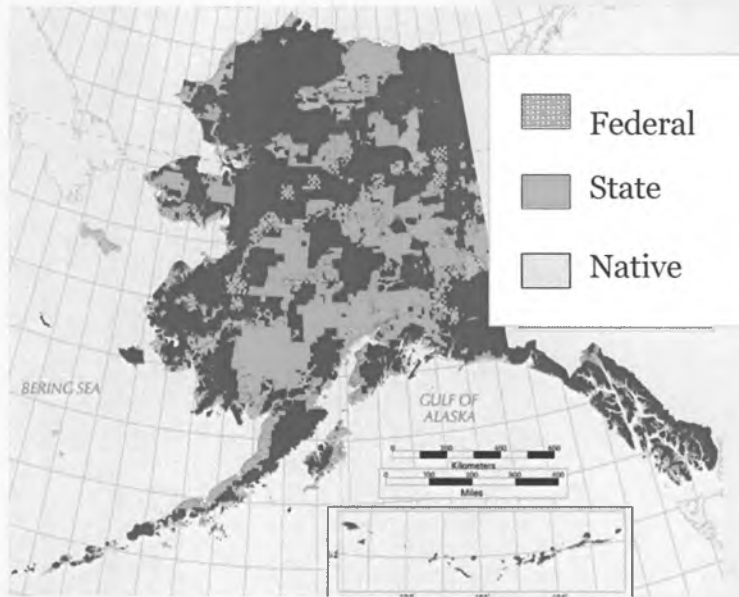
## DNR Core Services:

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



# State of Alaska

Department of Natural Resources



## 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 of Alaska

*DNR has 7 Divisions*



## 1. Division of Agriculture (DoA)

- Franci Havemeister, Director
- 46 full and part-time budgeted positions
- 4.6% of DNR's FY15 Operating Budget Request
- \$7,707.4 budget request (all sources)
- Promotes and encourages development of an agriculture industry in Alaska



## 2. Division of Forestry (DoF)

- Chris Maisch, Director
- 272 full and part-time budgeted positions (does not include the hundreds of fire season crews)
- 27.6% of DNR's FY15 Operating Budget Request
- \$46,415.3 budget request (all sources)
- Serves Alaskans through forest management and wildland fire protection



# State of Alaska

*DNR has 7 Divisions*



### 3. Division of Geological & Geophysical Surveys (DGGS)

- Steve Masterman, Acting Director
- 57 full and part-time budgeted positions
- 5.6% of DNR's FY15 Operating Budget Request
- \$9,499.3 budget request (all sources)
- 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



### 4. Mining Land and Water

- Brent Goodrum, Director
- 218 full and part-time budgeted positions
- 16.8% of DNR's FY15 Operating Budget Request
- \$28,277.0 budget request (all sources)
- Provides for the appropriate use and management of Alaska's state owned land and water, aiming toward maximum use consistent with the public interest

# State of Alaska

*DNR has 7 Divisions*



## 5. Oil & Gas

- Bill Barron, Director
- 103 full and part-time budgeted positions
- 9.7% of DNR's FY15 Operating Budget Request
- \$16,239.4 budget request (all sources)
- Responsible for the leasing of state lands for oil, gas, and geothermal exploration



## 6. Parks & Outdoor Recreation

- Ben Ellis, Director
- 188 full and part-time budgeted positions
- 10.2% of DNR's FY15 Operating Budget Request
- \$17,214.9 budget request (all sources)
- Provides outdoor recreation opportunities and conserves and interprets natural, cultural, and historic resources for the use, enjoyment, and welfare of the people



# State of Alaska

*DNR has 7 Divisions*



## 7. Support Services

- Jean Davis, Director
- 138 full and part-time budgeted positions
- 8.2% of DNR's FY15 Operating Budget Request
- \$13,727.5 budget request (all sources)
- Provides client-focused, efficient and cost-effective financial, budget, procurement, human resource, information technology and recording services to DNR and the public



# State of Alaska

## *DNR Offices*

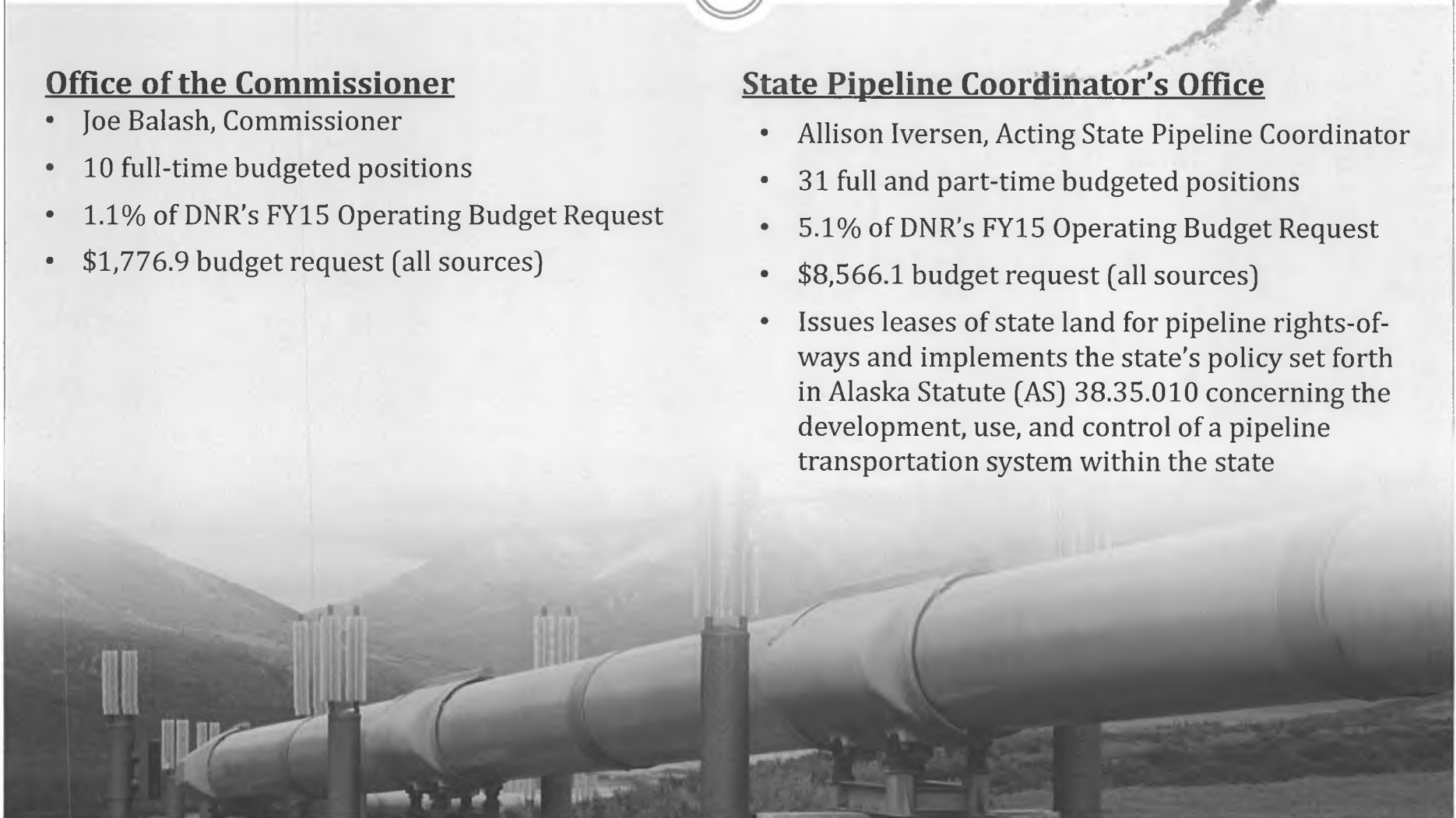


### **Office of the Commissioner**

- Joe Balash, Commissioner
- 10 full-time budgeted positions
- 1.1% of DNR's FY15 Operating Budget Request
- \$1,776.9 budget request (all sources)

### **State Pipeline Coordinator's Office**

- Allison Iversen, Acting State Pipeline Coordinator
- 31 full and part-time budgeted positions
- 5.1% of DNR's FY15 Operating Budget Request
- \$8,566.1 budget request (all sources)
- Issues leases of state land for pipeline rights-of-ways and implements the state's policy set forth in Alaska Statute (AS) 38.35.010 concerning the development, use, and control of a pipeline transportation system within the state



# State of Alaska

## *DNR Offices*



### **Office of Project Management & Permitting**

- Tom Crafford, Director
- 20 full-time budgeted positions
- 5.1% of DNR's FY15 Operating Budget Request
- \$8,653.0 budget request (all sources)
- Coordinates the review of larger scale projects in the state

### **Alaska Mental Health Trust Land Office**

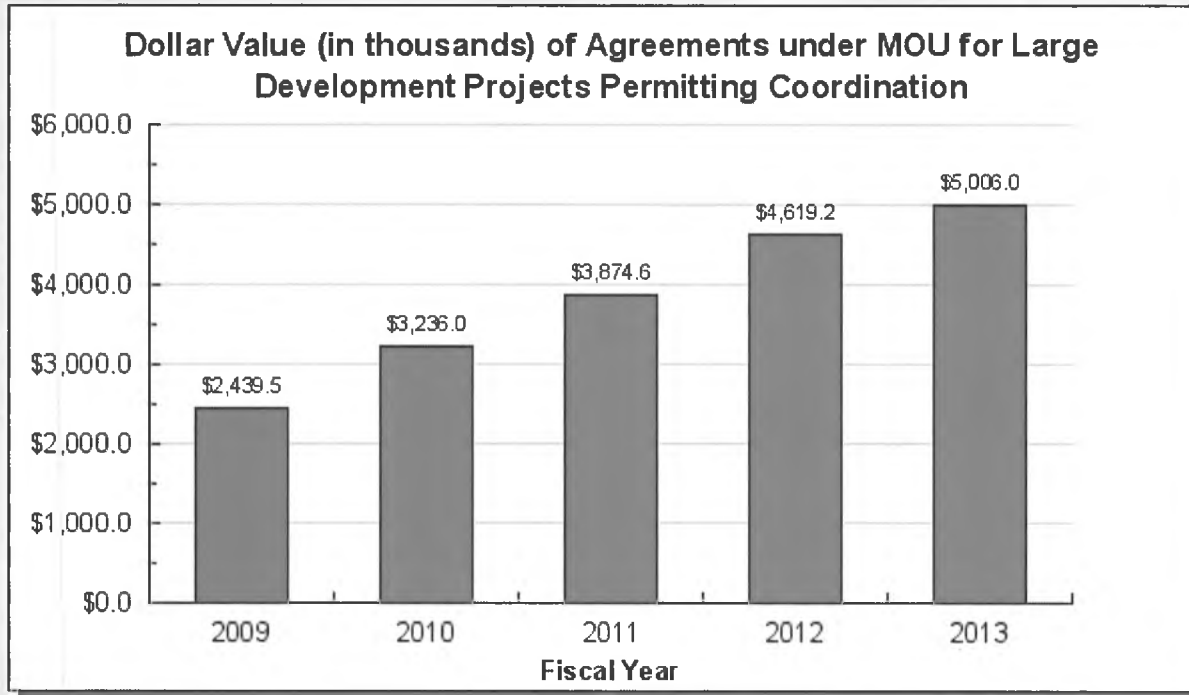
- Marcie Menefee, Executive Director
- 18 full and part-time budgeted positions
- 2.4% of DNR's FY15 Operating Budget Request
- \$4,071.4 budget request (all sources)
- Protecting and enhancing the value of Alaska Mental Health Trust Lands while maximizing revenues from those lands over time



# Key Performance Measures



**TARGET:** Review, coordinate, and manage 100% of large resource development projects that request Office of Project Management & Permitting services to assist companies in navigating the state and federal permitting process.

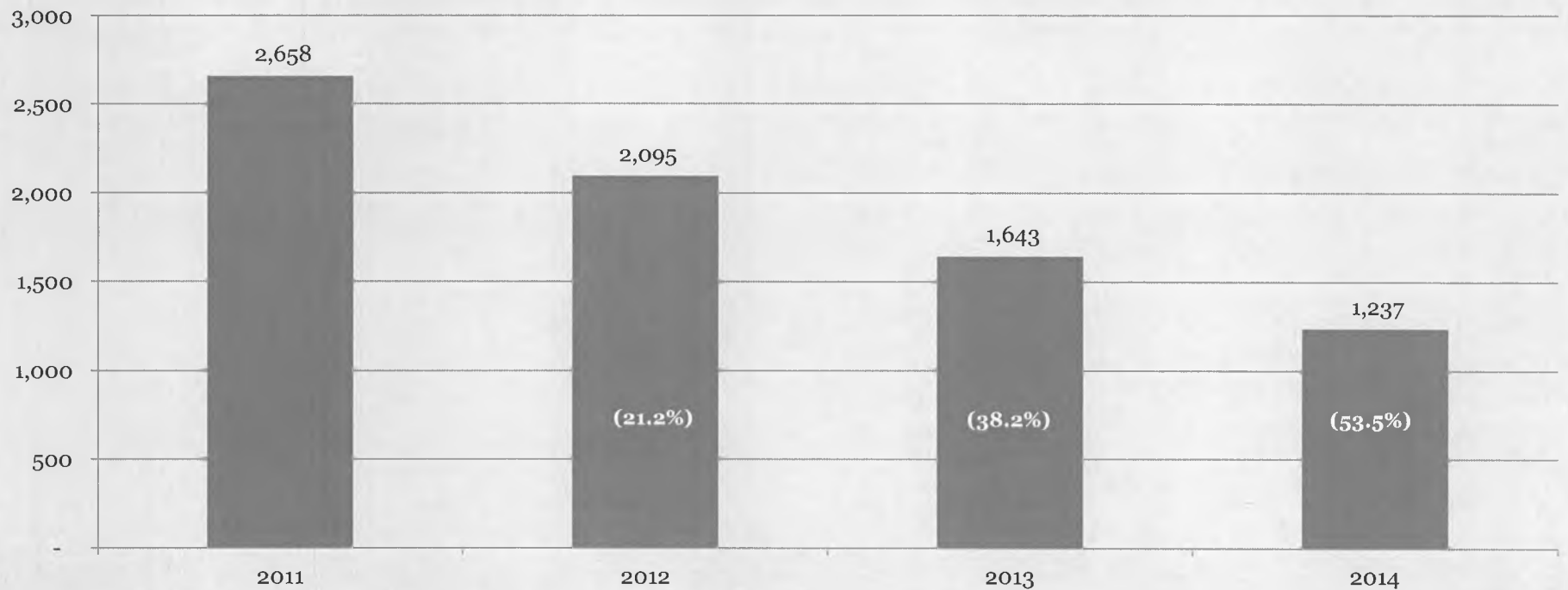


# Key Performance Measures



**TARGET:** Eliminate 100% of the Permit Backlog

## Mining, Land and Water Permit Backlog

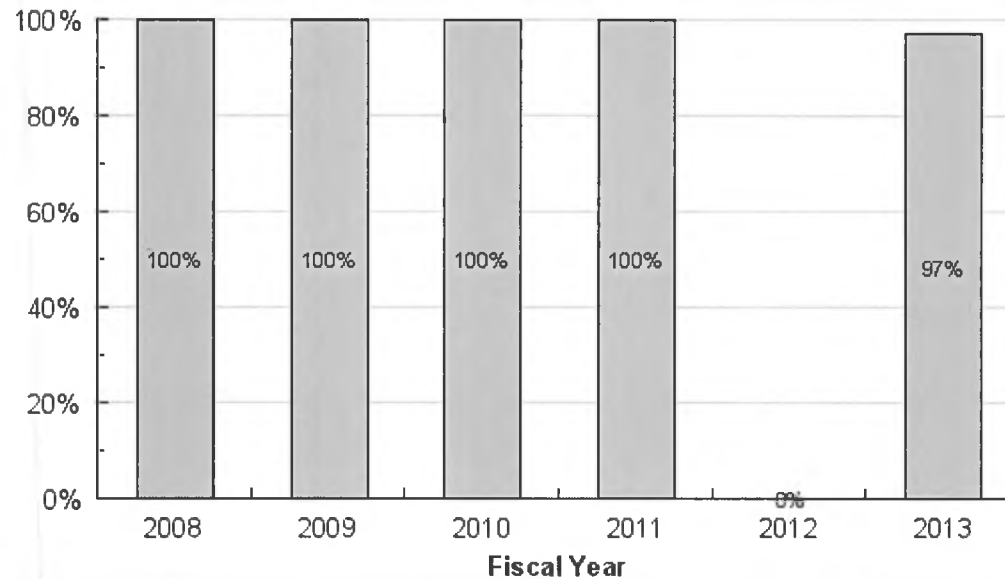


# Key Performance Measures



**TARGET:** Award oil, gas, and geothermal leases within nine months of sale to advocate responsible exploration of oil, gas, and geothermal resources in Alaska.

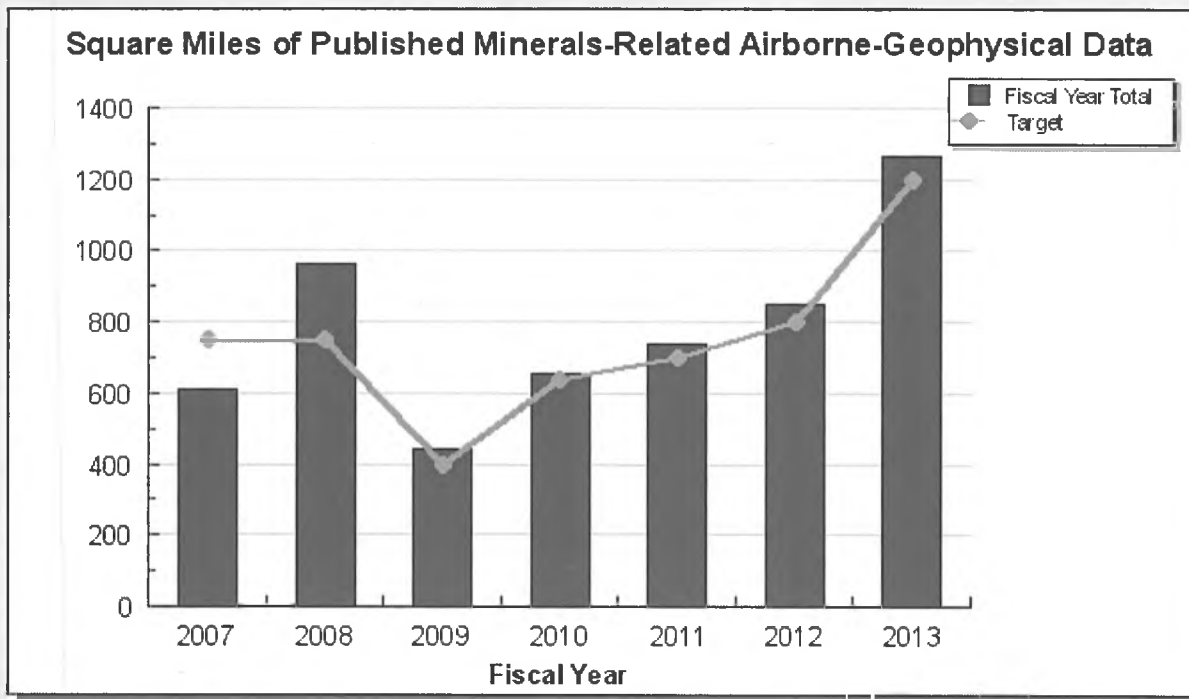
**Percent of Oil, Gas and Geothermal Leases Awarded within Nine Months of Sale**



# Key Performance Measures



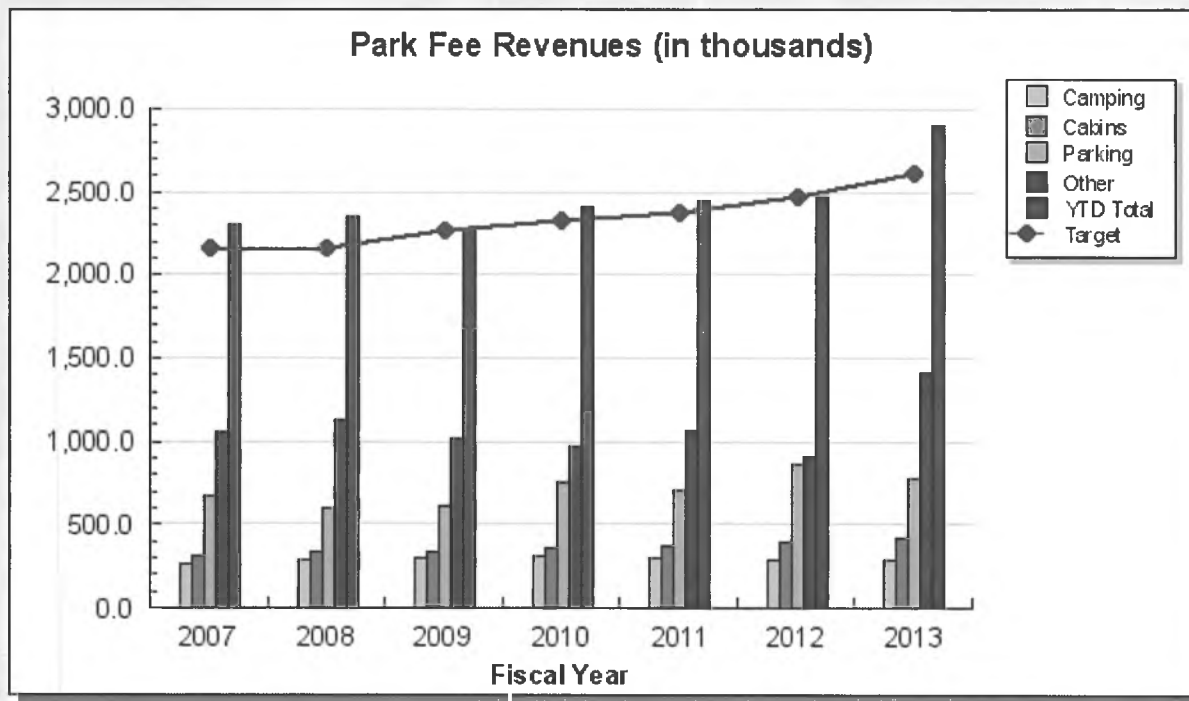
**TARGET:** Square miles of published airborne geophysical survey data of minerals-interest lands.



# Key Performance Measures



**TARGET:** Collect enough fees yearly to cover the authorized program receipts funds in the Parks Management and Access budget. Increase fee revenues annually.



# Part II



## **FY2015 OPERATING BUDGET HIGHLIGHTS**

# DNR FY 2015 Budget

## *Employees*

DNR currently employs about 1,100 Alaskans in full-time and seasonal positions, with main offices in Anchorage, Juneau, Fairbanks and Palmer, and regional offices throughout the state



# DNR FY2015 Budget

Budget Growth Analysis (Prepared by Legislative Finance)

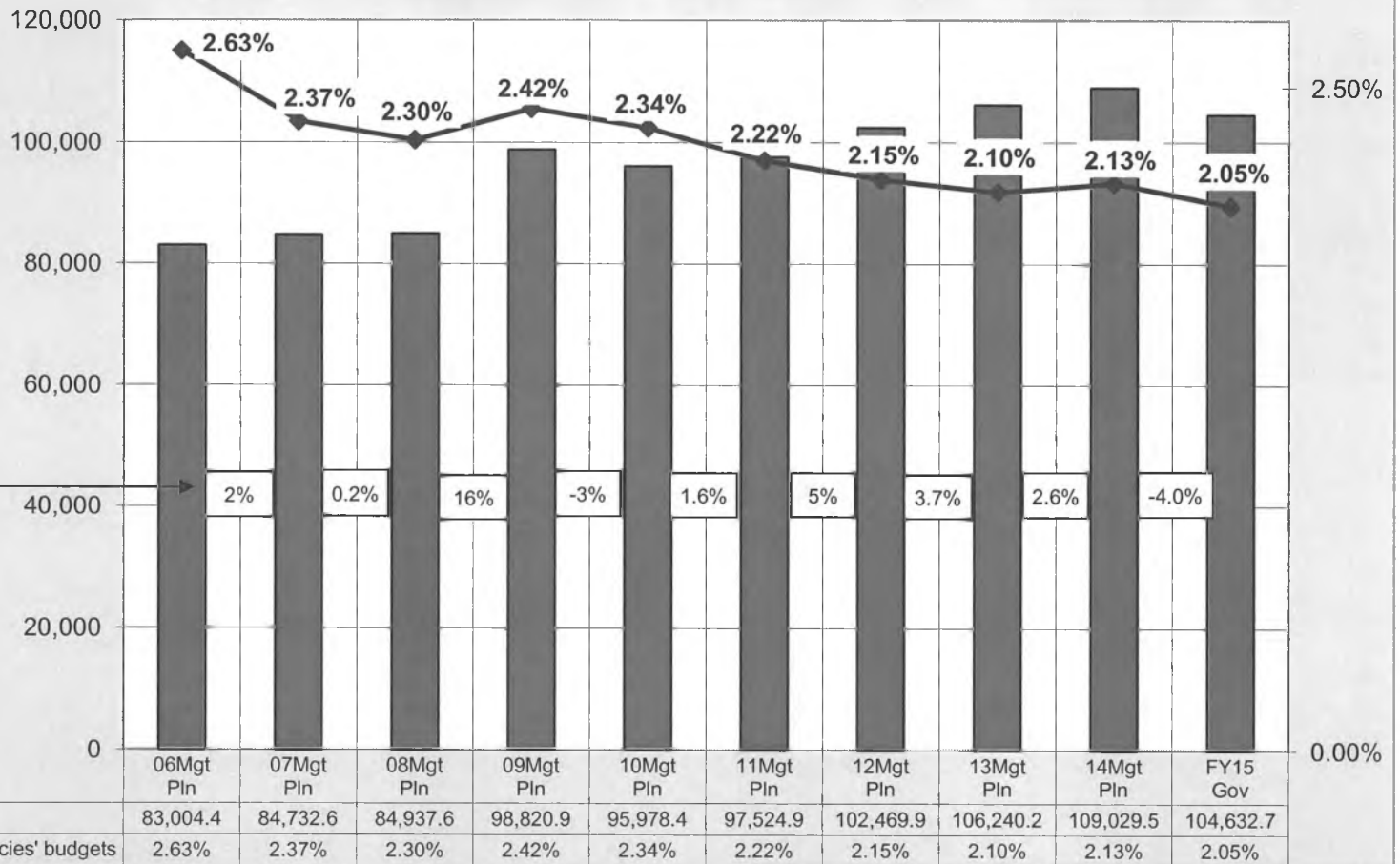


Department of Natural Resources Share of Total Agency Operations  
(GF Only)  
(\$ Thousands)

DNR's GF budget grew by \$22 million between FY06 and the FY15 Gov Budget -- an average annual growth rate of 2.6%.

The FY15 Gov GF budget equates to **\$323 per resident worker** (based on 331,081 Alaskan workers).

Percentage change year over year



# DNR FY2015 Budget

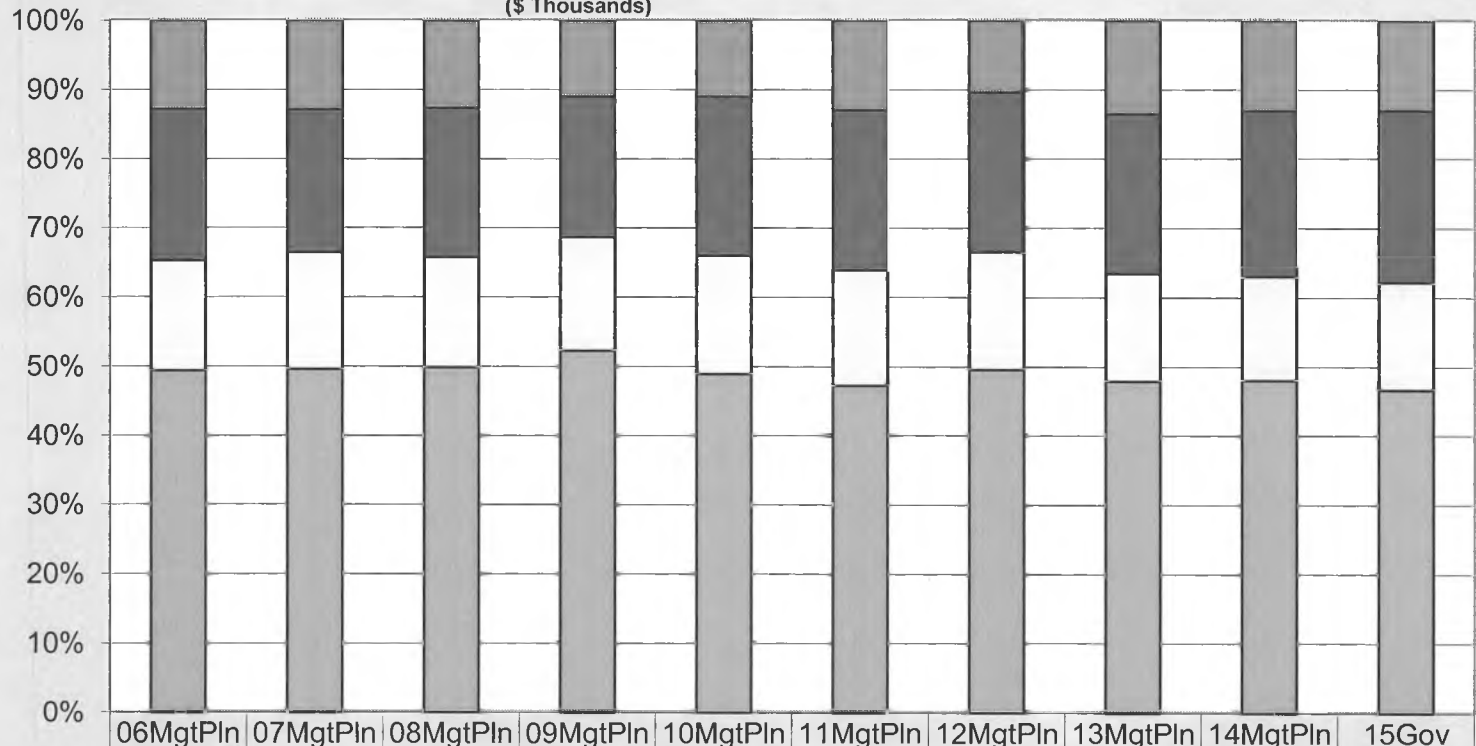
*Budget Growth Analysis (Prepared by  
Legislative Finance)*



**Department of Natural Resources  
Percent of the Total Department's Budget by Fund Group**

(All Funds)  
(\$ Thousands)

General Funds (UGF & DGF) were 65% of the total budget in FY06 and now are 62% of the FY15 Gov budget.



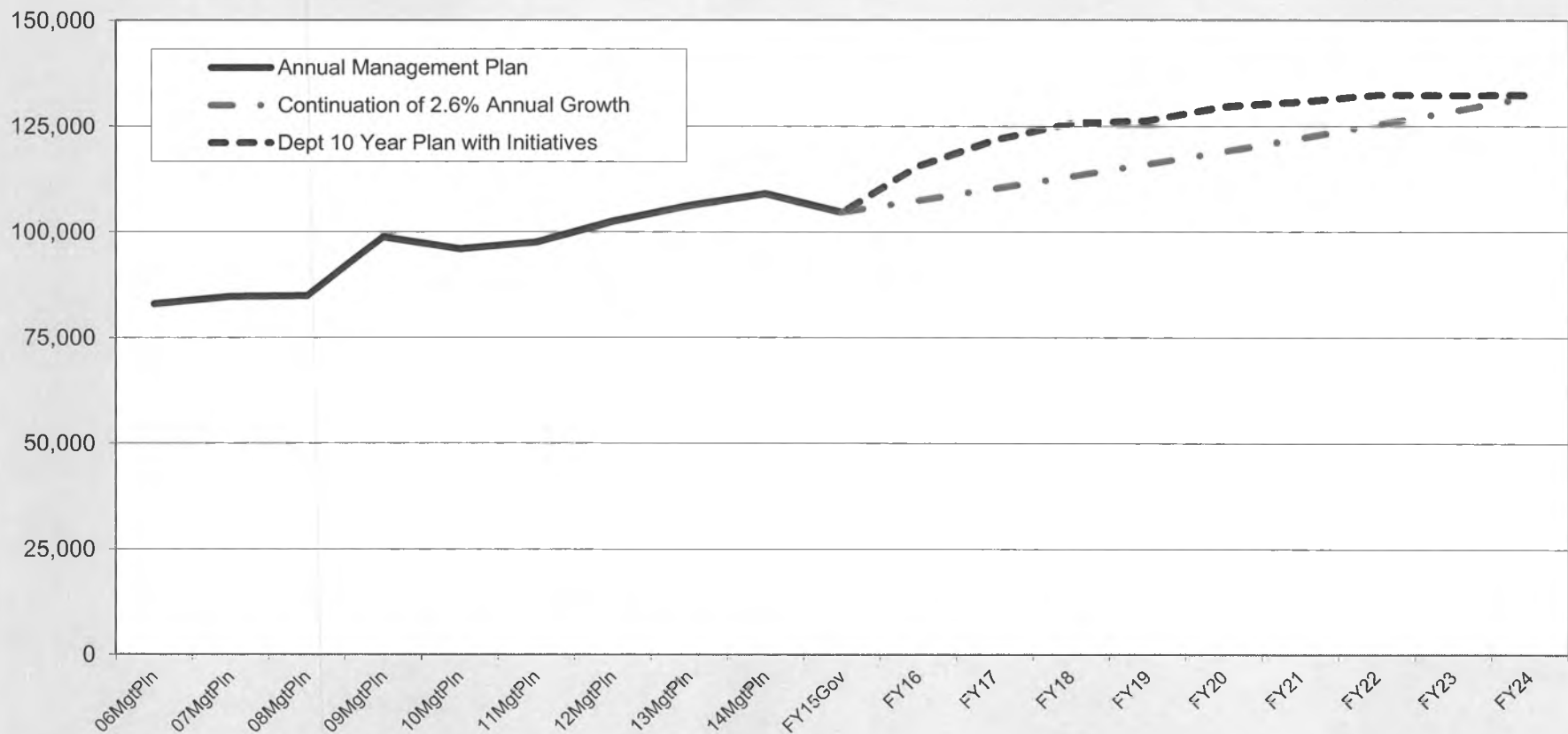
	06MgtPln	07MgtPln	08MgtPln	09MgtPln	10MgtPln	11MgtPln	12MgtPln	13MgtPln	14MgtPln	15Gov
■ Federal Receipts (Fed)	16,302.3	16,445.1	16,392.9	15,835.0	16,054.3	19,782.7	15,961.7	22,555.2	22,546.0	21,819.1
■ Other State Funds (Other)	27,717.9	26,313.9	27,696.2	29,164.5	33,216.9	35,185.3	35,353.9	38,727.1	41,399.5	41,820.0
□ Designated General (DGF)	20,326.3	21,511.8	20,635.7	23,715.7	24,919.8	25,513.6	26,229.9	26,027.7	25,986.2	26,218.5
□ Unrestricted General (UGF)	62,678.1	63,220.8	64,301.9	75,105.2	71,058.6	72,011.3	76,240.0	80,212.5	83,043.3	78,414.2

# DNR FY2015 Budget

*Budget Growth Analysis (Prepared by  
Legislative Finance)*



**Department of Natural Resources  
Continued Budget Growth Compared to 10-Year Plan**  
(GF Only)  
(\$ Thousands)

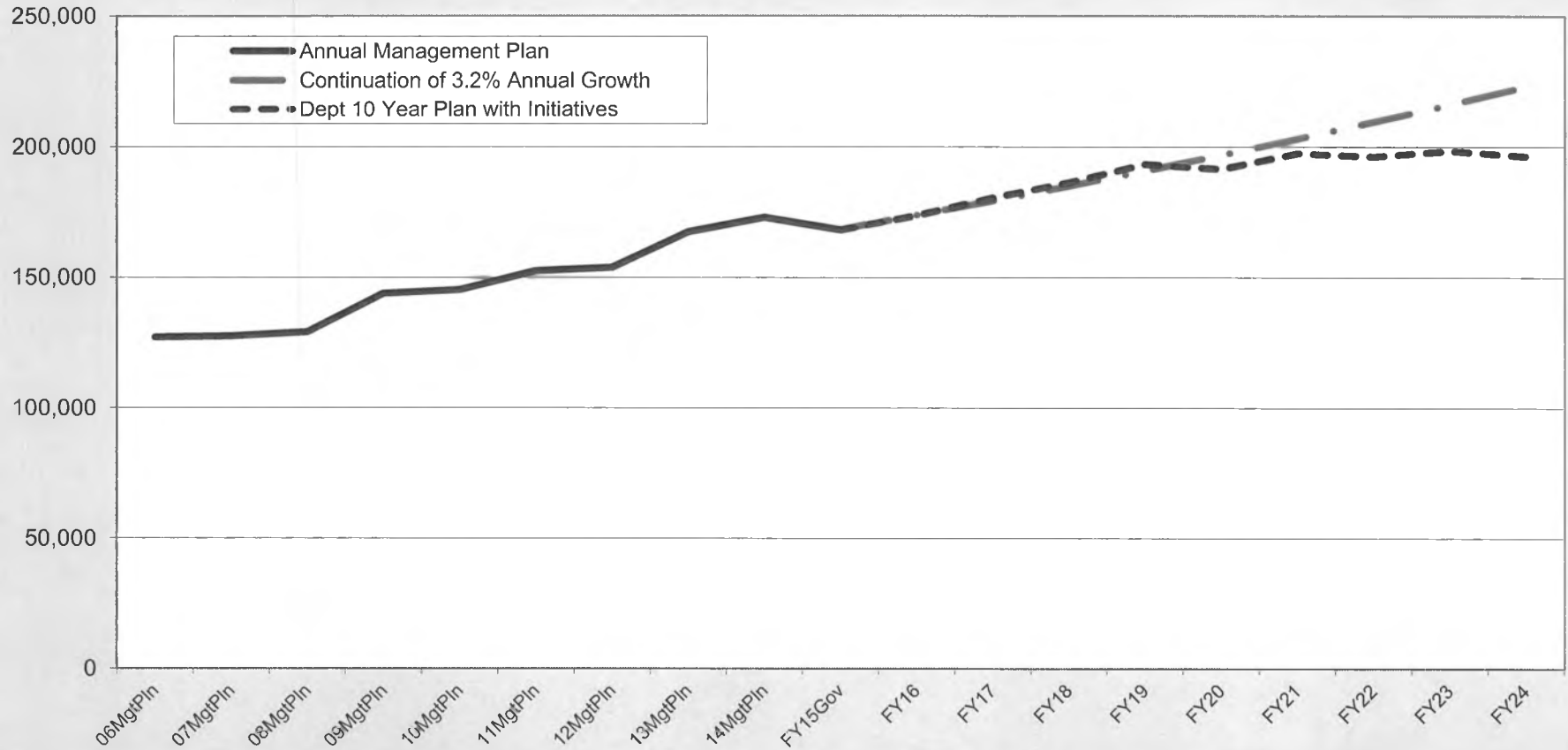


# DNR FY2015 Budget

*Budget Growth Analysis (Prepared by  
Legislative Finance)*



**Department of Natural Resources  
Continued Budget Growth Compared to 10-Year Plan**  
(All Funds)  
(\$ Thousands)

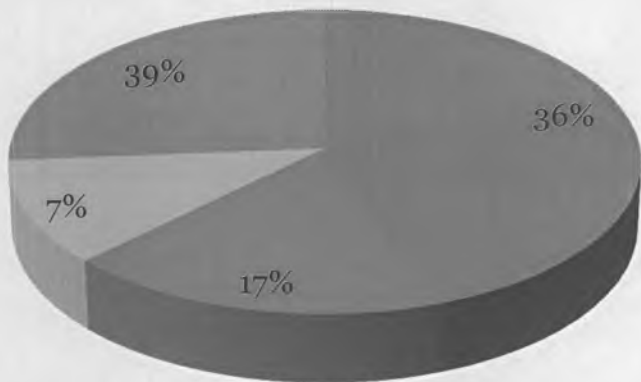


# DNR FY2013/FY2015 Budget

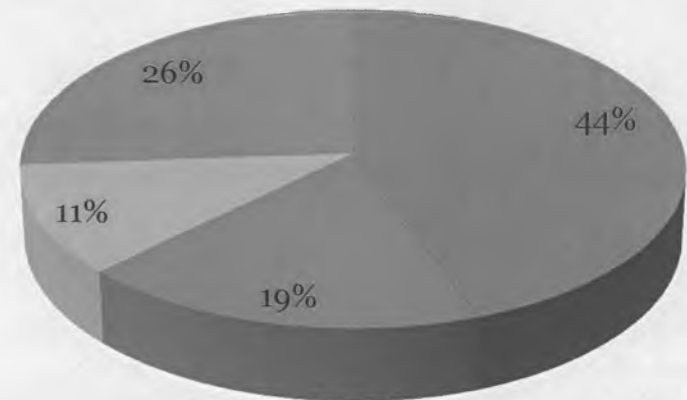
*Operating Budget by Core Services*



FY2013 Actuals



FY2015 Governor



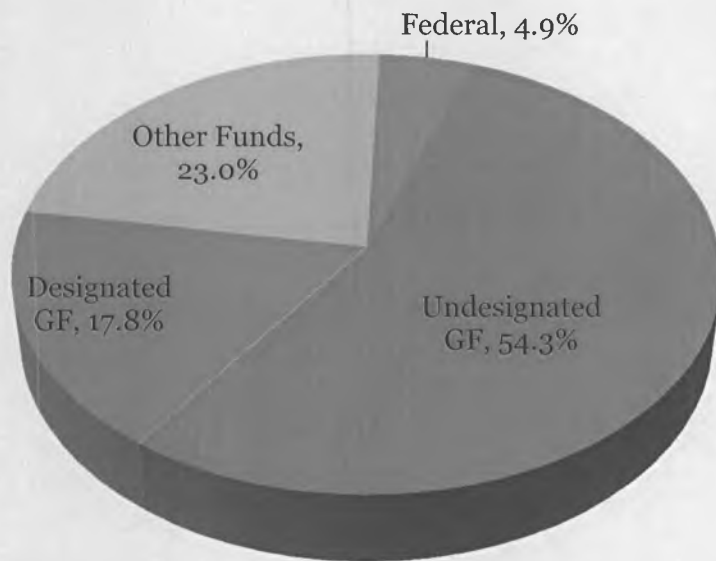
- Foster Responsible Development
- Provide Access to State Lands
- Sufficient Data Acquisition and Assessment
- Mitigate Natural Hazard Threats

# DNR FY2013 /FY2015 Budgets

*Operating Budget by Fund Type*

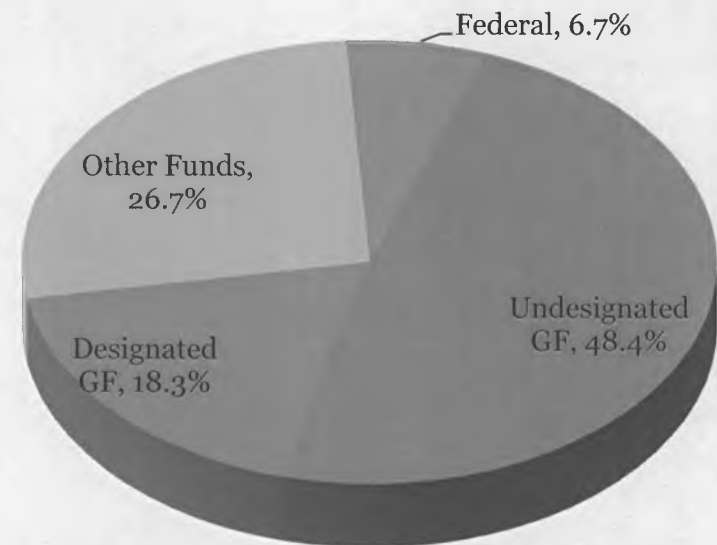


**FY2013 Actuals**



Undesignated GF	\$ 70,918.6
Designated GF	\$ 23,239.6
Other Funds	\$ 30,096.6
Federal	\$ 6,391.4
<b>Total</b>	<b>\$ 130,646.2</b>

**FY2015 Governor**



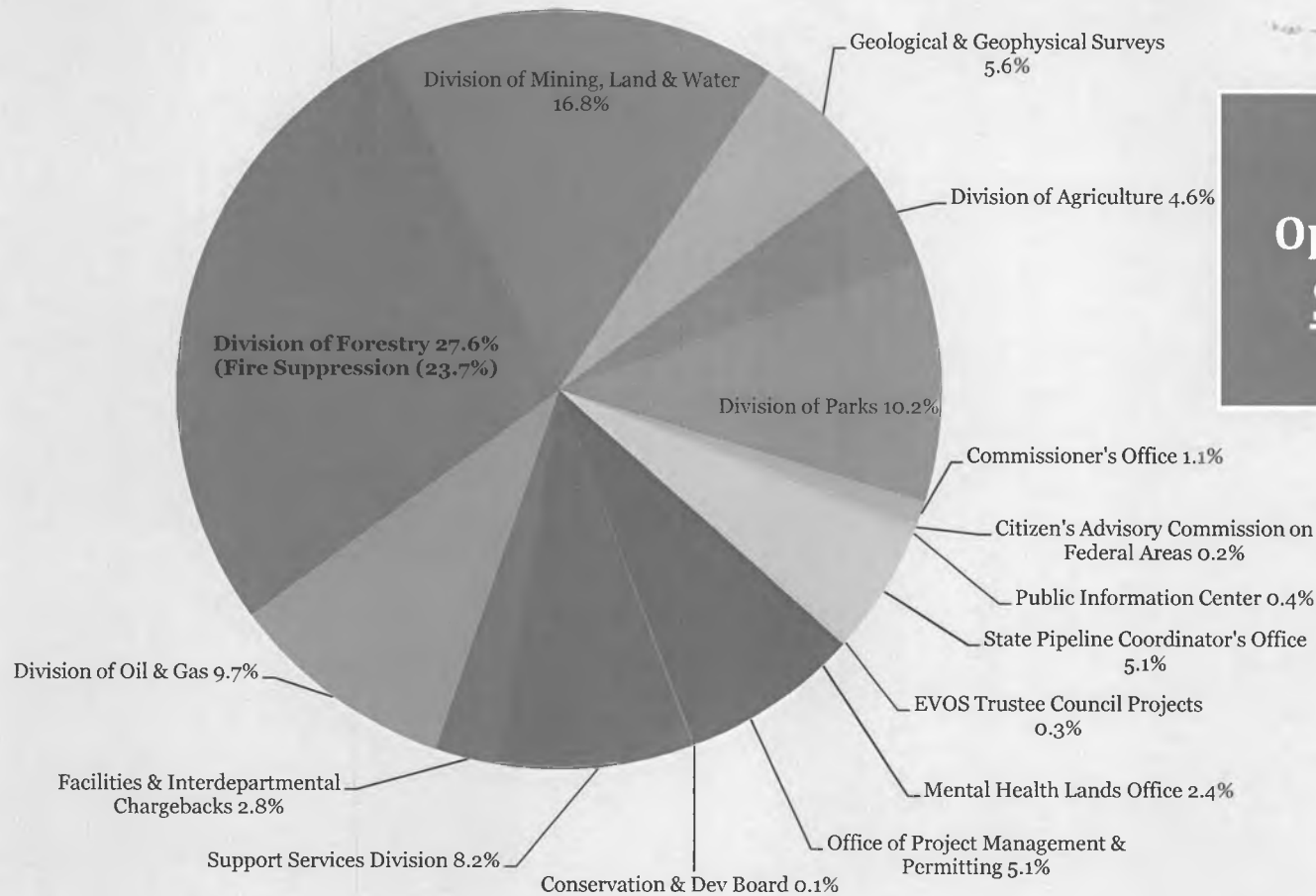
Undesignated GF	\$ 71,750.9
Designated GF	\$ 27,038.8
Other Funds	\$ 39,499.7
Federal	\$ 9,858.7
<b>Total</b>	<b>\$ 148,148.1</b>

- Undesignated GF
- Designated GF
- Other Funds
- Federal

Fire Activity Component Actuals and Budget Excluded

# DNR FY2015 Budget

## Operating Budget by Division/Office



**Total FY2015  
Operating Budget:  
\$168,271.8**

**FY2014  
Management  
Plan Operating  
Budget :  
\$172,975.0**

# DNR FY2015 Budget

## Operating Budget by Core Services



Department of Natural Resources  
 Operating Budget by Core Service  
 FY2014 Management Plan To FY2015 Adjusted Base Comparison

	FY2014 Management Plan					FY2015 Adjusted Base					Change from FY2014 Management Plan
	UGF	DGF	Other	Federal	Total	UGF	DGF	Other	Federal	Total	
Foster Responsible Development	35,755.9	12,308.8	27,375.5	3,263.8	78,704.0	32,497.7	12,291.8	27,496.1	3,251.1	75,536.7	(3,167.3)
Provide Access to State Lands	12,307.1	11,129.3	6,021.8	1,980.6	31,438.8	12,288.0	11,116.5	6,017.4	1,979.1	31,401.0	(37.8)
Sufficient Data Acquisition and Assessment	9,169.8	1,745.5	4,444.6	3,591.5	18,951.4	9,344.6	1,742.7	4,440.1	3,589.7	19,117.1	165.7
Mitigate Natural Hazard Threats	25,810.5	802.6	3,557.6	13,710.1	43,880.8	25,774.2	800.0	3,554.7	13,705.3	43,834.2	(46.6)
<b>TOTALS</b>	<b>83,043.3</b>	<b>25,986.2</b>	<b>41,399.5</b>	<b>22,546.0</b>	<b>172,975.0</b>	<b>79,904.5</b>	<b>25,951.0</b>	<b>41,508.3</b>	<b>22,525.2</b>	<b>169,889.0</b>	<b>(3,086.0)</b>

Key Changes from FY2014 Mgt Plan to FY2015 Adjusted Base

	UGF	DGF	Other	Federal	Total
FY2015 Contractual Salary Increases	417.8	152.6	167.1	47.2	784.7
FY2015 Health Insurance and Working Reserve Rate Reductions	(152.1)	(54.6)	(67.1)	(15.9)	(289.7)
Transfer of Alaska Geospatial Council Position from Dept. of Transportation and Public Facilities			133.8		133.8
Reversal of Multiple One-Time Appropriations	(3,404.5)	(133.2)	(125.0)	(52.1)	(3,714.8)
	<b>(3,138.8)</b>	<b>(35.2)</b>	<b>108.8</b>	<b>(20.8)</b>	<b>(3,086.0)</b>

# DNR FY2015 Budget

## Operating Budget by Core Services



Department of Natural Resources  
 Operating Budget by Core Service  
 FY2015 Adjusted Base To Governor Budget Comparison

	FY2015 Adjusted Base					FY2015 Governor Budget					Change from FY2015 Adj	
	UGF	DGF	Other	Federal	Total	UGF	DGF	Other	Federal	Total	Base	% Change
Foster Responsible Development	32,497.7	12,291.8	27,496.1	3,251.1	75,536.7	30,537.1	12,291.8	28,088.4	3,251.1	74,168.4	(1,368.3)	-1.8%
Provide Access to State Lands	12,288.0	11,116.5	6,017.4	1,979.1	31,401.0	12,421.6	11,384.0	6,113.7	1,979.1	31,898.4	497.4	1.6%
Sufficient Data Acquisition and Assessment	9,344.6	1,742.7	4,440.1	3,589.7	19,117.1	9,735.1	1,742.7	4,149.4	3,124.7	18,751.9	(365.2)	-1.9%
Mitigate Natural Hazard Threats	25,774.2	800.0	3,554.7	13,705.3	43,834.2	25,720.4	800.0	3,468.5	13,464.2	43,453.1	(381.1)	-0.9%
<b>TOTALS</b>	<b>79,904.5</b>	<b>25,951.0</b>	<b>41,508.3</b>	<b>22,525.2</b>	<b>169,889.0</b>	<b>78,414.2</b>	<b>26,218.5</b>	<b>41,820.0</b>	<b>21,819.1</b>	<b>168,271.8</b>	<b>(1,617.2)</b>	<b>-1.0%</b>

% Change from FY2015 Adjusted Base to FY2015 Governor Request (GF Only) -1.2%

Key Changes from FY2015 Adjusted Base to FY2015 Governor

	UGF	DGF	Other	Federal	Total
Delete Gas Pipeline Project Office	(2,616.8)				(2,616.8)
Delete Long Term Vacant Positions	(242.1)	0.0	(102.2)	(206.1)	(550.4)
Continue Farm to School Program Funding	181.0				181.0
Restore Arbitration of Oil & Gas Royalty Issues	650.0				650.0
Partially Fund Existing and Vacant Parks Field Operations Staff Including South Denali Implementation	150.0	267.5			417.5
Geologic Material Center (GMC) Annual Occupancy/Rent Payment	350.0				350.0
Oil and Gas Workload Increase and Federal Resource Planning	37.6		112.9		150.5
(HB4) Reimb. for AGDC Stand Alone Pipeline Permitting, Construction Oversight and Oper. Monitoring			670.3		670.3
Kids Don't Float Life Jackets and Education Program Expansion			100.0		100.0
Expand MH Trust Lands Administration Budget			57.7		57.7
Net Change to Cook Inlet Energy Reclamation Bond Interest Estimate			(100.0)		(100.0)
Regulation of Dredge and Fill Activities - Year 2 Fiscal Note CH12 SLA2013 SB27 (adj to Governor's Budget)			5.0		5.0
Delete Excess Authorization			(432.0)	(500.0)	(932.0)
	(1,490.3)	267.5	311.7	(706.1)	(1,617.2)

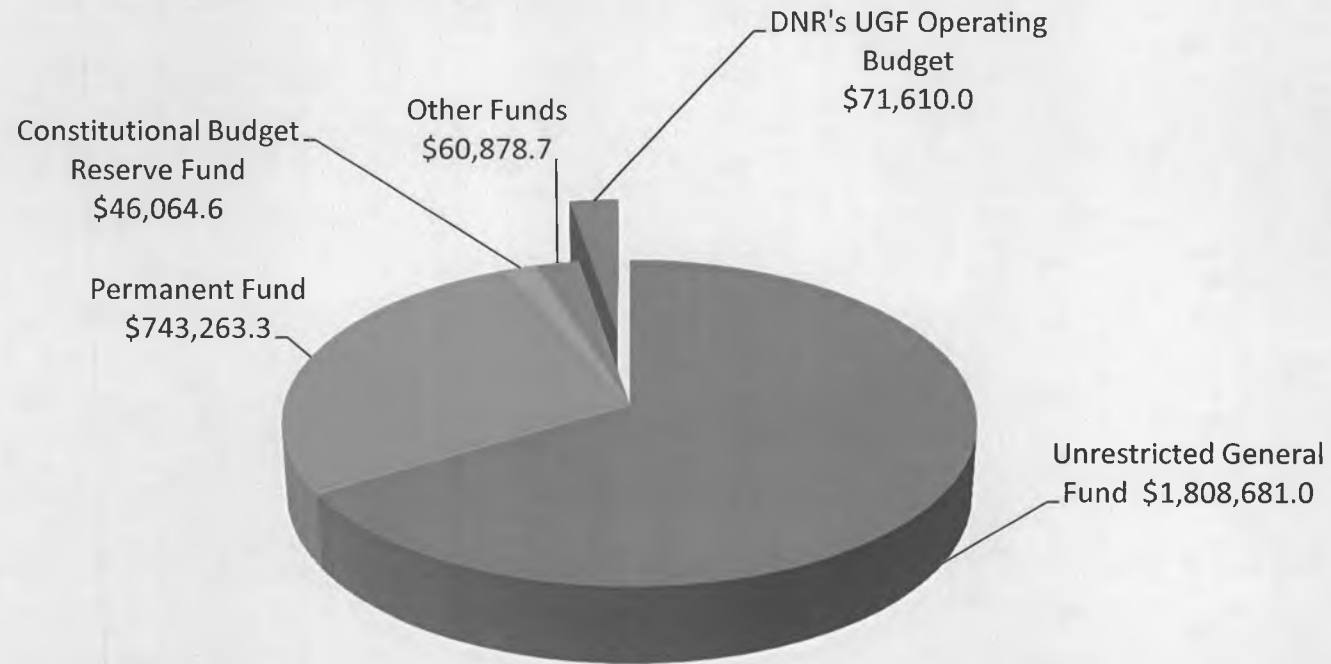
# DNR FY2015 Budget

*Operating Budget by Core Services*



## Annual DNR Generated Revenues Compared to DNR's Unrestricted General Fund Budget

Annual Averages for FY2006 - FY2013 (in thousands)



DNR generates an average of \$2.6 billion in revenue annually.

# In Conclusion



- The FY2015 Budget reflects our focus on DNR's core services and the Administration's major statewide initiatives
- Opportunities far outweigh the challenges, in large measure due to our abundant natural resource wealth