

**02/06/15**  
**BUDGET**  
**OVERVIEW**  
**FY 16:**  
**DEPARTMENT**  
**OF NATURAL**  
**RESOURCES**

<TARGET><BILL></BILL><SUBJECT>02-06-15 BUDGET OVERVIEW  
FY 16 DEPARTMENT OF NATURAL  
RESOURCES</SUBJECT><COMM>HFIN29</COMM></TARGET>

TRANSACTION REPORT

P. 01

FEB-06-2015 FRI 03:56 PM

FOR: house finance

4656813

SEND

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
FEB-06	03:55 PM	4655334	43"	1	FAX TX	OK	184	

TOTAL : 43S PAGES: 1

1 of \_

February 6, 2015

Committee Action on Legislation  
FEBRUARY 6, 2015

HOUSE FINANCE

COMMITTEE SECRETARY: JODIE MCDONNELL

SHORT TITLE	ACTION TAKEN ON LEGISLATION
HB72 APPROP: OPERATING BUDGET/LOANS/FUNDS	<input type="checkbox"/> Moved Out of Committee <input type="checkbox"/> Moved CS ( ) Out of Committee <input type="checkbox"/> Moved HCS ( ) Out of Committee <input checked="" type="checkbox"/> Heard and Held <input type="checkbox"/> Heard and Held Assigned to Subcommittee <input type="checkbox"/> Bill Postponed to _____ <input type="checkbox"/> Scheduled but not Heard <input type="checkbox"/> Failed to Move Out of Committee
HB73 APPROP: MENTAL HEALTH BUDGET	<input type="checkbox"/> Moved Out of Committee <input type="checkbox"/> Moved CS ( ) Out of Committee <input type="checkbox"/> Moved HCS ( ) Out of Committee <input checked="" type="checkbox"/> Heard and Held <input type="checkbox"/> Heard and Held Assigned to Subcommittee <input type="checkbox"/> Bill Postponed to _____ <input type="checkbox"/> Scheduled but not Heard <input type="checkbox"/> Failed to Move Out of Committee

FY16 Budget overview: DNR  
FY16 Budget overview: DMVA

**SUMMARY OF FY2016 GOVERNOR'S AMENDED BUDGET DEVELOPMENT**

	Division	Funding Sources				Total	Positions			
		UGF	DGF	Other	Fed		PFT	PPT	NP	Total
<b>FY2015 Management Plan:</b>		88,072.8	26,468.5	41,970.0	21,819.1	178,330.4	759	238	110	1,107
<b>FY2016 Adjusted Base (Legislative Finance) Actions:</b>										
Net FY16 Contractual Salary Inc and Health Ins Rate Reductions	Multiple	1,017.7	363.2	400.5	103.2	1,884.6				-
Reversal of AKLNG Fiscal Note for SB138	AKLNG	(8,986.7)				(8,986.7)	(6)			(6)
Reversal of Mental Health Trust Land Office Administrative Budget	MHTLO			(4,071.4)		(4,071.4)				-
Reversal of Other One-Time Appropriations	Multiple	(1,459.5)				(1,459.5)				-
<b>FY2016 Adjusted Base (Legislative Finance):</b>		78,644.3	26,831.7	38,299.1	21,922.3	165,697.4	753	238	110	1,101
<b>FY2016 Governor Amended Budget Increments:</b>										
Restore Gas Pipeline AKLNG Project Funding to FY2015 Level (SB138)	AKLNG	8,986.7				8,986.7	6			6
Additional Funding for Gas Pipeline AKLNG Project	AKLNG	4,200.0				4,200.0	1			1
Spending and Receipt Authority for Pipeline and Gas Line Projects	SPCO			585.2		585.2				-
Restore Mental Health Trust Land Office Administrative Budget	MHTLO			4,071.4		4,071.4				-
Additional Funding for Mental Health Trust Land Office Administrative Budget	MHTLO			255.6		255.6				-
Subtotal Increments		13,186.7	0.0	4,912.2	0.0	18,098.9	7	0	0	7
<b>FY2016 Governor Amended Budget Decrements (alphabetical by division):</b>										
Eliminate Funding for Natural Resources Conservation and Development Board	Agriculture	(116.5)				(116.5)				-
Agricultural Program Consolidation and Efficiencies	Agriculture	(71.9)				(71.9)	(1)			(1)
Eliminate Ethnobotany Program and Garden	Agriculture	(147.8)				(147.8)	(1)	(2)		(3)
Delete Special Assistant to the Commissioner Position	Commissioner	(70.0)				(70.0)	(1)			(1)
Elimination of Airborne Geophysical Surveys and Support for Geothermal and Coal Resources	DGGS	(1,000.0)				(1,000.0)	(4)			(4)
Eliminate Iditarod Trail Oversight and Management	DMLW	(100.9)		(137.0)		(237.9)	(2)			(2)
Eliminate Public Access Assertion and Defense Unit	DMLW	(1,547.8)				(1,547.8)	(6)			(6)
Consolidation of Regional Management in Forestry Area Office	Forestry	(50.0)				(50.0)	(1)			(1)
Reorganize the McGrath Fire Suppression Protection Area and Discontinue the Wildland Fire Academy	Forestry	(1,100.0)				(1,100.0)		(16)		(16)
Eliminate Coordination of Agency Input to Forest Service Tongass Planning and Timber Sale Projects	Forestry	(111.0)		(16.1)		(127.1)	(1)			(1)
Restructure of Oil and Gas as a Result of Work Process Improvements	Oil & Gas	(644.0)				(644.0)	(3)		(2)	(5)
Reduce Alaska National Interest Lands Conservation Act (ANICLA) Office	OPMP	(226.0)				(226.0)	(1)			(1)
Eliminate Coordination of Agency Input to Forest Service Tongass Planning and Timber Sale Projects	OPMP	(37.5)				(37.5)				-
Reduce Receipt Authority for Permitting Coordination Projects	OPMP			(500.0)		(500.0)				-
Decrease Exxon Valdez Oil Spill Authorization to Match Trustee Council Budget	OPMP			(246.9)		(246.9)				-
Reallocation of Administrative Duties to Recognize Efficiencies in Parks	Parks	(25.0)			(15.0)	(40.0)	(1)			(1)
Reorganization of State Pipeline Coordinator's Office	SPCO		(80.0)	(438.9)		(518.9)	(3)			(3)
Delete Petroleum Systems Integrity Office	SPCO/PSIO	(607.6)				(607.6)				-
Centralize Information Technology Functions and Services	SSD	(85.0)				(85.0)	(1)			(1)
Recorder's Office Consolidation and Efficiencies	SSD		(173.3)			(173.3)		(1)		(1)
Delete Excess Authorization from Miscellaneous Components	Multiple			(952.5)	(150.0)	(1,102.5)			(1)	(1)
Subtotal Decrements		(5,941.0)	(253.3)	(2,291.4)	(165.0)	(8,650.7)	(26)	(19)	(3)	(48)
<b>FY2016 Governor Amended:</b>		<b>85,890.0</b>	<b>26,578.4</b>	<b>40,919.9</b>	<b>21,757.3</b>	<b>175,145.6</b>	<b>734</b>	<b>219</b>	<b>107</b>	<b>1,060</b>
<b>Comparisons:</b>										
% Change FY2016 Adjusted Base to FY2016 Governor Amended		9.2%	-0.9%	6.8%	-0.8%	5.7%	-2.5%	-8.0%	-2.7%	-3.7%
% Change FY2015 Management Plan to FY2016 Governor Amended		-2.5%	0.4%	-2.5%	-0.3%	-1.8%	-3.3%	-8.0%	-2.7%	-4.2%
<b>Comparison Excluding AKLNG:</b>										
FY2016 Governor Amended excluding AKLNG		72,703.3	26,578.4	40,919.9	21,757.3	161,958.9	727	219	107	1,053
% Change FY2016 Adjusted Base to FY2016 Governor Amended excluding AKLNG		-7.6%	-0.9%	6.8%	-0.8%	-2.3%	-3.5%	-8.0%	-2.7%	-4.4%

## Helen Phillips

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**From:** Joan Brown  
**Sent:** Thursday, February 12, 2015 1:24 PM  
**To:** Helen Phillips  
**Subject:** FW: DNR response to questions from House Finance 2-6-15  
**Attachments:** Summary One-Pager FY2016 Gov Amended Budget.pdf

For distribution, please.

**From:** Davis, Jeanmarie H (DNR) [mailto:jean.davis@alaska.gov]  
**Sent:** Thursday, February 12, 2015 1:04 PM  
**To:** Joan Brown; Peter Ecklund  
**Cc:** Peterson, Darwin R (GOV); Wilcox, Lacy J (GOV); Ibias, Raquel M (DNR); Peter-Contesse, Fabienne (DNR); Sanborn, Courtney L (DNR); Fogels, Edmund J (DNR); Maisch, John C (DNR); Brown, Dean N (DNR); Davis, Jeanmarie H (DNR)  
**Subject:** DNR response to questions from House Finance 2-6-15

Greetings,

At DNR's budget overview presented to House Finance last Friday (February 6), a request was made to provide a one-page summary of DNR's FY16 Governor's Amended budget (similar to what was in our presentation), walking through from FY15 Management Plan to FY16 Adjusted Base to FY16 Governor Amended, including the proposed budget decrements. A copy of that is attached.

In addition, Representative Wilson asked a couple of specific questions related to wildland fire fighting.

- 1. Question - Does the state gets paid back for fire suppression costs when fault is determined, and how? (For example, the Clear AFB fire was started by a military training exercise.)**

Answer: When the state is able to recover expenditures, that recovery is deposited into the general fund, but the original expenditures are not offset because normally the fiscal year books are closed at the point we receive a recovery. Between FY2005 and FY2014 the state recovered approximately \$162.6 (not including Clear AFB fire).

Regarding the Clear AFB fire, the state is in the process of getting reimbursed for this fire from FEMA. There's disagreement about the eligible costs, which the state puts at \$1,070.8, and FEMA believes is \$853.1; Department of Law assistance with an appeal and discussions are ongoing. The fire occurred in calendar year 2013 and the recovery will return to the unrestricted general fund when received.

- 2. Is air quality a factor in determining when we fight a fire?** Air quality can be a consideration in determining when we fight a fire. However, it should be recognized that it is one of our least controllable factors as fire fighters have limited effect on air quality with a large, well establish fire. Smoke dispersion is at the whim of the weather. Wind direction, air pressure, and stability will contribute to either poor or good air quality. We generally figure about 21 tons of organic material per acre is available for consumption during a wildland fire. This tends to produce a lot of smoke when multiplied times the number of acres.

One consideration we do control is the initial attack strategy. During the start of our season, fire managers are asked to evaluate potential for smoke from early season fires. This means we may provide initial attack in areas of Limited fire protection in May or June when our burning periods are extremely long and fires can linger. If unchecked, these fires can compromise air quality each time the burning conditions improve throughout the summer.

Also, in the course of fire suppression we may burn out fuels to eliminate the source of the smoke. If we can, it is done in an attempt to eliminate the fuel source as quickly as possible. Ideally, this is done in one large event that builds a singular column to hasten dispersion. Finally, one of the main problems of Alaskan fires is a deep duff layer that harbors fire,

smolders for long period, and reappears when conditions warrant. This can contribute to a reoccurring reduction in air quality that often we have limited control.

Please let me know if you have additional questions.

Thank you,

*Jean Davis*

Director, Support Services Division  
Department of Natural Resources  
465-2422



# ALASKA STATE LEGISLATURE HOUSE FINANCE COMMITTEE

State Capitol, Room 519

Rep. Mark Neuman, Co-Chair

Rep. Steve Thompson, Co-Chair

Friday, February 6, 2015

1:30 PM

## Agenda:

### **FY16 Department of Natural Resources Overview**

#### Presenting in Person:

Mark Myers, Commissioner, Department of Natural Resources

Ed Fogels, Deputy Commissioner, Department of Natural Resources

Jeanmarie Davis, Director, Division of Support Services, Department of Natural Resources

#### Available for Questions in Person:

Brent Goodrum, Director, Division of Mining, Land and Water, DNR

Steve Masterman, Director, Division of Geological and Geophysical Surveys, DNR

Ben Ellis, Director, Division of Parks, Department of Natural Resources

Sara Longan, Director, Office of Project Management and Permitting

#### Available for Questions via Teleconference:

Marty Rutherford, Deputy Commissioner, Department of Natural Resources

### **FY16 Department of Military and Veterans Affairs Overview**

#### Presenting in Person:

Brigadier General Mike Bridges, Commander, Department of Military and Veterans Affairs

Colonel Robert Doehl, Deputy Commissioner, Department of Military and Veterans Affairs

Ms. Susan Colligan, Director, Administrative Services, Department of Military and Veterans Affairs

Rep. Neuman,

Regarding the Department of Military and Veterans Affairs Overview

Mark Greby, President & Chief Operating Officer, Alaska AEROSPACE  
CORP, Department of Military and Veterans Affairs

will be presenting slides via teleconference due to the inclement weather  
and the planes inability to land.



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State of Alaska  
Department of Natural Resources Overview  
House Finance Committee  
February 6, 2015



# DEPARTMENT OF NATURAL RESOURCES

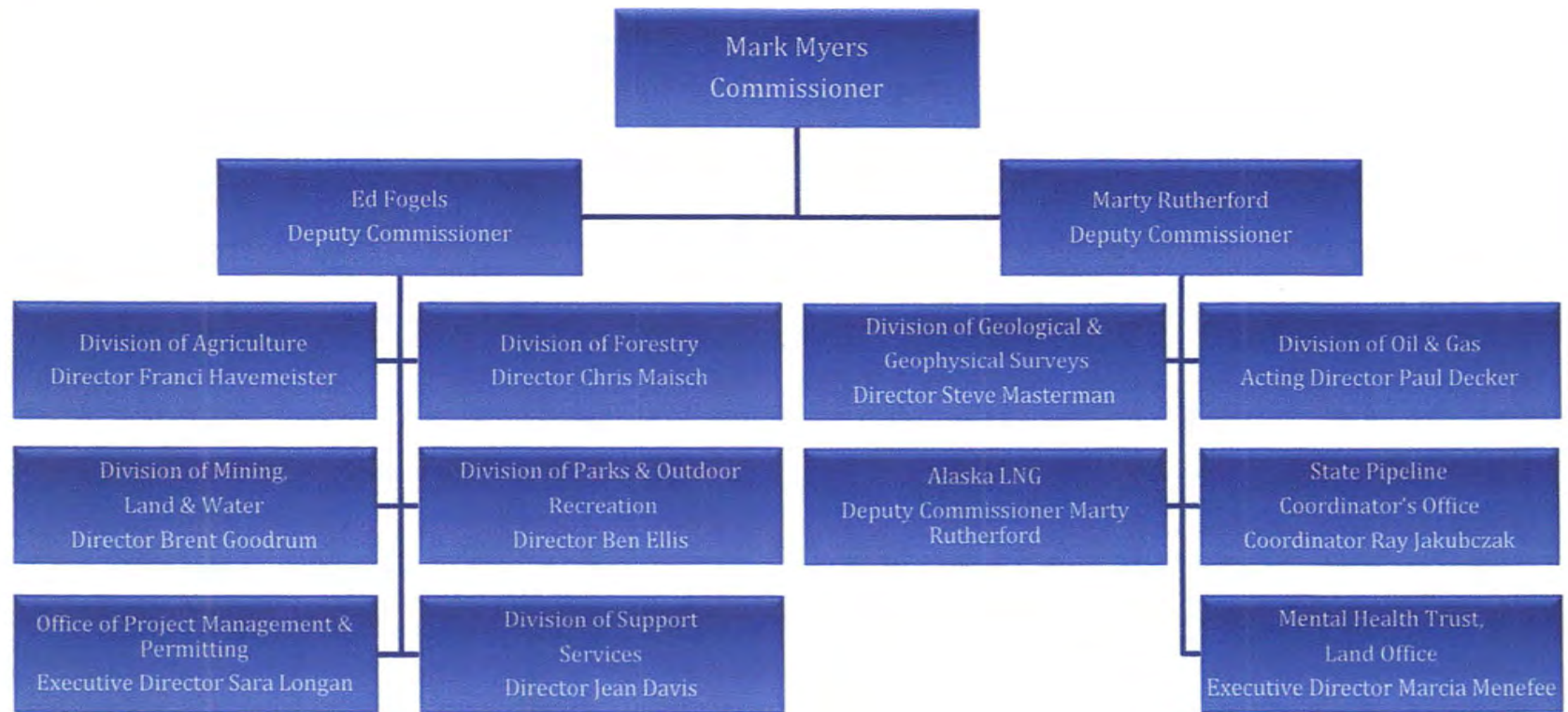
- PART I -



## DNR Overview

# DEPARTMENT OF NATURAL RESOURCES

## - ORGANIZATION CHART -



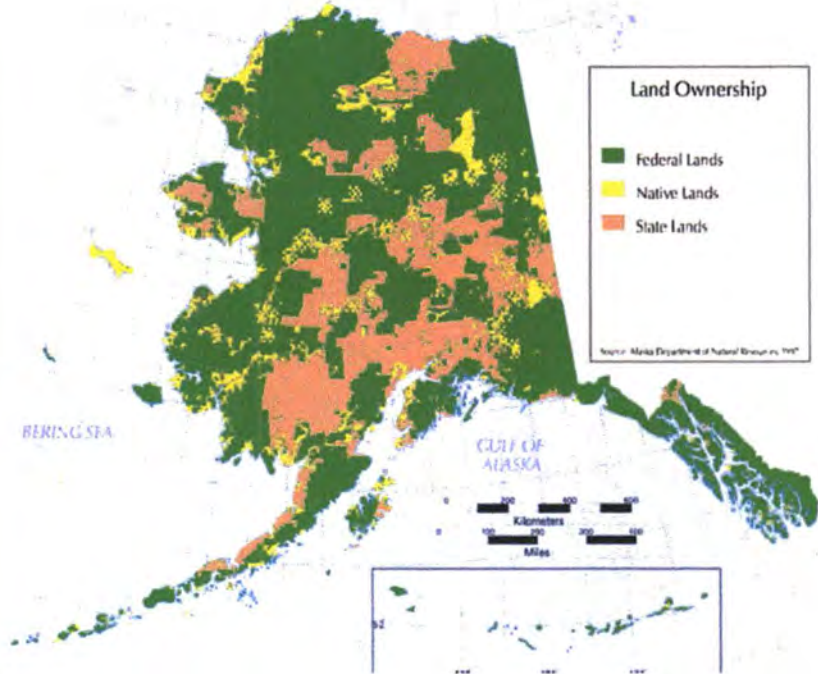
# DEPARTMENT OF NATURAL RESOURCES

## - 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.

# DEPARTMENT OF NATURAL RESOURCES

## - 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



# DEPARTMENT OF NATURAL RESOURCES

## - DIVISION OVERVIEWS -

### 1. Division of Agriculture (DoA)

- Franci Havemeister, Director
- 40 full and part-time budgeted positions
- 4.2% of DNR's FY16 Operating Budget Request
- \$7,350.6 total budget request (\$3,149.0 UGF)
- Promotes and encourages development of an agriculture industry in Alaska



### 2. Division of Forestry (DoF)

- Chris Maisch, Director
- 254 full and part-time budgeted positions (does not include the hundreds of fire season crews)
- 25.9% of DNR's FY16 Operating Budget Request
- \$45,355.6 total budget request (\$26,251.0 UGF)
- 85.6% of Forestry's budget is Fire Suppression
- Serves Alaskans through forest management and wildland fire protection



# DEPARTMENT OF NATURAL RESOURCES

## - DIVISION OVERVIEWS -

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

- Steve Masterman, Director
- 52 full and part-time budgeted positions
- 4.9% of DNR's FY16 Operating Budget Request
- \$8,622.2 total budget request (\$4,631.7 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



### 4. Division of Mining, Land & Water (DMLW)

- Brent Goodrum, Director
- 210 full and part-time budgeted positions
- 15.2% of DNR's FY16 Operating Budget Request
- \$26,596.0 total budget request (\$11,795.6 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 -

### 5. Division of Oil & Gas (DOG)

- Paul Decker, Acting Director
- 125 full and part-time budgeted positions
- 13.2% of DNR's FY16 Operating Budget Request
- \$23,095.2 total budget request (\$9,771.5 UGF)
- Responsible for the leasing of state lands for oil, gas, and geothermal exploration, and issuing and monitoring pipeline right-of-way leases.



### 6. Division of Parks & Outdoor Recreation (DPOR)

- Ben Ellis, Director
- 187 full and part-time budgeted positions
- 9.9% of DNR's FY16 Operating Budget Request
- \$17,326.1 total budget request (\$3,952.3 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 -

### 7. Division of Support Services (SSD)

- Jean Davis, Director
- 131 full and part-time budgeted positions
- 7.8% of DNR's FY16 Operating Budget Request
- \$13,709.1 budget request (\$5,867.8 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
- 1.0% of DNR's FY16 Operating Budget Request
- \$1,828.2 total budget request (\$1,654.8 UGF)

### **North Slope Gas Commercialization (NSGC)**

- Marty Rutherford, Deputy Commissioner
- 8 full-time budgeted positions
- 7.6% of DNR's FY16 Operating Budget Request
- \$13,225.2 total budget request (UGF)



# DEPARTMENT OF NATURAL RESOURCES

## - OFFICE OVERVIEWS -

### **Office of Project Management & Permitting (OPMP)**

- Sara Longan, Director
- 19 full-time budgeted positions
- 4.6% of DNR's FY16 Operating Budget Request
- \$8,134.6 total budget request (\$738.8 UGF, \$5,648.3 Industry Receipts)
- Coordinates the review of larger scale projects in the state

### **Alaska Mental Health Trust Land Office (MHTLO)**

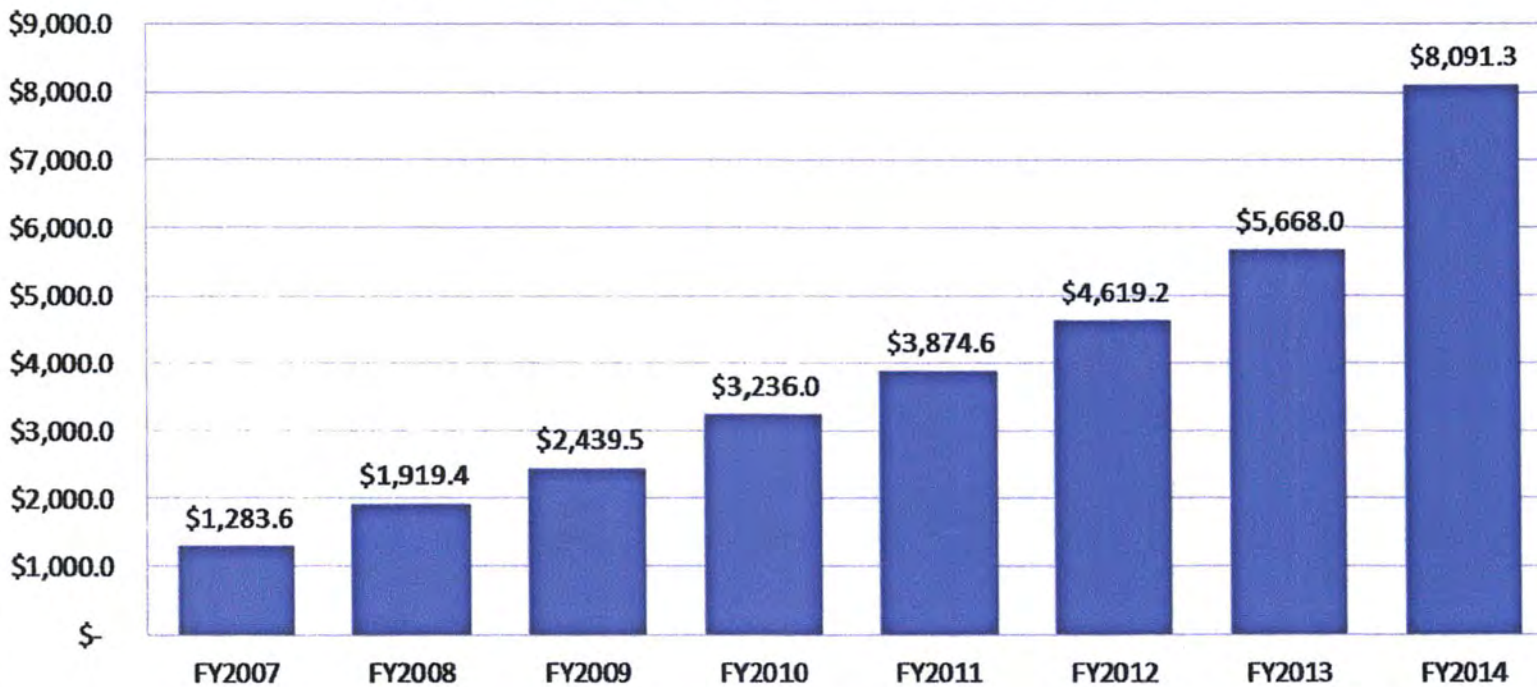
- Marcie Menefee, Executive Director
- 18 full and part-time budgeted positions
- 2.5% of DNR's FY16 Operating Budget Request
- \$4,321.9 total budget request (MHTAAR Receipts)
- Protecting and enhancing the value of Alaska Mental Health Trust Lands while maximizing revenues from those lands over time



# KEY PERFORMANCE MEASURES

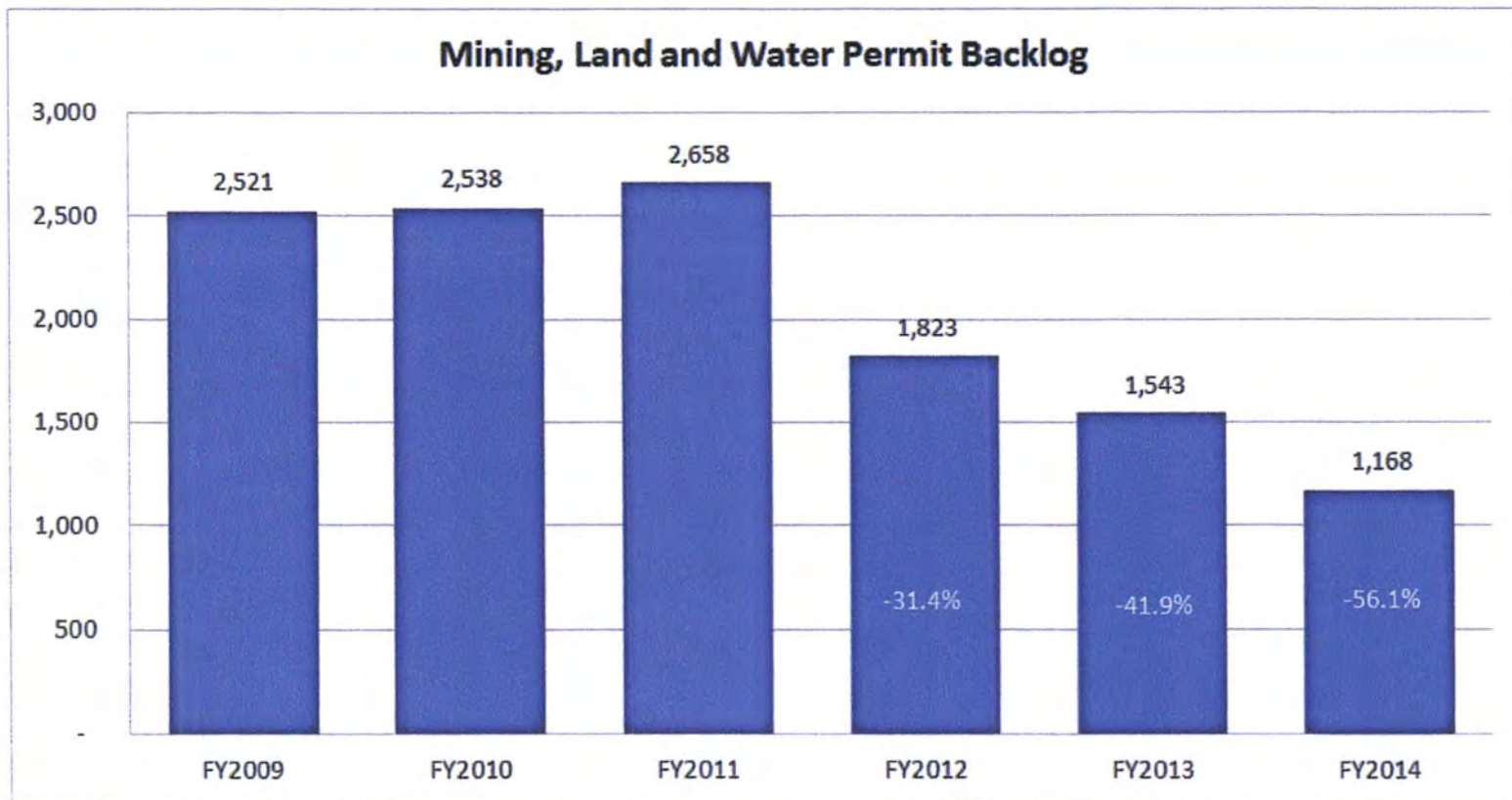
TARGET: Review, coordinate, and manage 100% of large resource development projects that request Office of Project Management & Permitting services to assist project proponents in navigating the state and federal permitting process.

**Dollar Value (in thousands) of Agreements under MOU and RSA for Large Development Projects Permitting Coordination**



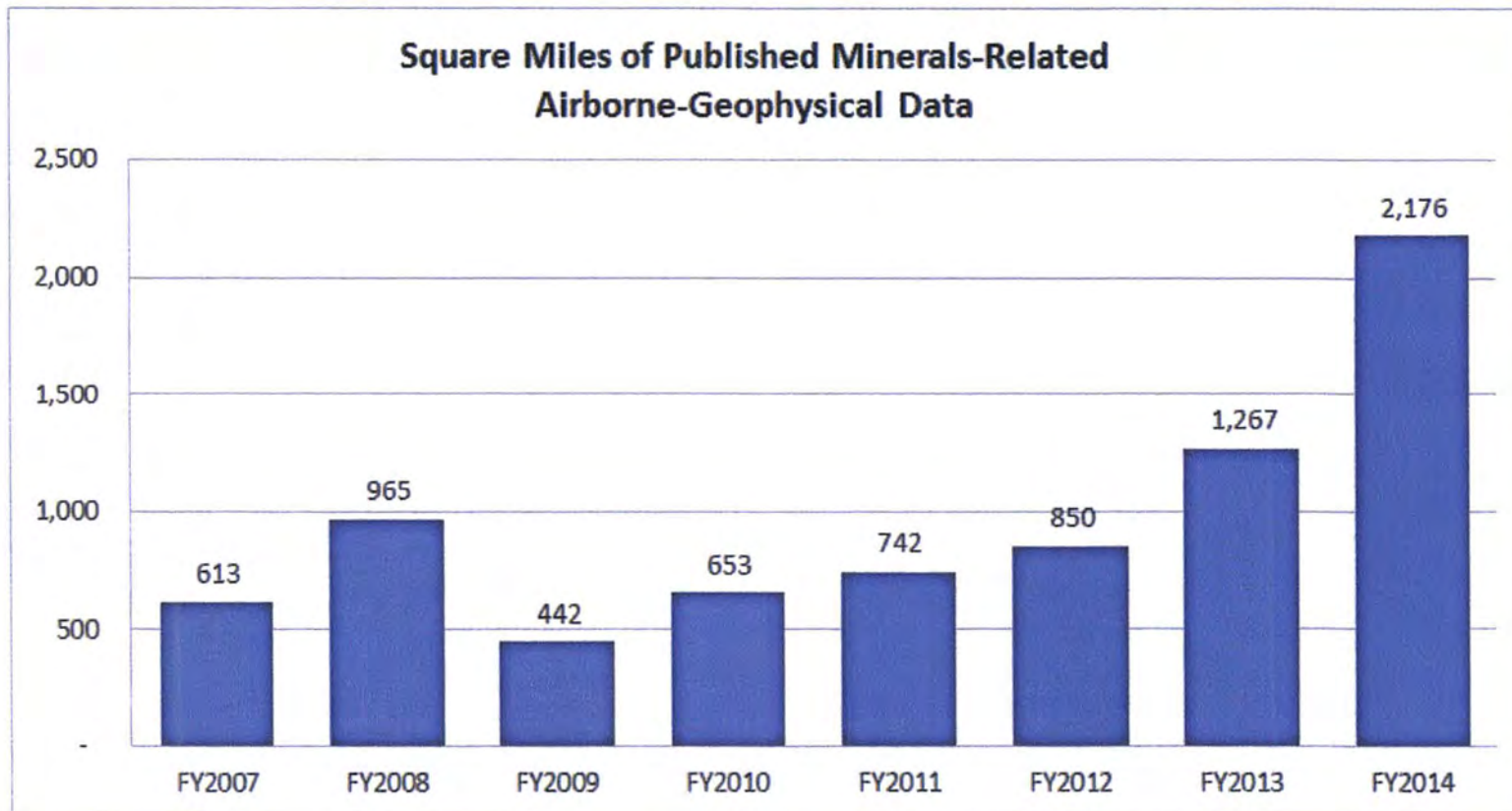
# KEY PERFORMANCE MEASURES

TARGET: Eliminate 100% of the Permit Backlog



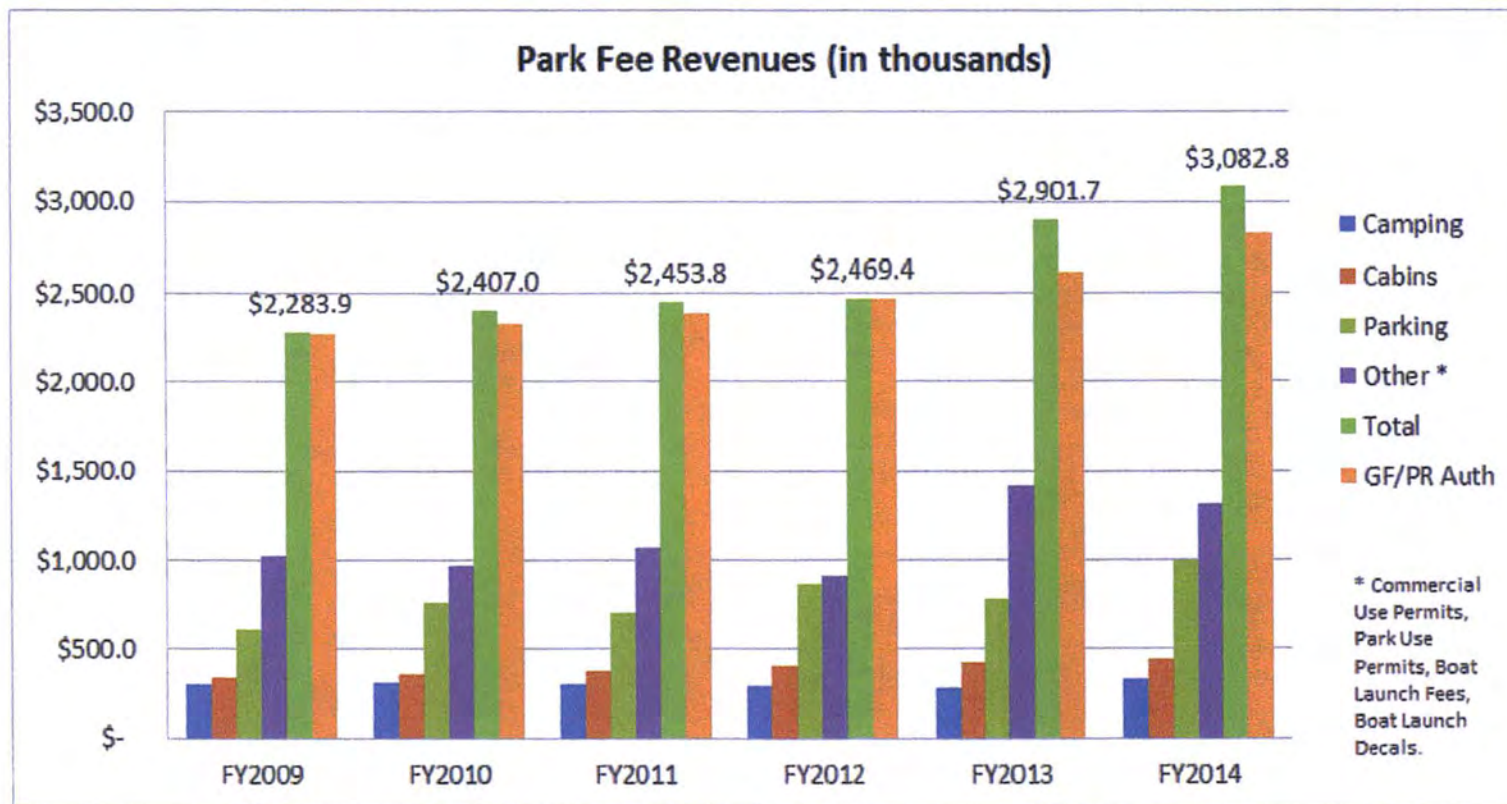
# KEY PERFORMANCE MEASURES

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 receipt funds in the Parks Management and Access budget. Increase fee revenues annually.



DEPARTMENT OF NATURAL RESOURCES  
PART II

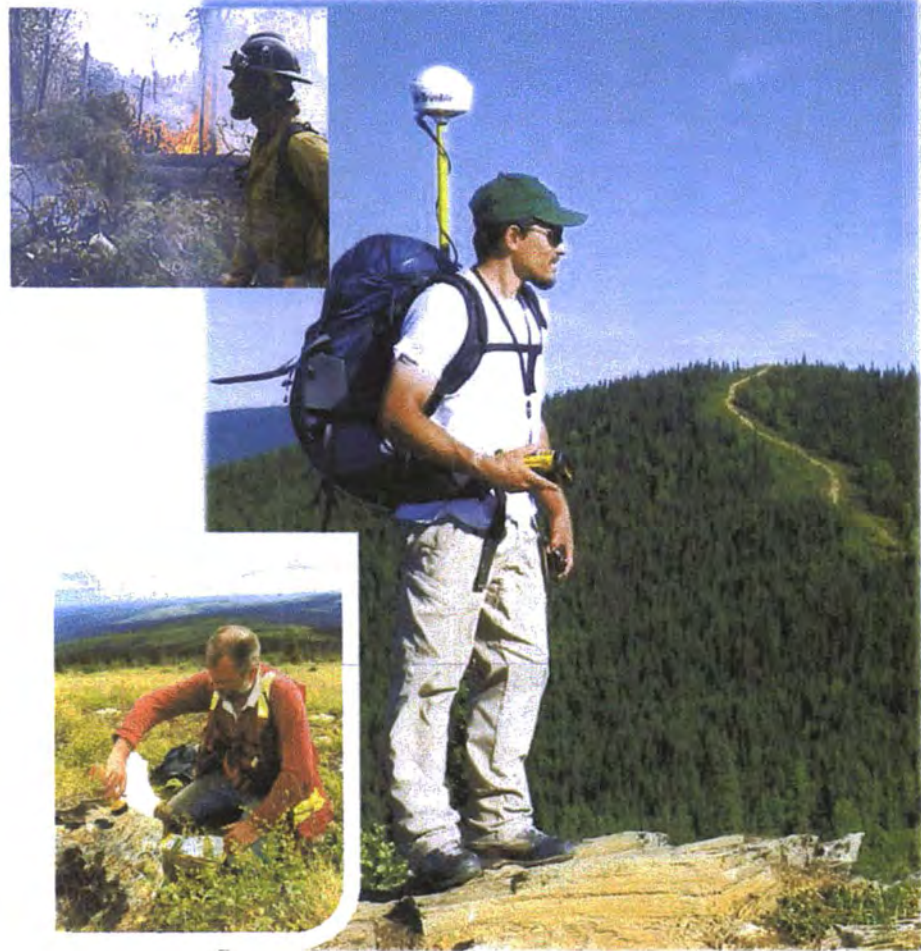
**FY2016 Governor Amended  
Budget Highlights**



# DNR FY2016 GOVERNOR AMENDED BUDGET - EMPLOYEES -

DNR will employ about 1,060 Alaskans in full-time and seasonal positions, in 29 locations, with main offices in Anchorage, Juneau, Fairbanks and Palmer, and regional offices throughout the state.

	FT	PT	NP	Total	% Change from FY2012
<b>FY2012 Management Plan</b>	759	248	93	1,100	
<b>FY2013 Management Plan</b>	755	241	103	1,099	-0.09%
<b>FY2014 Management Plan</b>	757	243	112	1,112	1.09%
<b>FY2015 Management Plan</b>	759	238	110	1,107	0.64%
<b>FY2016 Governor Amend</b>	734	219	107	1,060	-3.64%



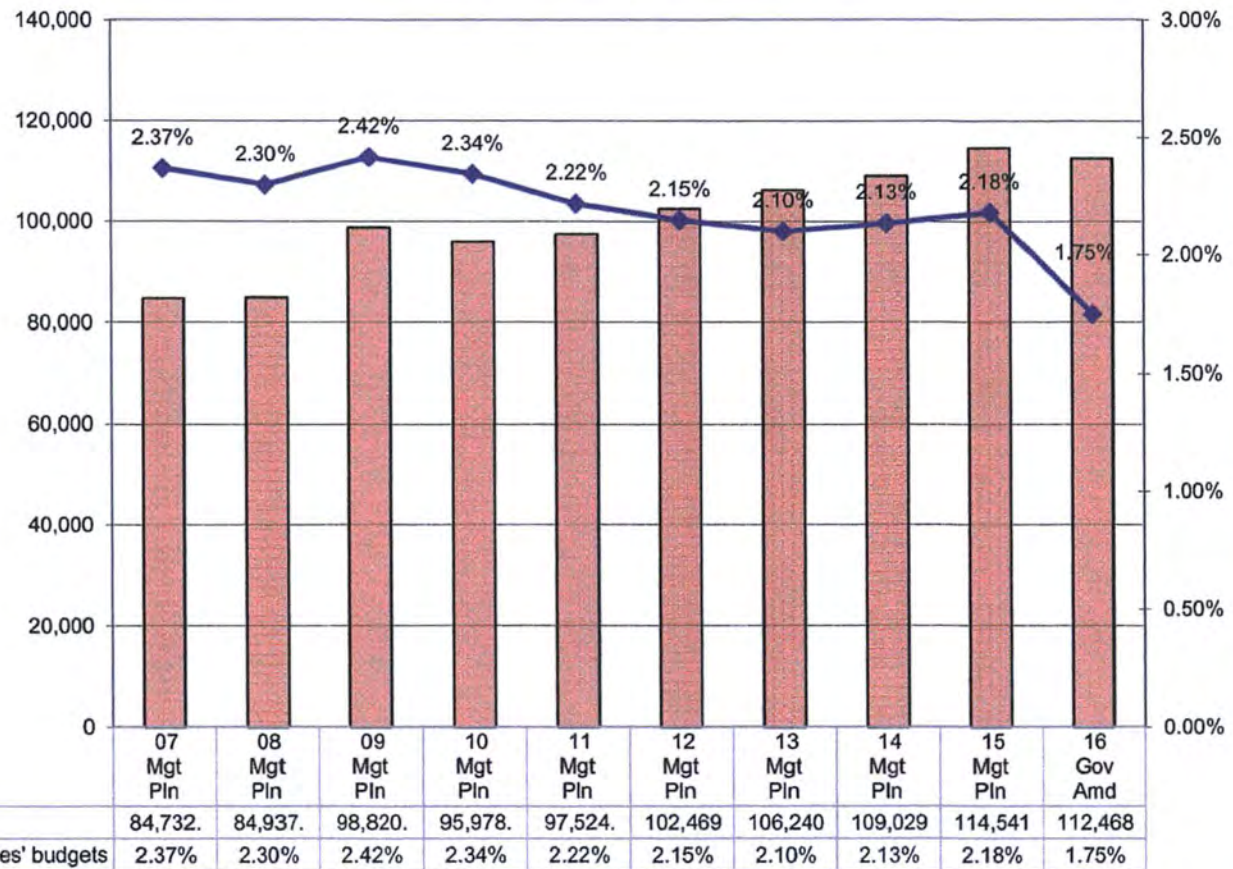
# DNR FY2016 GOVERNOR AMENDED BUDGET

## - BUDGET GROWTH ANALYSIS (PREPARED BY LEGISLATIVE FINANCE) -

**Department of Natural Resources' Share of Total Agency Operations  
(GF Only, in Thousands)**

DNR's GF budget grew by \$27,735.8 million between FY2007 and FY2016 Governor's Request - an average annual growth rate of 3.2%.

The department's total FY16 Governor's Request GF budget equals \$337,456 per resident worker.\*



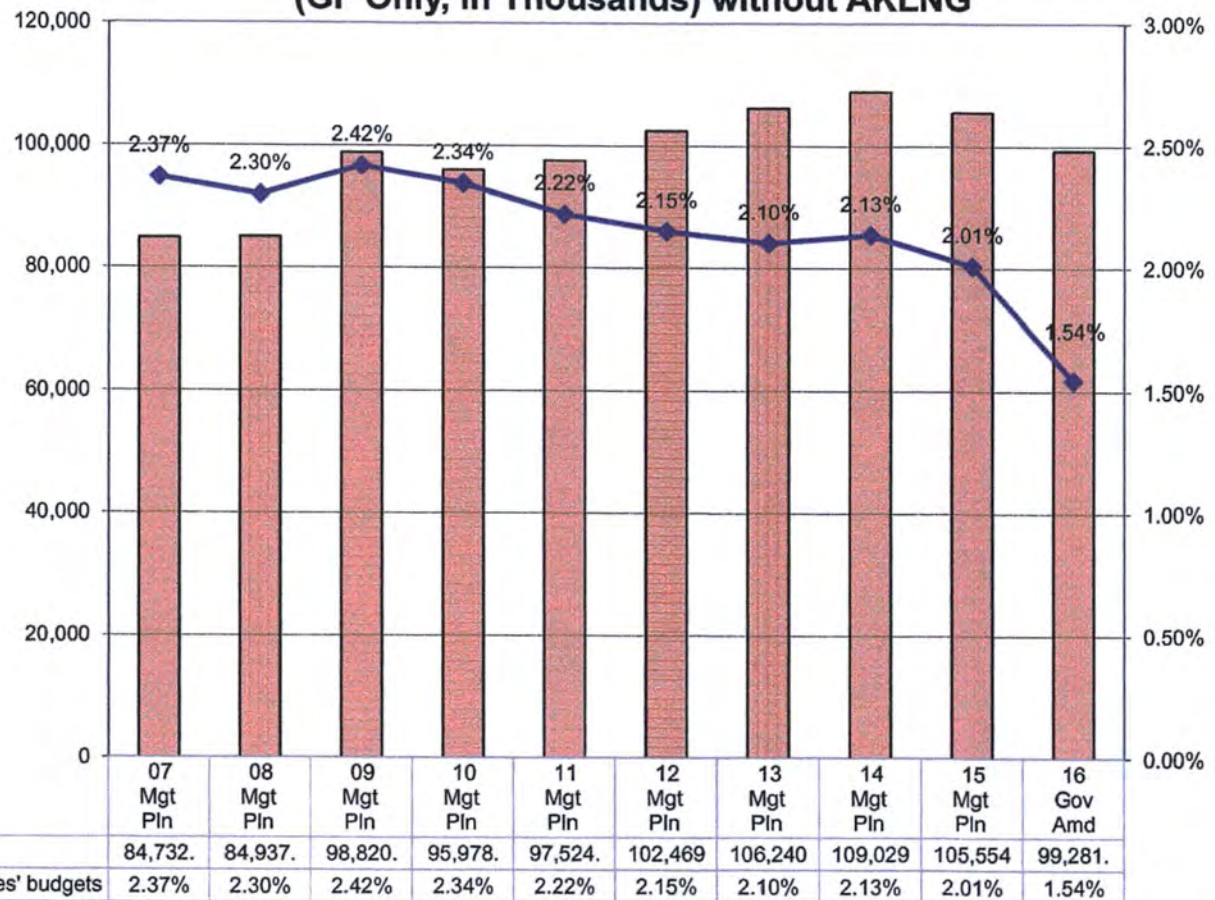
\* According to the Department of Labor, there were 333,283 resident workers in Alaska in 2012.

# DNR FY2016 GOVERNOR AMENDED BUDGET

## - BUDGET GROWTH ANALYSIS WITHOUT AKLNG -

Without AKLNG, DNR's GF budget grew by \$14,549.1 million between FY2007 and FY2016 Governor's Request - an average annual growth rate of 1.8%.

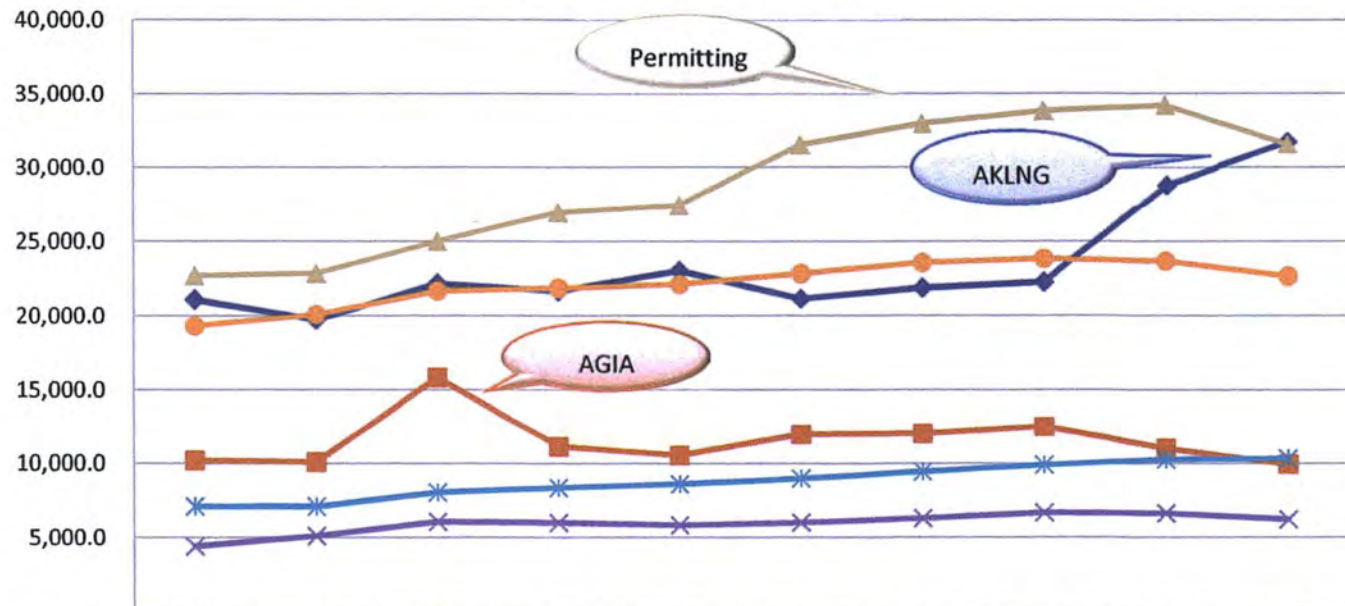
**Department of Natural Resources' Share of Total Agency Operations (GF Only, in Thousands) without AKLNG**



# DNR FY2016 GOVERNOR AMENDED BUDGET

## - BUDGET GROWTH ANALYSIS (PREPARED BY LEGISLATIVE FINANCE) -

**Appropriations within the Department of Natural Resources  
(GF Only, in Thousands)**

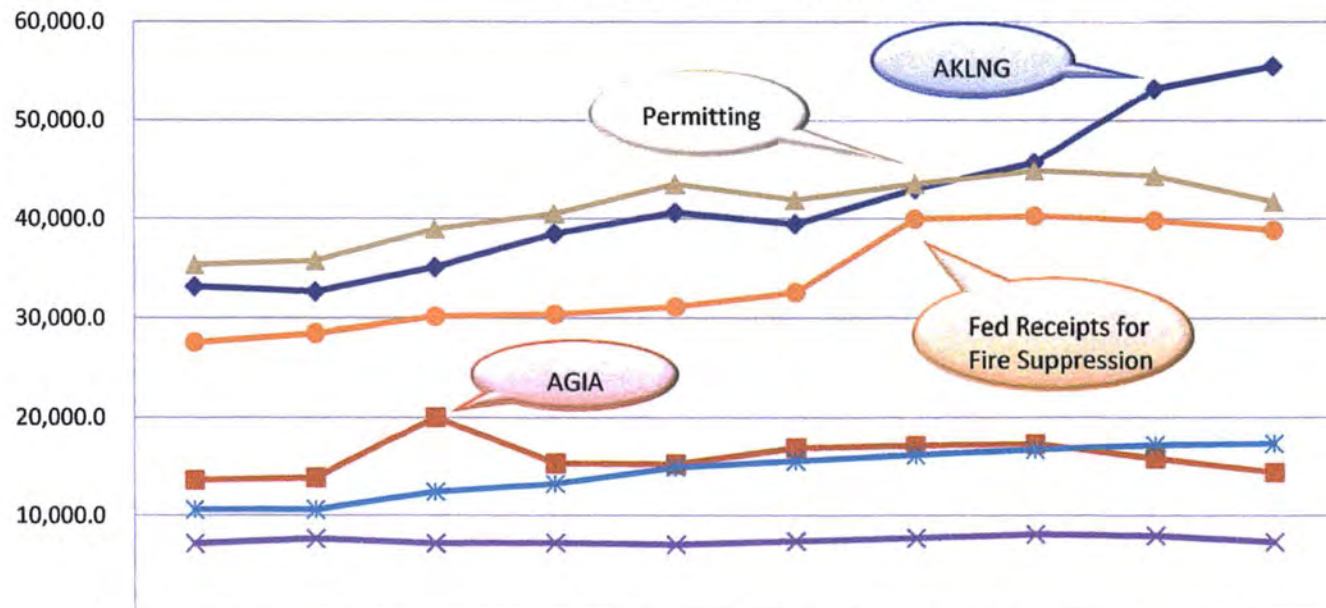


	07 MgtPln	08 MgtPln	09 MgtPln	10 MgtPln	11 MgtPln	12 MgtPln	13 MgtPln	14 MgtPln	15 MgtPln	16 Gov Amd
Administration & Support Services	21,087.5	19,729.0	22,156.6	21,657.9	23,017.9	21,163.9	21,905.1	22,293.3	28,795.6	31,739.3
Oil & Gas	10,195.8	10,099.5	15,849.9	11,140.8	10,546.4	11,962.6	12,020.7	12,484.8	10,994.2	9,952.6
Land & Water Resources	22,652.9	22,817.2	25,002.9	26,942.7	27,406.0	31,544.7	32,979.7	33,828.3	34,194.1	31,580.0
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	6,209.3
Parks & Outdoor Recreation	7,107.1	7,113.1	8,061.6	8,363.8	8,616.0	8,982.0	9,475.9	9,923.4	10,286.5	10,343.6
Fire Suppression	19,290.0	20,075.9	21,668.9	21,853.9	22,109.2	22,815.7	23,557.8	23,825.6	23,646.6	22,643.6

# DNR FY2016 GOVERNOR AMENDED BUDGET

## - BUDGET GROWTH ANALYSIS (PREPARED BY LEGISLATIVE FINANCE) -

**Appropriations within the Department of Natural Resources  
(All Funds, in Thousands)**



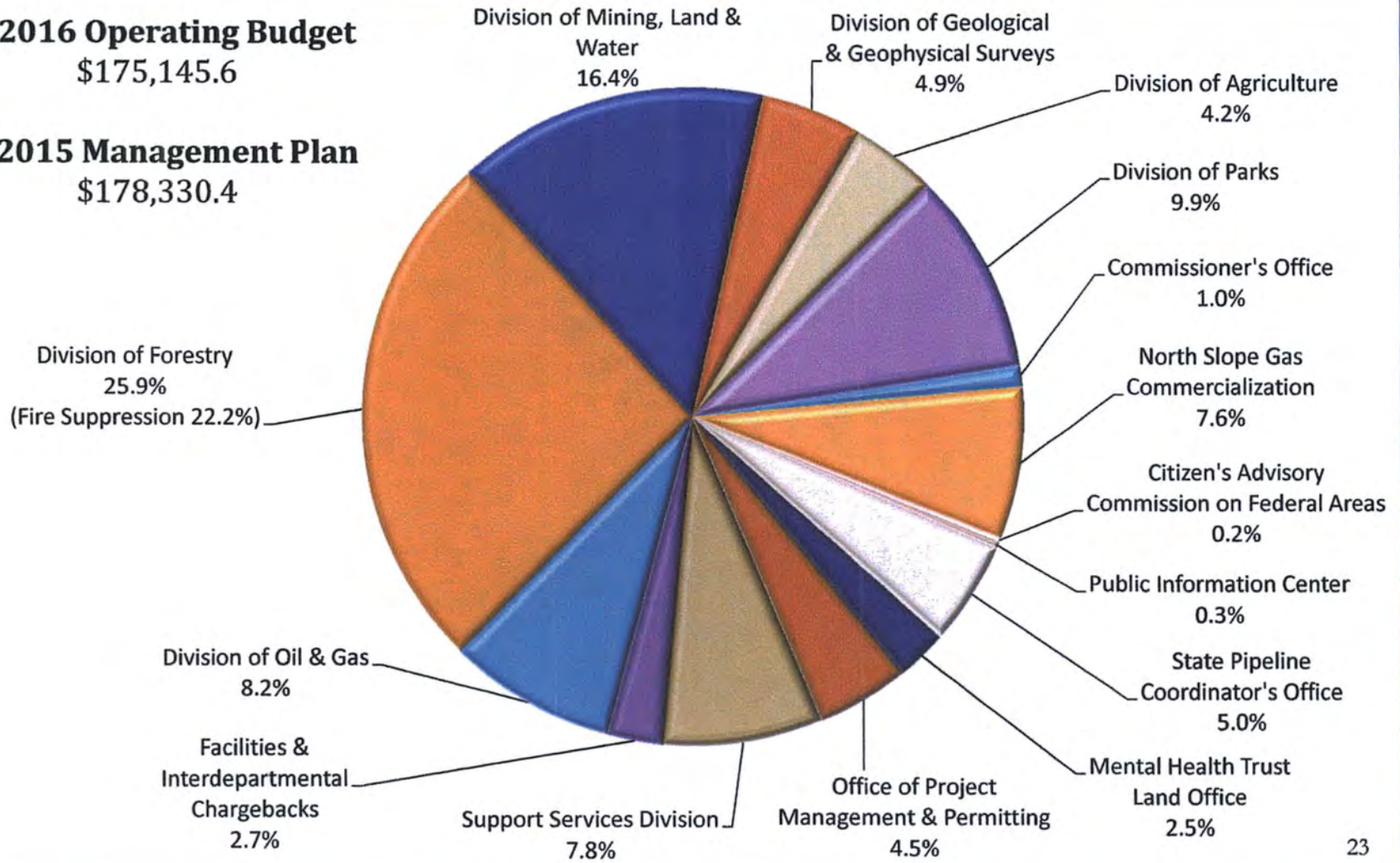
	07 MgtPln	08 MgtPln	09 MgtPln	10 MgtPln	11 MgtPln	12 MgtPln	13 MgtPln	14 MgtPln	15 MgtPln	16 Gov Amd
Administration & Support Services	33,167.7	32,663.4	35,126.4	38,507.3	40,634.5	39,464.7	43,021.4	45,710.4	53,175.7	55,500.4
Oil & Gas	13,618.7	13,861.0	20,017.3	15,331.5	15,225.0	16,867.2	17,114.3	17,299.6	15,824.3	14,394.7
Land & Water Resources	35,350.3	35,763.3	38,920.9	40,513.0	43,495.7	41,910.8	43,501.5	44,849.0	44,356.0	41,733.5
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	7,350.6
Parks & Outdoor Recreation	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	17,326.1
Fire Suppression	27,604.3	28,474.9	30,153.9	30,381.9	31,121.4	32,573.2	39,961.7	40,268.1	39,811.4	38,840.3

# DNR FY2016 GOVERNOR AMENDED BUDGET

## - OPERATING BUDGET BY DIVISION / OFFICE -

**FY2016 Operating Budget**  
\$175,145.6

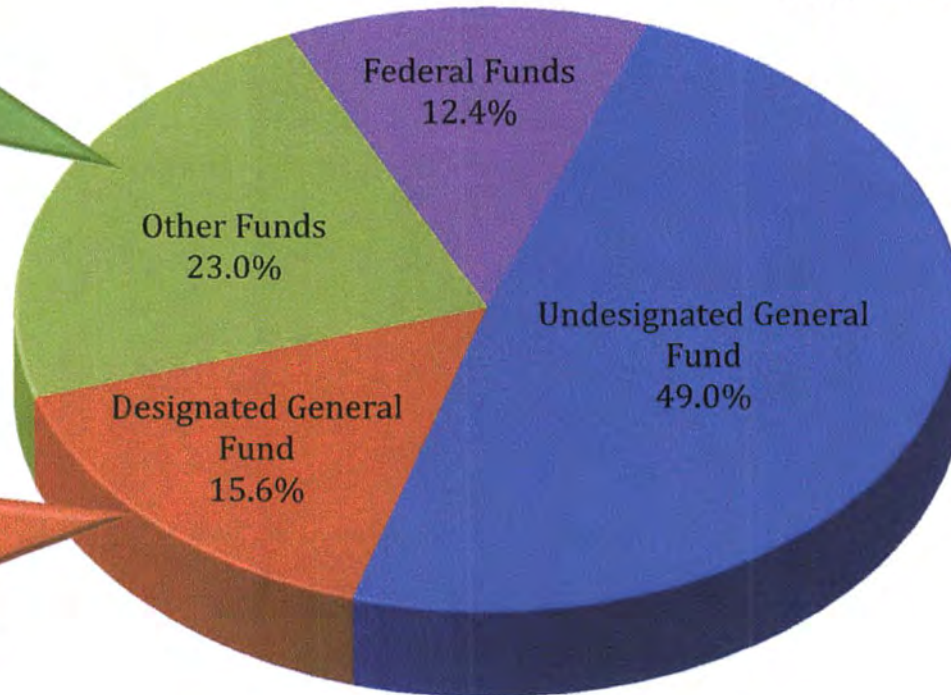
**FY2015 Management Plan**  
\$178,330.4



# DNR FY2016 GOVERNOR AMENDED BUDGET

## - OPERATING BUDGET BY FUND TYPE -

Undesignated GF	\$	85,890.0
Designated GF	\$	27,245.4
Other Funds	\$	40,252.9
Federal	\$	21,757.3
<b>Total</b>	<b>\$</b>	<b>175,145.6</b>

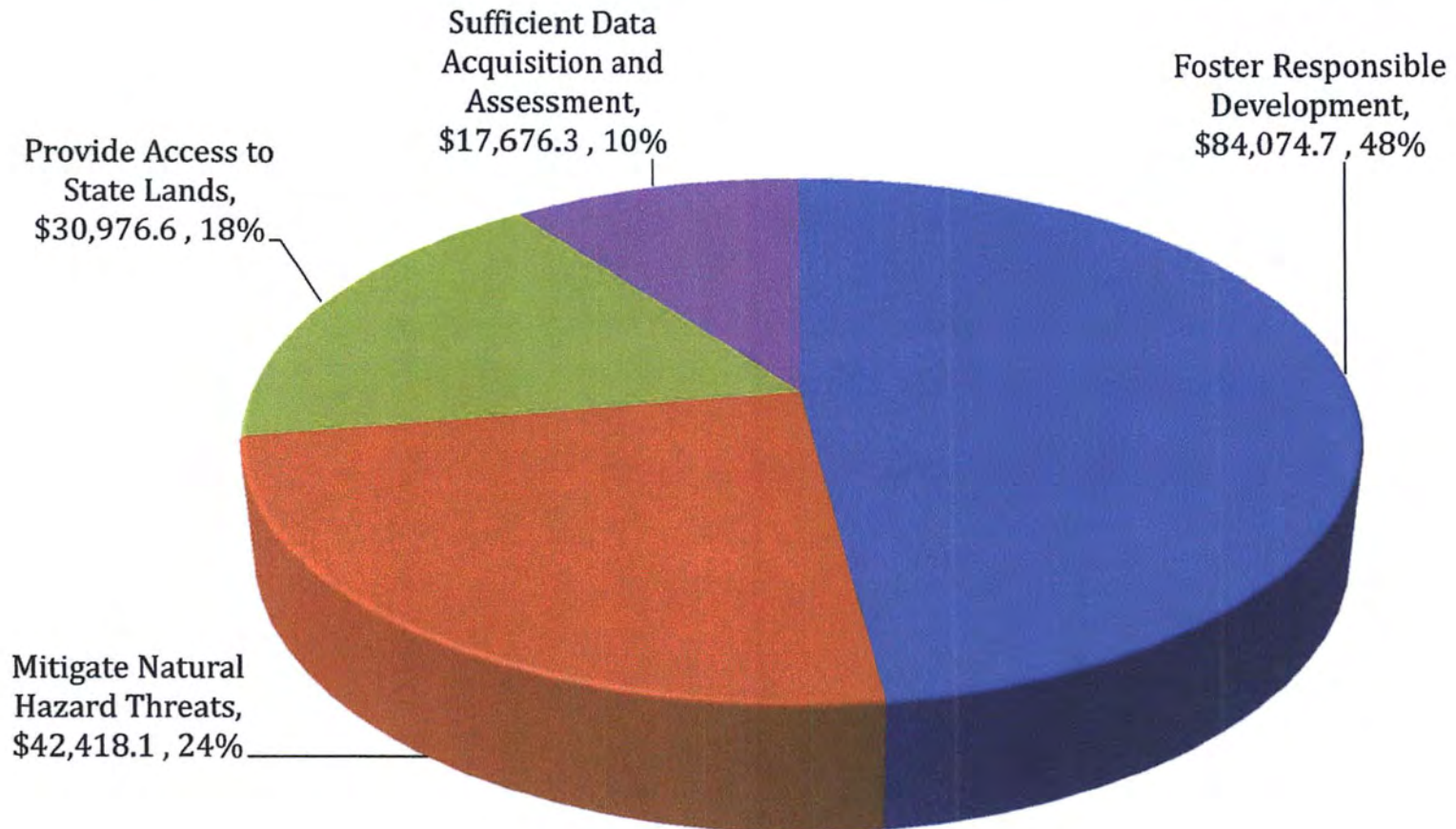


- Reimbursable Services Agreements (RSAs)
- Mental Health Receipts
- Industry Reimbursements
- Permanent Fund Receipts

- Fees (Parks, Recorder's Office, Permits)
- Land Disposal Income Fund
- Timber Receipts
- ARLF
- Vehicle Rental Tax

# DNR FY2016 GOVERNOR AMENDED BUDGET

## - OPERATING BUDGET BY CORE SERVICES -



# DNR FY2016 GOVERNOR AMENDED BUDGET

## - OPERATING BUDGET BY CORE SERVICE -

### Comparison of FY2015 Management Plan To FY2016 Adjusted Base

	FY2015 Management Plan					FY2016 Adjusted Base					Change from FY2015 Management Plan
	UGF	DGF	Other	Federal	Total	UGF	DGF	Other	Federal	Total	
Foster Responsible Development	40,473.2	12,291.8	28,225.9	3,251.1	84,242.0	30,607.2	12,450.3	24,361.2	3,278.0	70,696.7	(13,545.3)
Mitigate Natural Hazard Threats	25,728.5	800.0	3,468.5	13,464.2	43,461.2	25,940.7	812.2	3,497.5	13,484.0	43,734.4	273.2
Provide Access to State Lands	12,154.9	11,634.0	6,113.7	1,979.1	31,881.7	12,222.1	11,798.2	6,210.4	2,002.4	32,233.1	351.4
Sufficient Data Acquisition and Assessment	9,716.2	1,742.7	4,161.9	3,124.7	18,745.5	9,874.3	1,771.0	4,230.0	3,157.9	19,033.2	287.7
<b>TOTALS</b>	<b>88,072.8</b>	<b>26,468.5</b>	<b>41,970.0</b>	<b>21,819.1</b>	<b>178,330.4</b>	<b>78,644.3</b>	<b>26,831.7</b>	<b>38,299.1</b>	<b>21,922.3</b>	<b>165,697.4</b>	<b>(12,633.0)</b>

### Comparison of FY2016 Adjusted Base To FY2016 Governor Amended

	FY2016 Adjusted Base					FY2016 Governor Amended					Change from FY2016 Adj Base
	UGF	DGF	Other	Federal	Total	UGF	DGF	Other	Federal	Total	
Foster Responsible Development	30,607.2	12,450.3	24,361.2	3,278.0	70,696.7	41,096.4	12,283.6	27,566.6	3,128.0	84,074.6	13,377.9
Mitigate Natural Hazard Threats	25,940.7	812.2	3,497.5	13,484.0	43,734.4	24,724.0	784.5	3,425.6	13,484.0	42,418.1	(1,316.3)
Provide Access to State Lands	12,222.1	11,798.2	6,210.4	2,002.4	32,233.1	11,399.7	11,761.8	5,812.7	2,002.4	30,976.6	(1,256.5)
Sufficient Data Acquisition and Assessment	9,874.3	1,771.0	4,230.0	3,157.9	19,033.2	8,669.9	1,748.5	4,115.0	3,142.9	17,676.3	(1,356.9)
<b>TOTALS</b>	<b>78,644.3</b>	<b>26,831.7</b>	<b>38,299.1</b>	<b>21,922.3</b>	<b>165,697.4</b>	<b>85,890.0</b>	<b>26,578.4</b>	<b>40,919.9</b>	<b>21,757.3</b>	<b>175,145.6</b>	<b>9,448.2</b>

# DNR FY2016 GOVERNOR AMENDED BUDGET

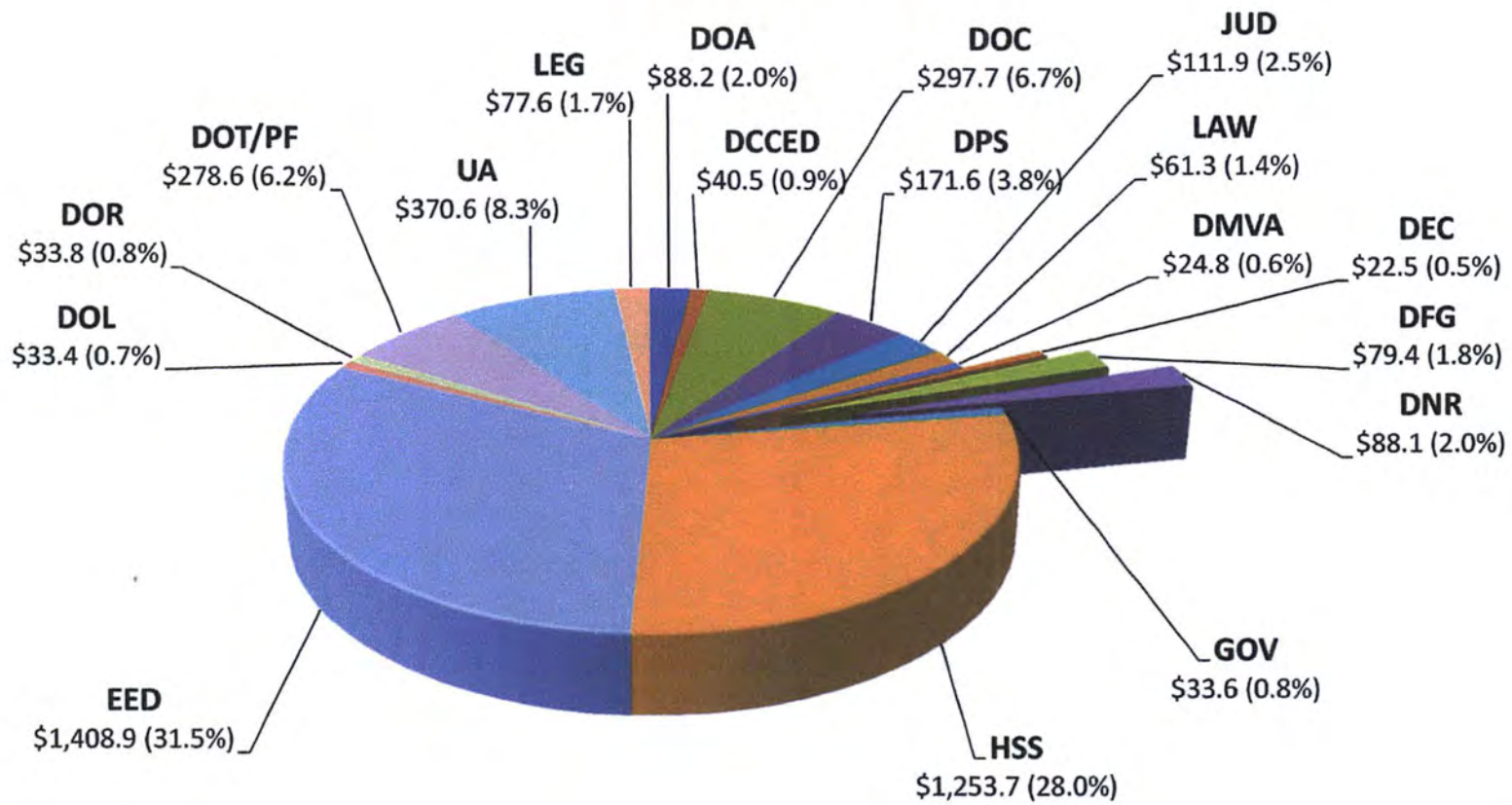
## - SUMMARY -

### SUMMARY OF FY2016 GOVERNOR'S AMENDED BUDGET DEVELOPMENT

	Funding Sources				Total	Positions			
	UGF	DGF	Other	Fed		PFT	PPT	NP	Total
<b>FY2015 Management Plan:</b>	88,072.8	26,468.5	41,970.0	21,819.1	178,330.4	759	238	110	1,107
<b>FY2016 Adjusted Base (Legislative Finance) Actions:</b>									
Net FY16 Contractual Salary Increases and Health Ins Rate Reductions	1,017.7	363.2	400.5	103.2	1,884.6				-
Reversal of AKLNG Fiscal Note for SB138	(8,986.7)				(8,986.7)	(6)			(6)
Reversal of Mental Health Trust Land Office Administrative Budget			(4,071.4)		(4,071.4)				-
Reversal of Other One-Time Appropriations	(1,459.5)				(1,459.5)				-
<b>FY2016 Adjusted Base (Legislative Finance):</b>	78,644.3	26,831.7	38,299.1	21,922.3	165,697.4	753	238	110	1,101
<b>FY2016 Governor Amended Budget Increments:</b>									
Restore Gas Pipeline AKLNG Project Funding to FY2015 Level (SB138)	8,986.7				8,986.7	6			6
Additional Funding for Gas Pipeline AKLNG Project	4,200.0				4,200.0	1			1
Spending and Receipt Authority for Pipeline and Gas Line Projects			585.2		585.2				-
Restore Mental Health Trust Land Office Administrative Budget			4,071.4		4,071.4				-
Additional Funding for Mental Health Trust Land Office Administrative Budget			255.6		255.6				-
Subtotal Increments	13,186.7	0.0	4,912.2	0.0	18,098.9	7	0	0	7
<b>FY2016 Governor Amended Budget Decrements:</b>									
Budget Reductions Across all Divisions	(5,941.0)	(253.3)	(2,291.4)	(165.0)	(8,650.7)	(26)	(19)	(3)	(48)
<b>FY2016 Governor Amended:</b>	<b>85,890.0</b>	<b>26,578.4</b>	<b>40,919.9</b>	<b>21,757.3</b>	<b>175,145.6</b>	<b>734</b>	<b>219</b>	<b>107</b>	<b>1,060</b>
<b>Comparisons:</b>									
% Change FY2016 Adjusted Base to FY2016 Governor Amended	9.2%	-0.9%	6.8%	-0.8%	5.7%	-2.5%	-8.0%	-2.7%	-3.7%
% Change FY2015 Management Plan to FY2016 Governor Amended	-2.5%	0.4%	-2.5%	-0.3%	-1.8%	-3.3%	-8.0%	-2.7%	-4.2%
<b>Comparison Excluding AKLNG:</b>									
FY2016 Governor Amended excluding AKLNG	72,703.3	26,578.4	40,919.9	21,757.3	161,958.9	727	219	107	1,053
% Change FY2016 Adjusted Base to FY2016 Governor Amended excluding AKLNG	-7.6%	-0.9%	6.8%	-0.8%	-2.3%	-3.5%	-8.0%	-2.7%	-4.4%

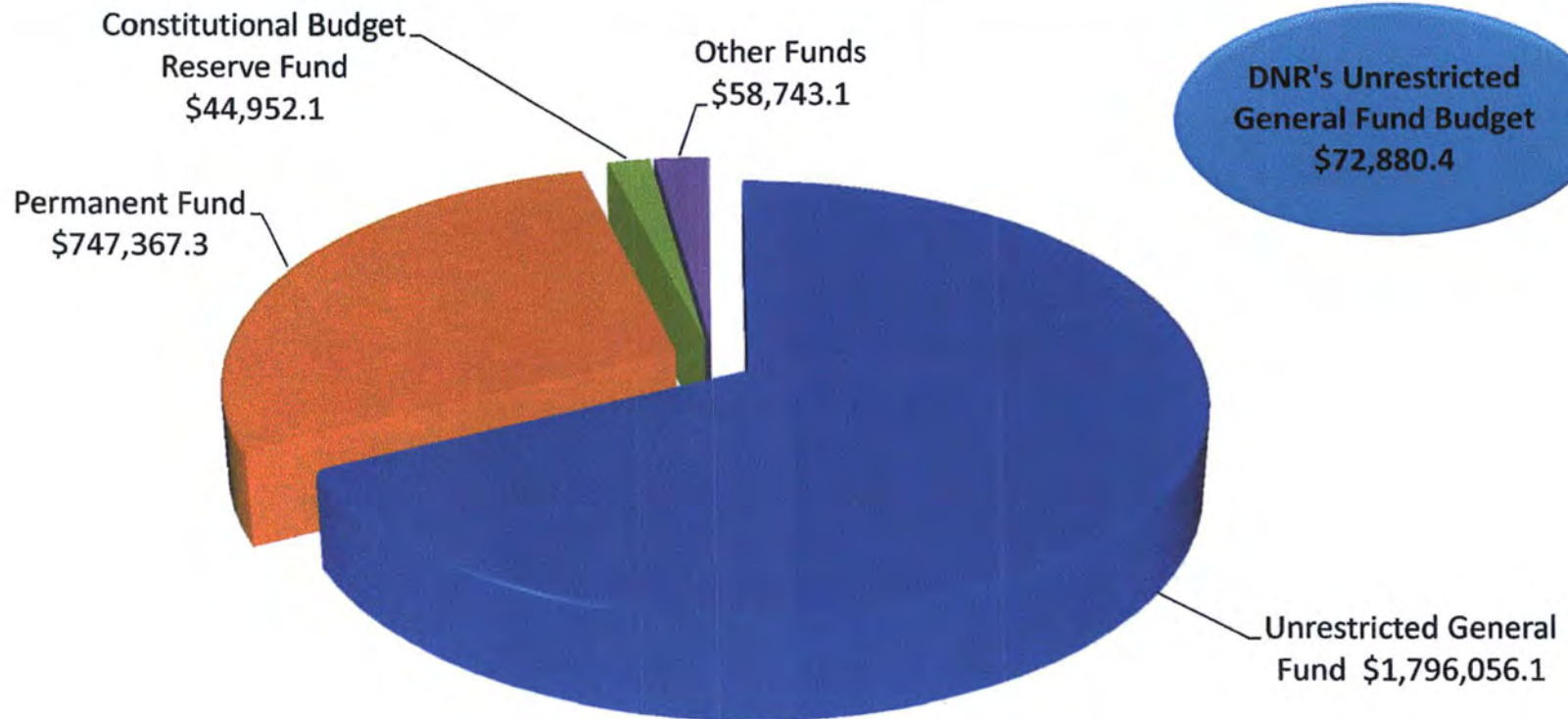
# DEPARTMENT COMPARISON

**Department Comparison**  
**FY2015 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 - FY2014 (IN THOUSANDS)



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

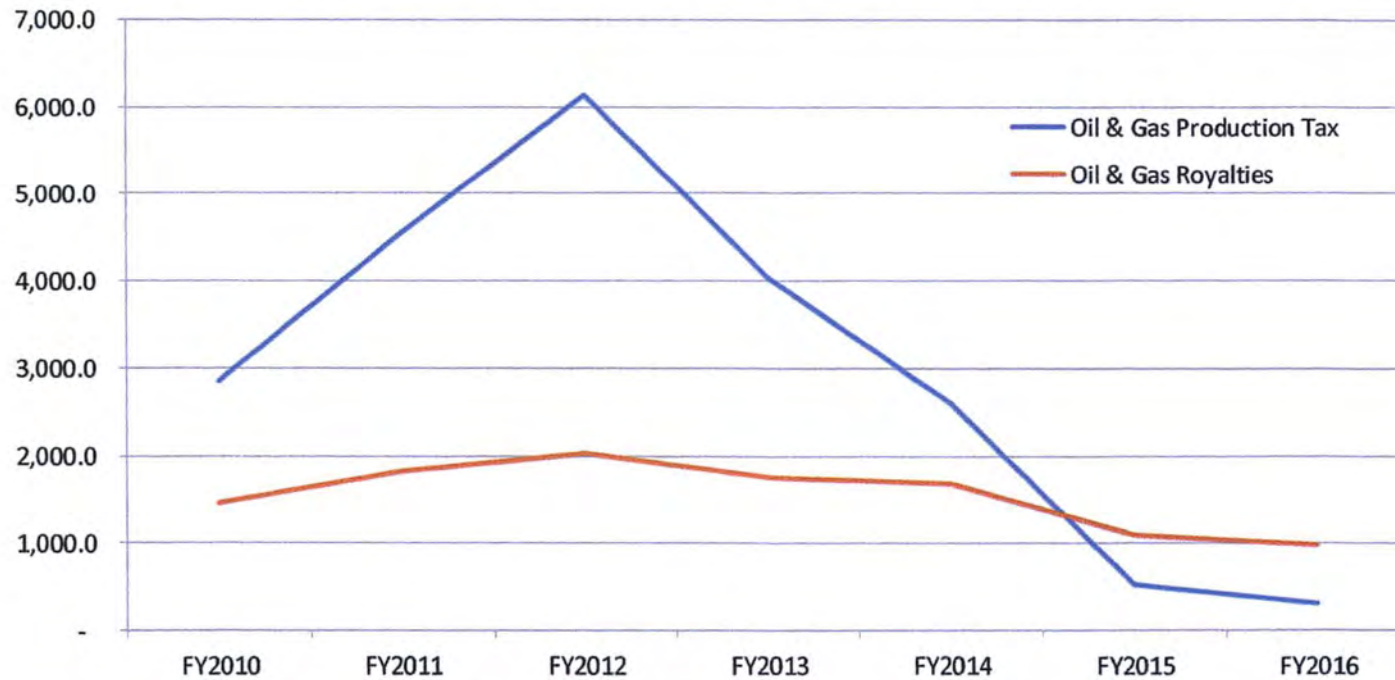
Additionally, of the \$3.38 billion in unrestricted general fund tax revenue collected by the Department of Revenue in FY2014, \$2.61 billion was generated from oil & gas and mining activities.

# REVENUE ACTUALS & FORECAST

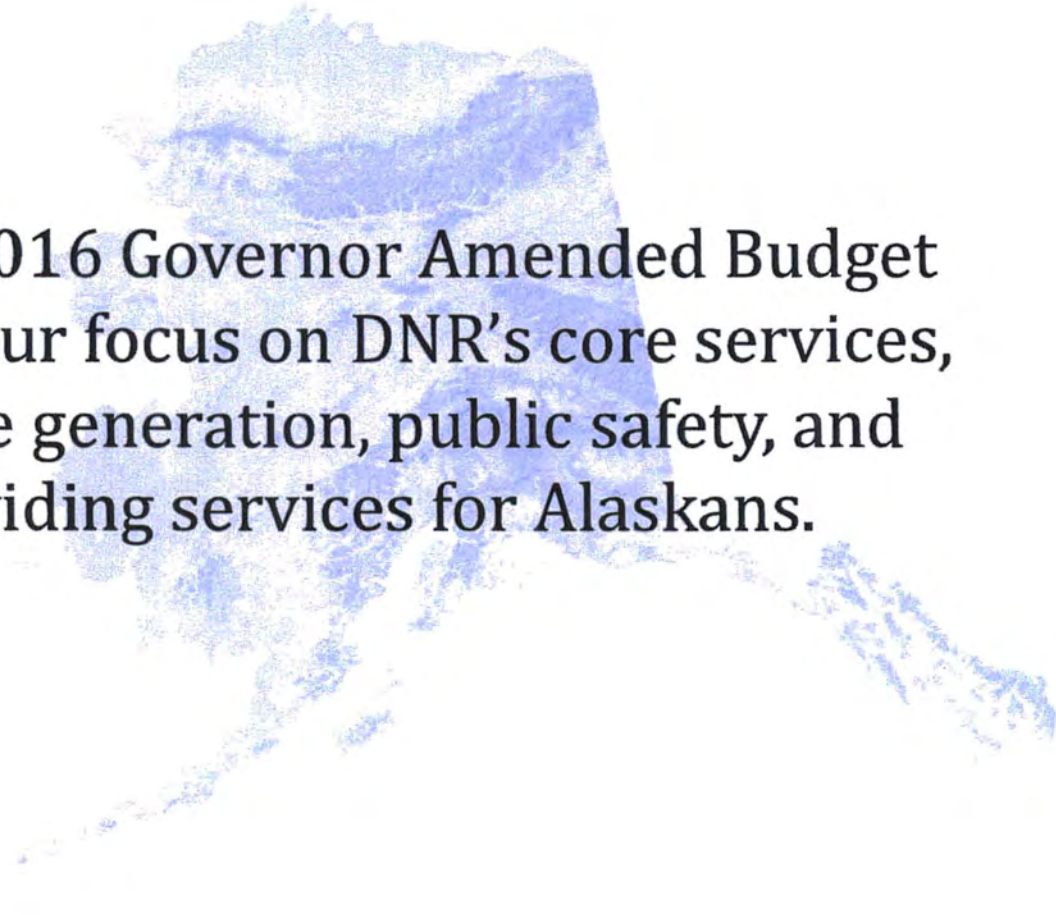
Revenue Sources Book Fall 2014

*Alaska Department of Revenue*

(in millions)	Actuals FY2010	Actuals FY2011	Actuals FY2012	Actuals FY2013	Actuals FY2014	Forecast FY2015	Forecast FY2016
<b>Oil &amp; Gas Production Tax</b>	2,860.7	4,543.2	6,136.7	4,042.5	2,598.2	523.6	308.4
<b>Oil &amp; Gas Royalties</b>	1,469.0	1,821.3	2,022.8	1,748.4	1,685.0	1,100.8	989.9



# IN CONCLUSION



**The FY2016 Governor Amended Budget reflects our focus on DNR's core services, revenue generation, public safety, and providing services for Alaskans.**