

**Agency Purpose**

The Minnesota Department of Natural Resources (DNR) “works with citizens to conserve and manage the state’s natural resources, to provide outdoor recreation opportunities, and to provide for commercial uses of natural resources in a way that creates a sustainable quality of life.” This mission requires sharing stewardship with citizens and partners, working together to address often-competing interests.

**Core Functions**

The DNR’s responsibilities are broad. The agency works to provide opportunities for hunting and fishing, recreation, and economic development, as well as to preserve important features of our natural heritage. The DNR’s mission requires balancing multiple interests to meet the needs of Minnesota citizens while protecting the long-term sustainability of our natural resources.

**Key DNR Policy Principles:**

- ◆ Protect the long-term health of the state’s natural resources
- ◆ Deliver sustainable levels of products and services that support Minnesota’s natural resources-based economies
- ◆ Provide a variety of outdoor recreation opportunities for Minnesota’s citizens
- ◆ Guard the integrity of dedicated funds and ensure financial accountability

The following strategies guide our natural resources management:

- ◆ Enhance communication and working relationships with core natural resource constituents;
- ◆ Cooperate with other agencies, local units of government, citizens, and stakeholders to effectively manage and sustain natural resources;
- ◆ Make resource and land use decisions as locally as possible;
- ◆ Integrate planning and budgeting across area, regional, and state organizational levels;
- ◆ Deliver services effectively and efficiently;
- ◆ Use sound scientific principles, accurate information, and state-of-the-art technology in managing our natural resources; and
- ◆ Model the sustainable use of natural resources in our work.

**Operations**

The DNR works directly with citizens, stakeholder groups, and all levels of government in setting priorities, managing diverse natural resources, and providing scientific and technical expertise. The DNR administers 12 million acres in mineral rights and 5.5 million acres of land for state forests, wildlife management areas, parks, recreation areas, scientific and natural areas, state trails, and public water access sites.

**At A Glance**

A solid natural resource base provides the essential foundation upon which the economic and recreational use of Minnesota’s natural resources rests. Department of Natural Resources (DNR) budget priorities emphasize conservation of Minnesota’s natural resource assets. The following statistics illustrate the range and reach of DNR’s stewardship responsibilities.

**Public Lands and Waters Administered by DNR**

- ◆ 5.5 million acres of land owned by the state of Minnesota, including 3.85 million acres managed as forests
- ◆ 12 million acres of mineral rights for taconite and metallic minerals
- ◆ 8.3 million acres of state surface rights and mineral rights for industrial minerals and horticultural peat
- ◆ 11,842 lakes (3.3 million acres of lake surface)
- ◆ 6,564 rivers (90,223 miles of river)
- ◆ 9.8 million acres of wetlands

**Facilities Administered by DNR**

- ◆ 66 State Parks and 6 State Recreation Areas
- ◆ 14 State Trails and 8 State Waysides
- ◆ 1,560 State Water Accesses
- ◆ 58 State Forests, with 44 Forest Campgrounds
- ◆ 138 State Scientific and Natural Areas
- ◆ 110 State Aquatic Management Areas
- ◆ 1,350 State Wildlife Management Areas
- ◆ 6 State Wild, Scenic, and Recreational Rivers
- ◆ 17,535 miles of snowmobile trails
- ◆ 3,000 miles of canoe and boating routes
- ◆ 2,000 miles of forest roads
- ◆ 1,792 miles of cross country ski trails
- ◆ 1,141 miles of multi-use state trails
- ◆ 1,033 miles of recreation motor vehicle trails

The agency is organized into four geographic regions, eight operating divisions, and four support bureaus. Staff work out of 200 field offices that are located statewide.

- ⇒ **Lands and Minerals** manages agency real estate transactions and provides expertise on mineral exploration, mining, and mine land reclamation.
- ⇒ **Waters** monitors all phases of the hydrologic cycle, managing impacts on wetland, lake, river, and groundwater phases of the hydrologic cycle.
- ⇒ **Forestry** strives for the sustainable yield of timber resources for forest products while managing state forests for wildlife habitat and recreation. Forestry also protects citizens and property from wildfires.
- ⇒ **Parks & Recreation** operates a system of state park and forest campgrounds that preserves and manages natural, scenic and cultural resources, and offers opportunities for recreation and education.
- ⇒ **Trails and Waterways** provides access to lakes, rivers and streams; designates boating routes; and maintains a statewide network of recreation trails.
- ⇒ **Fish and Wildlife** conserves and enhances the state's fish and wildlife populations and their supporting habitats through management and restoration, research and monitoring, harvest regulations, and education.
- ⇒ **Ecological Services** works to advance healthy, resilient ecosystems through research on native plant and animal communities, provides extensive public information, and maintains the state's Scientific and Natural Areas.
- ⇒ **Enforcement** seeks compliance with the laws related to game and fish and the operation of watercraft, snowmobiles, ATVs and other recreational vehicles, and provides a series of conservation education programs.
- ⇒ **Operations Support** contains the commissioner's office; four bureaus that provide administrative and support services to all other DNR divisions as well as direct services to the general public; and regional operations for four geographic regions (northwest, northeast, central and southern).

## Budget

Direct, open, and statutory appropriations total \$610.7 million for the FY 2004-05 biennium: 38% is from the General Fund, 28% from the Game and Fish Fund, 18% from the Natural Resources Fund, 5% from Federal Funds, and the remaining from other funding sources.

### Contact

Department of Natural Resources  
500 Lafayette Road  
Saint Paul, Minnesota 55155

Gene Merriam, Commissioner  
Phone: (651) 296-2549  
Fax: (651) 296-4799  
<http://www.dnr.state.mn.us>

Dollars in Thousands

	Current		Forecast Base		Biennium 2006-07
	FY2004	FY2005	FY2006	FY2007	
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	12,610	12,861	12,861	12,861	25,722
<b>Forecast Base</b>	<b>12,610</b>	<b>12,861</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change		0	(12,861)	(12,861)	(25,722)
% Biennial Change from 2004-05					-100%
<b>General</b>					
Current Appropriation	91,817	85,977	85,977	85,977	171,954
<b>Forecast Base</b>	<b>91,817</b>	<b>85,977</b>	<b>82,638</b>	<b>82,638</b>	<b>165,276</b>
Change		0	(3,339)	(3,339)	(6,678)
% Biennial Change from 2004-05					-7%
<b>Natural Resources</b>					
Current Appropriation	54,387	55,762	55,762	55,762	111,524
<b>Forecast Base</b>	<b>54,387</b>	<b>55,762</b>	<b>50,121</b>	<b>50,121</b>	<b>100,242</b>
Change		0	(5,641)	(5,641)	(11,282)
% Biennial Change from 2004-05					-9%
<b>Game And Fish</b>					
Current Appropriation	82,350	82,292	82,292	82,292	164,584
<b>Forecast Base</b>	<b>82,350</b>	<b>82,292</b>	<b>82,050</b>	<b>82,050</b>	<b>164,100</b>
Change		0	(242)	(242)	(484)
% Biennial Change from 2004-05					-0.3%
<b>Remediation</b>					
Current Appropriation	100	100	100	100	200
<b>Forecast Base</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>200</b>
Change		0	0	0	0
% Biennial Change from 2004-05					0%
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	16,436	16,657	0	0	0
General	89,010	92,134	82,638	82,638	165,276
Minnesota Resources	1,662	1,407	0	0	0
Natural Resources	46,204	65,246	50,121	50,121	100,242
Game And Fish	73,610	91,052	82,050	82,050	164,100
Remediation	59	141	100	100	200
<b>Open Appropriations</b>					
General	17,355	17,482	30,892	33,948	64,840
Natural Resources	176	214	214	213	427
Game And Fish	725	818	812	807	1,619
<b>Statutory Appropriations</b>					
General	2	382	22	0	22
Natural Resources	2,223	4,681	2,943	2,936	5,879
Special Revenue	20,292	21,895	19,034	18,934	37,968
Game And Fish	2,823	3,810	2,622	2,622	5,244
Federal	13,967	20,593	18,222	17,169	35,391
Remediation	37	3,000	2,000	1,169	3,169
Reinvest In Minnesota	2,060	2,860	2,330	2,330	4,660
Miscellaneous Agency	99	60	45	45	90
Gift	1,510	2,626	1,463	1,462	2,925
Permanent School	3	537	19	19	38
<b>Total</b>	<b>288,253</b>	<b>345,595</b>	<b>295,527</b>	<b>296,563</b>	<b>592,090</b>

*Dollars in Thousands*

	Current		Forecast Base		Biennium 2006-07
	FY2004	FY2005	FY2006	FY2007	
<b><u>Expenditures by Category</u></b>					
Total Compensation	154,904	160,310	156,156	155,798	311,954
Other Operating Expenses	68,099	103,914	78,941	78,849	157,790
Capital Outlay & Real Property	15,321	24,028	12,192	12,498	24,690
Payments To Individuals	3	0	0	0	0
Local Assistance	47,966	55,736	33,314	31,500	64,814
Other Financial Transactions	1,960	1,582	1,530	1,530	3,060
Transfers	0	25	13,394	16,388	29,782
<b>Total</b>	<b>288,253</b>	<b>345,595</b>	<b>295,527</b>	<b>296,563</b>	<b>592,090</b>
<b><u>Expenditures by Program</u></b>					
Land & Minerals Resource Mgmt	8,181	10,102	21,865	24,764	46,629
Water Resources Mgmt	14,016	14,900	13,486	12,337	25,823
Forest Management	58,700	66,953	60,541	60,886	121,427
Parks & Recreation Mgmt	41,728	44,635	34,237	34,237	68,474
Trails & Waterways Mgmt	26,197	35,230	24,141	24,090	48,231
Fish & Wildlife Management	67,687	81,983	71,998	72,096	144,094
Ecological Services	11,416	20,046	14,711	13,806	28,517
Enforcement Nr Laws&Rules	24,395	33,272	29,139	29,091	58,230
Operations Support	35,933	38,474	25,409	25,256	50,665
<b>Total</b>	<b>288,253</b>	<b>345,595</b>	<b>295,527</b>	<b>296,563</b>	<b>592,090</b>
<b>Full-Time Equivalents (FTE)</b>	<b>2,510.2</b>	<b>2,559.4</b>	<b>2,530.4</b>	<b>2,525.7</b>	

**Program Description**

The purpose of the Lands and Minerals Resource Program is to implement land policy on state-owned lands and provide fiduciary oversight in managing real estate and mineral transactions. This program is the responsibility of the Department of Natural Resources (DNR's) Division of Lands and Minerals. The division administers about five million acres of land and about 12 million acres of state-owned and tax-forfeited mineral rights. In addition, the division has regulatory authority to ensure that reclamation is conducted at metallic mineral and peat mines and it is a principal proponent of environmentally sound mining practices.

Real estate functions include purchases, sales, and exchanges of state lands thereby implementing the strategic resource management plans of the department by purchasing sensitive habitat and strategically important natural resources lands, and exchanging or selling lands to meet natural resource management objectives.

Primary responsibilities for minerals resource management include managing state mineral leases for exploration and mining, negotiating lease rates, and collecting revenue from mining activities. In addition, the division provides technical assistance to local governments on mineral resources and mining issues. The division also manages three minerals research programs that are intended to maintain the competitiveness of the taconite industry, diversify the state's minerals industry, and address environmental issues related to mining.

**Population Served**

The division provides mineral and real estate information for the state's citizens. State-owned lands provide opportunities for hunting, fishing, and other recreational uses of natural lands as well as financial benefits to various trust funds and local units of governments.

**Services Provided**

⇒ **Real Estate and Mineral Transactions**

Services include: land acquisitions; land exchanges; land sales; road easements; utility licenses; real estate tax and special assessment payments; and mineral and agricultural leases. Land is acquired in fee title and for conservation easements designed to protect habitat. Mineral leases include those for taconite, iron ore, non-ferrous metallic, horticultural peat, and industrial minerals.

Core responsibilities also include: collecting mineral rental and royalty payments; title research; calculating Payment-in-lieu-of-Taxes (PILT) for state-owned lands; and conducting legislatively-mandated reviews for county-proposed, tax-forfeited land sales. Additional responsibilities include maintaining the Land and Mineral Rights Information System that holds records for 400,000 individual parcels of DNR lands and county administered lands held in trust by the state.

⇒ **Mineral Potential and Engineering**

Responsibilities include developing mineral resource information to support state mineral lease sales and mining. The staff generates mineral resource and reserve estimates, calculates ore quality, conducts field inspections, and calculates state royalties due from exploration and mining on leased state lands. Geological staff also provides technical information on construction aggregate resources to county boards and zoning and planning commissions throughout the state.

**Program at a Glance**

- ◆ National Rankings\*
  - 1<sup>st</sup> in taconite production
  - 11<sup>th</sup> in non-fuel mineral production
  - 6<sup>th</sup> in sand and gravel production
  - 3<sup>rd</sup> in horticultural peat production
- ◆ \$10.9 million in mineral revenue for FY 2004.
- ◆ Twelve million acres of land managed for mineral rights.
- ◆ Eight million acres of surface rights managed for horticultural peat, industrial minerals, and construction materials.
- ◆ Fiduciary responsibilities for the Permanent School Fund and Permanent University Fund.
- ◆ Mineral research and development programs.
- ◆ Reclamation program for iron ore, metallic minerals, and horticultural peat.
- ◆ Real estate management programs for land acquisitions, sales, and exchanges on five million acres.

\* Source: U. S. Geological Survey, Mineral Commodity Summaries, January 2004

**⇒ Mine Land Reclamation**

Minnesota statutes direct the division to establish and enforce regulations for reclamation of lands disturbed by mining. This authority pertains to iron ore, taconite, non-ferrous metallic minerals, and peat mines. Responsibilities include: reducing the environmental impacts of mining; issuing permits and ensuring reclamation during and following completion of mining; determining effective reclamation techniques; enforcing reclamation law; ensuring public review and input to the permitting process; and developing and implementing mine closure plans associated with bankruptcies.

**⇒ Minerals Research**

The division manages three research programs: Iron Ore Cooperative Research, Minerals Diversification, and Environmental Cooperative Research. Statutes direct the research to support and diversify the states mineral industry and address environmental issues related to mining. These programs are typically co-funded with non-state monies and are currently supported with corporate monies and by non-state agencies such as the U.S. Bureau of Land Management, U.S. Environmental Protection Agency (EPA), and Western Lake Superior Sanitary District. An example of research includes a study of mercury emissions (water and air) from taconite processing facilities in which the division is working with the EPA, Minnesota Pollution Control Agency (MPCA), and industry in determining how mercury release from these plants can be reduced. Work to date is promising and both the regulatory community and industry are offering further support.

**⇒ Land Survey**

The land survey staff provides land surveying services and boundary staking and platting for acquisitions, conservation easements, land sales, trespass situations, and other activities. Core functions include land title research, review of encroachments and adjoiner rights, resolution of conflicts, computations and computer assisted drafting (CAD), and review of all quiet title actions (title registration court proceedings) served upon the department.

**Historical Perspective**

Mineral development in Minnesota was dominated by the extraction of iron ore from the 1890s to the 1950s, followed by development of the taconite process in the early 1950s, and construction of taconite plants in the late 1960s. The latest generation of value-added iron processing began with the funding of the Mesabi Nugget demonstration plant that has been testing a process of producing high-purity iron. Mesabi Nugget, Limited License Corporation (LLC), concluded its pilot plant demonstration of the Kobe Steel Itmk3 iron-making technology at Silver Bay in the summer of 2004. Financial partners of Mesabi Nugget, including the state of Minnesota, Kobe Steel, Cleveland-Cliffs, Steel Dynamics and Ferrometrics, are now exploring the construction of a commercial facility at the former LTV Steel Company property near Hoyt Lakes.

Worldwide, mineral exploration has increased for non-ferrous metallic minerals during the last year as national economies have improved. The exploration activity follows higher commodity prices, driven by rapid economic growth in China. In Minnesota, the mineral leasing program is continuing at a modest level. Multinational firms have been exploring throughout the state, on public and private lands, including some activity in southern Minnesota. Airborne geophysics and drilling are being conducted by a number of companies, including a large fill-in drilling project being proposed by Polymet Inc. in copper-nickel deposits near Hoyt Lakes. The number of state non-ferrous metallic minerals leases that are in effect fluctuates with exploration interest. From January 1, 2003 to January 1, 2004, the number of leases decreased from 261 to 191; lease acreage decreased from 77,781 to 59,956.

Historically, sales of construction aggregates (natural sand and gravel and crushed rock) from state lands have been limited. To provide aggregate resource information to local government and to increase the sale of state-owned resources, the division is mapping county aggregate resources as directed by M.S. 84.94. The division is also engaged in research to expand the use of additional rock resources that currently do not meet state specifications. In conjunction with a number of private and public partners, the division is sponsoring research at the Minnesota Road Research Facility (MnROAD) intended to ultimately increase the use of taconite waste rock in state roads. In order to expand the rock types that meet Minnesota Department of Transportation (MNDOT) and federal specifications, MNROAD is testing iron range waste rock as aggregate in a Superpave asphalt mix design

in a 500-foot section of roadway at the MnROAD facility. In addition, plans are under way to expand the testing for this rock in concrete pavement at MNROAD.

**Key Measures**

◆ **Real Estate Transactions**

Real estate transactions are a measure of the department’s progress toward its land management goals. As such, land acquisitions are used as a measurement of progress for a number of targets in *A Strategic Conservation Agenda, 2003-2007: Measuring Progress towards Mission*.

The following table contains information on department land transactions for FY 2003-04. Department programs acquiring land include: Aquatic Management Areas, Canoe and Boating Routes, Fish Management Areas, Native Prairie Bank, Scientific & Natural Areas, State Parks, State Trails, Water Access Sites, and Wildlife Management Areas.

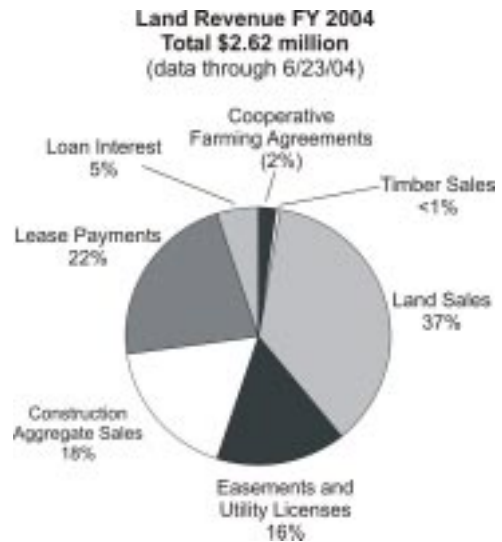
Land Acquisitions, Sales, and Exchange Statistics, FY 2003-04.

		Number of parcels	Acres	Cost*
Land Acquisitions	Fee Title	155	9,784	\$10,260,860
	Easements	70	1,297	4,991,403
	Total	225	11,081	15,252,262
Land Sales		28	150	1,012,238
Land Exchanges	Relinquished	16	1,134	1,991,532
	Acquired	16	1,675	2,008,782

\* The costs for acquisitions include appraisal fees, recording fees, property taxes, etc. in addition to the land value. Forty-seven of the fee title acquisitions were gifts (2,698 acres). Twenty-four of the gifts were donated by Pheasants Forever, which received Legislative Commission on Minnesota Resources (LCMR) monies to obtain the gifted parcels. Eighteen easements (93 acres) were gifts. Three fee title acquisitions (162 acres) were acquired via condemnation.

◆ **Land Revenue**

The real estate-related activities generated about \$2.5 million in revenue in FY 2003 and \$2.6 million in FY 2004. The chart illustrates the types of activity that produced revenue in FY 2004. As part of the budget-balancing legislation passed in 2003, the Department of Administration was directed to work with state agencies to sell at least \$5.505 million of surplus state-owned land with the proceeds deposited into the General Fund. Through August of 2004, the DNR has contributed sale revenue of \$529,514 towards this requirement.

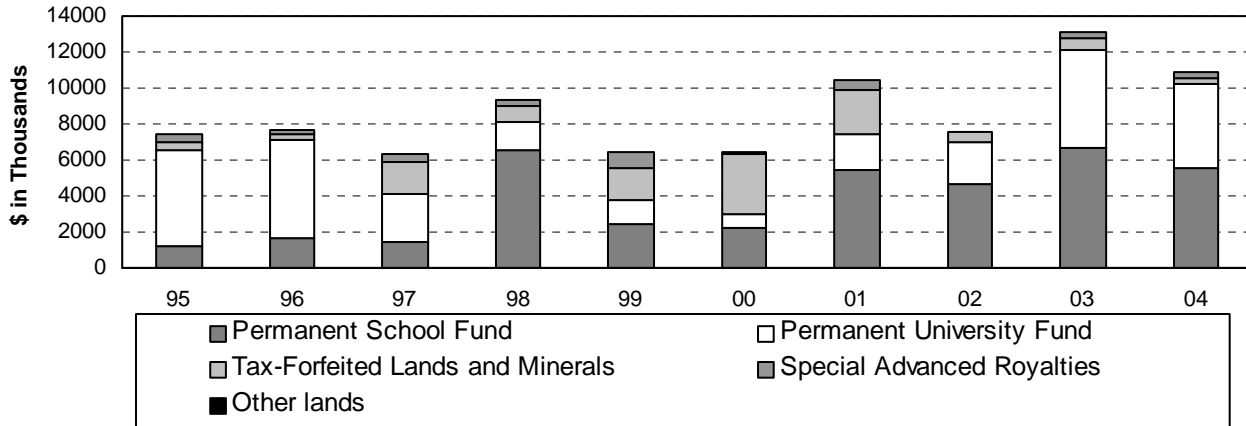


◆ **Mineral Revenue**

A historic high of \$13.1 million in mineral revenue was reached FY 2003. Revenues totaled \$10.9 million in FY 2004 (see below). Taconite mining generated about 97% of the revenue, as the taconite industry produced pellets at full capacity of about 40 million tons annually. While there was decrease (\$2.2 million) in the FY 2004 revenue from the previous year, the emergence of two operations from bankruptcy has resulted in a strengthened taconite industry. The reopening of the former EVTAC mining as United Taconite, LLC and the United States Steel Corporation’s purchase of National Steel Pellet Company provides further assurance that there will be long-term mining from the state-owned taconite resources. Moreover, a worldwide increase in iron ore and steel prices driven

by increasing demand from China and improvement of the global economy have resulted in higher prices for iron ore worldwide.

**State Minerals Lease Revenues, Fiscal Years 1995-2004**  
(FY 2004 data is through 6/24/04)



NOTE: Under the provisions of M.S. 93.335, subd. 4, the state annually distributes 80% of the mineral rents and royalties generated from the tax-forfeited lands to local taxing districts.

◆ **External Factors Related to Mineral Revenue**

Consolidation in the US steel industry and dramatic growth in the demand for iron ore and steel in China have led to significant changes in Minnesota’s taconite iron mining industry. These factors have resulted in changes of ownership at Hibbing Taconite, Keewatin Taconite (formerly National Steel Pellet Company) and United Taconite, LLC (formerly EVTAC Mining). The International Steel Group, Inc. purchased the assets of the bankrupt Bethlehem Steel Corporation and became the majority owner of Hibbing Taconite Company. Keewatin Taconite was formed in April 2003 when US Steel purchased the assets of the bankrupt National Steel Corporation. United Taconite was formed in December 2003 when Cleveland-Cliffs and the Chinese steel-maker Laiwu purchased the assets of bankrupt EVTAC Mining. Each of these operations now have financially healthier owners that are better able to provide for ongoing capital needs of the operations. Although it is premature to predict demand for iron ore in the upcoming years, many industry reports indicate strong demand through 2005.

**Program Funding**

Funding Source: Of direct appropriations, Lands and Minerals Funding for FY 2004 - 05 was comprised of: General Fund 86%; Game and Fish Fund 12%; and Water Recreation 2%.

**Contact**

William C. Brice  
 Division Director  
 Phone: (651) 296-9553  
 Fax: (651) 296-5939  
[http://www.dnr.state.mn.us/lands\\_minerals](http://www.dnr.state.mn.us/lands_minerals)



# NATURAL RESOURCES DEPT

Program: LAND & MINERALS RESOURCE MGMT

Program Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	58	57	57	57	114
<b>Technical Adjustments</b>					
One-time Appropriations			(57)	(57)	(114)
<b>Forecast Base</b>	<b>58</b>	<b>57</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	6,451	6,452	6,452	6,452	12,904
<b>Technical Adjustments</b>					
One-time Appropriations			(1)	(1)	(2)
<b>Forecast Base</b>	<b>6,451</b>	<b>6,452</b>	<b>6,451</b>	<b>6,451</b>	<b>12,902</b>
<b>Natural Resources</b>					
Current Appropriation	156	156	156	156	312
<b>Forecast Base</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>312</b>
<b>Game And Fish</b>					
Current Appropriation	887	887	887	887	1,774
<b>Forecast Base</b>	<b>887</b>	<b>887</b>	<b>887</b>	<b>887</b>	<b>1,774</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	24	91	0	0	0
General	6,300	6,801	6,451	6,451	12,902
Natural Resources	156	156	156	156	312
Game And Fish	828	946	887	887	1,774
<b>Open Appropriations</b>					
General	137	139	13,514	16,514	30,028
<b>Statutory Appropriations</b>					
Special Revenue	716	1,349	793	692	1,485
Miscellaneous Agency	17	60	45	45	90
Gift	0	23	0	0	0
Permanent School	3	537	19	19	38
<b>Total</b>	<b>8,181</b>	<b>10,102</b>	<b>21,865</b>	<b>24,764</b>	<b>46,629</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	6,153	6,219	5,838	5,838	11,676
Other Operating Expenses	1,599	2,831	1,951	1,951	3,902
Local Assistance	429	1,052	701	600	1,301
Transfers	0	0	13,375	16,375	29,750
<b>Total</b>	<b>8,181</b>	<b>10,102</b>	<b>21,865</b>	<b>24,764</b>	<b>46,629</b>
<b><u>Expenditures by Activity</u></b>					
Land & Minerals Resource Mgmt	8,181	10,102	21,865	24,764	46,629
<b>Total</b>	<b>8,181</b>	<b>10,102</b>	<b>21,865</b>	<b>24,764</b>	<b>46,629</b>
<b>Full-Time Equivalent (FTE)</b>	<b>84.1</b>	<b>83.4</b>	<b>82.4</b>	<b>82.4</b>	

**Program Description**

The purpose of the Water Resources Management Program is to maintain the physical integrity of Minnesota's wetlands, lakes, rivers, and water supplies. This program is the responsibility of the Department of Natural Resources (DNR's) Division of Waters. This work is done in cooperation with local units of government and the public. The division measures rainfall, lake levels, stream flow, and ground water levels. The division also gathers and interprets water resource data to describe how human activities impact the hydrologic system and how negative impacts can be mitigated.

DNR Waters has developed programs to prevent or mitigate impacts of hydrologic extremes such as flooding and drought, limit erosion and sedimentation, address conflicts over water use and well interference, assist communities to develop reasonable water supplies, manage lake level disputes, maintain or improve shoreland and riparian habitat, prevent loss of wetlands and encroachment onto the beds of public waters, assist communities to manage shoreland and floodplain development, and inspect, repair or remove hazardous dams. The division must balance resource protection with reasonable uses of the water resources and adjacent lands; statutory duties are found in Chapters 103A through 103I, with most in Chapter 103G.

**Program at a Glance**

- ◆ Administer flood hazard mitigation grants totaling over \$100 million in since 1997.
- ◆ Regulate over 21,000 public waters basins and 92,000 miles of public watercourses.
- ◆ Permit and monitor about 7,000 large water users.
- ◆ Enforce dam safety regulations at over 1,000 public and private dams.
- ◆ Manage statewide monitoring networks for precipitation, lake levels, stream flow, and ground water levels.
- ◆ Assist 450 local governments to administer floodplain ordinances, and 250 local governments to administer shoreland ordinances.

**Population Served**

DNR Waters provides water resources data, information, stewardship education, and water resources technical assistance to other state and federal agencies, local government officials, planning commissions, consultants, environmental organizations, teachers, and the public. DNR Waters provides grants, training, and technical assistance to local governments. DNR Waters regulates certain activities of riparian land owners, dam owners, persons proposing projects that would result in filling or excavation of public waters, and water users who exceed the threshold of one million gallons per year.

**Services Provided**

DNR Waters maintains critical data collection and services not duplicated elsewhere:

- ◆ gathers, compiles, and interprets information from a precipitation monitoring network of over 1,400 volunteers managed by the state climatologist in cooperation with soil and water conservation districts;
- ◆ gathers, compiles, and interprets water level data from a lake level monitoring network encompassing about 1,000 lakes with the assistance of about 700 citizen volunteers and several local government partners;
- ◆ operates a river floodwarning system that includes 38 automated stream gages in cooperation with the U.S. Geological Survey, the National Weather Service, and 24 municipalities; and provides matching funds to support 30 stream flow monitoring gages operated by the U.S. Geological Survey under the national cooperative stream gauging program;
- ◆ gathers, compiles, and interprets water level data from over 750 ground water observation wells in partnership with soil and water conservation districts;
- ◆ collects information on water use from approximately 7,000 water appropriation permit holders and approves municipal emergency and water conservation plans;
- ◆ prepares County Geologic Atlases and Regional Ground Water Assessments in cooperation with the Minnesota Geological Survey and local government partners;
- ◆ delineates and prepares maps of ground water aquifers and surface water watersheds;
- ◆ characterizes the surface water and ground water resource through hydrologic measurement and modeling; provides assistance to decision-makers through technical analysis;

- ◆ defines the boundaries of state regulatory jurisdiction on wetlands, lakes, and rivers by determining the ordinary high water level of public waters;
- ◆ administers grants for local flood hazard mitigation, dam repair/removal; and coastal zone management projects;
- ◆ assists counties and cities in developing and administering zoning ordinances for shorelands, floodplains, critical areas, and wild and scenic rivers;
- ◆ investigates and mitigates domestic well interference problems that may be caused by high capacity wells; and,
- ◆ regulates work below the ordinary high water level of public waters; withdrawals of water from surface and ground water sources; and construction, operation and maintenance of dams.

**Historical Perspective**

DNR Waters statutory responsibilities to protect Minnesota’s public waters and water supply through a state permit program date back to 1937. It was given responsibility to set minimum standards for local shoreland and floodplain zoning ordinances in the 1960s. It was charged with conducting a statewide inventory of public waters basins and watercourses in the 1970s. Grant programs for flood hazard mitigation and dam safety were created in the 1980s. DNR Waters was given responsibility for the County Atlas Program in the Groundwater Protection Act of 1989.

To maximize efficiency, over the last several biennia DNR Waters has: 1) streamlined regulation through the issuance of general permits; 2) initiated a program evaluation process; 3) adopted project management as a tool to increase staff productivity; and 4) focused services and required project proposers to submit more specific supporting information for permits or other approval requests.

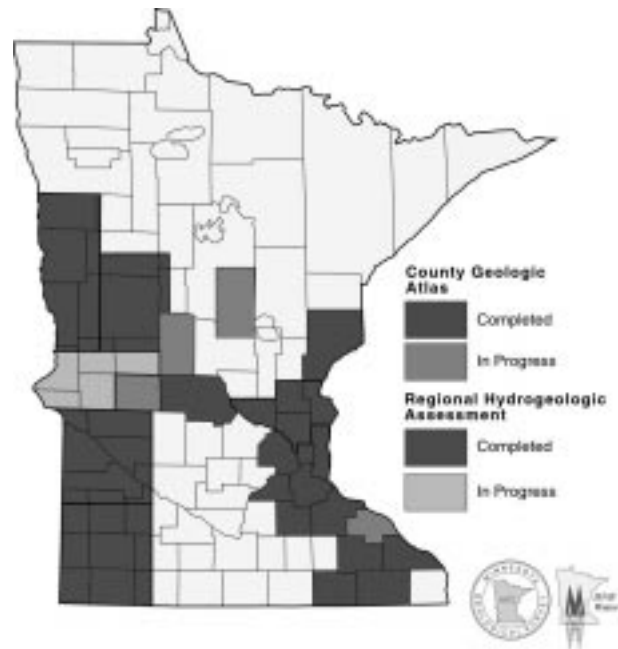
**Key Measures**

⇒ Counties with a County Geologic Atlas or a Regional Hydrogeological Assessment

Local governments want baseline hydrogeologic information to effectively plan for and manage their land and water resources. The need for baseline information about water resources is increasing, especially as water demands grow across Minnesota. In fact, demand for water resources is outstripping population growth rates. Without water supply planning, shortages may occur during periods of drought or if use continues to increase. Surface waters (wetlands, lakes, rivers, and unique resources such as trout streams and fens) can be degraded from ground water pumping or land use changes. Information and technical assistance helps communities find reliable sources of water, and manage water and land use to sustain high quality water resources.

DNR Waters has a partnership with the Minnesota Geologic Survey at the University of Minnesota (U of M) to provide local communities with practical information through the development of County Geologic Atlases and Regional Hydrogeological Assessments. These reports are available for areas that include 75% of the state’s population and 37% of its area. They provide local officials, well drillers, consultants, and land owners a common framework for understanding the local ground water resource.

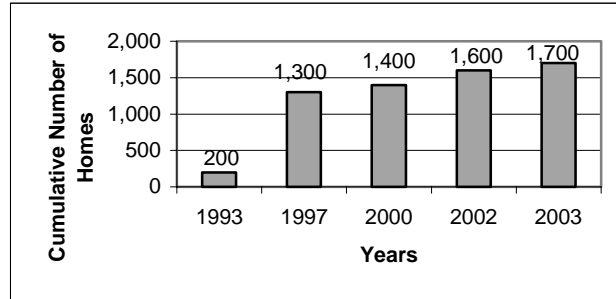
Thirteen atlases and five assessments have already been completed. The goal is to complete one more atlas and one more assessment by 2006.



⇒ Number of homes removed from flood plains to prevent flood damage

Flooding is a natural part of river systems, but flood extremes can harm people and property. While some causes of flooding (climate and precipitation) are beyond our control, we can reduce flood damage by protecting healthy watersheds and preparing for floods when they do occur.

DNR monitors 38 stream gauges around the state to provide data for flood forecasting and promotes sound land use in flood plains. DNR helps local governments plan, carry out, and pay for flood damage reduction measures. Since 1987, DNR has provided funds to communities to build flood-control structures, define flood hazard areas, and buy and remove flood-prone homes. Austin, for example, spent some \$1.3 million to acquire flood-prone homes. Major flooding occurred there in 2000 and 2004 and the cost savings due to removal of flood-prone buildings exceeded the cost of acquiring the structures.



**Number of homes removed from flood plains.** By removing homes from flood plains, DNR and communities saves the expense and danger of protecting them when floods occur.

DNR Waters' goal is to maintain or increase efforts to remove homes from flood plains with available funding and through other cooperative efforts.

**Program Funding**

DNR Waters is funded primarily through General Fund appropriations. A small portion of its operating budget comes from the Water Recreation and Special Revenue accounts. Federal grants provide between \$1.5 and \$2.6 million.

Non-dedicated fees collected for permit applications and annual water use fees totaling approximately \$3.7 million a year are deposited in the General Fund. Current sources of federal grant income include Federal Emergency Management Agency grants for the floodplain management and dam safety programs, and National Oceanic and Atmospheric Agency grants for the coastal zone program in the Lake Superior basin.

**Contact**

Kent Lokkesmoe, Director  
 Phone: (651) 296-4810  
 Fax: (651) 296-0445  
 E-mail: kent.lokkesmoe@dnr.state.mn.us

For additional DNR Waters program information visit [www.dnr.state.mn.us/waters](http://www.dnr.state.mn.us/waters).

**NATURAL RESOURCES DEPT**

Program: WATER RESOURCES MGMT

Program Summary

*Dollars in Thousands*

	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	11,186	10,456	10,456	10,456	20,912
<b>Forecast Base</b>	<b>11,186</b>	<b>10,456</b>	<b>10,456</b>	<b>10,456</b>	<b>20,912</b>
<b>Natural Resources</b>					
Current Appropriation	280	280	280	280	560
<b>Forecast Base</b>	<b>280</b>	<b>280</b>	<b>280</b>	<b>280</b>	<b>560</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	53	126	0	0	0
General	10,293	11,543	10,456	10,456	20,912
Natural Resources	265	295	280	280	560
<b>Statutory Appropriations</b>					
Special Revenue	183	187	124	124	248
Federal	3,216	2,749	2,626	1,477	4,103
Gift	6	0	0	0	0
<b>Total</b>	<b>14,016</b>	<b>14,900</b>	<b>13,486</b>	<b>12,337</b>	<b>25,823</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	8,357	8,832	8,757	8,462	17,219
Other Operating Expenses	1,747	2,590	1,718	1,675	3,393
Capital Outlay & Real Property	216	0	0	0	0
Local Assistance	3,696	3,478	3,011	2,200	5,211
<b>Total</b>	<b>14,016</b>	<b>14,900</b>	<b>13,486</b>	<b>12,337</b>	<b>25,823</b>
<b><u>Expenditures by Activity</u></b>					
Water Resources Mgmt	14,016	14,900	13,486	12,337	25,823
<b>Total</b>	<b>14,016</b>	<b>14,900</b>	<b>13,486</b>	<b>12,337</b>	<b>25,823</b>
<b>Full-Time Equivalent (FTE)</b>	<b>117.4</b>	<b>123.2</b>	<b>122.0</b>	<b>122.0</b>	

**Program Description**

The purpose of the Forest Management Program is to:

- ◆ manage forest lands in the state (including community forests) to meet long-term, sustainable management objectives for multiple forest resources, including timber, wildlife habitat, recreation, and aesthetics;
- ◆ protect citizens, property, and natural resources from wildfires; and
- ◆ bring together the state's varied forest resource interests to develop and implement programs that promote sustainable site and landscape-based forest management practices.

This program is the responsibility of the DNR's Division of Forestry.

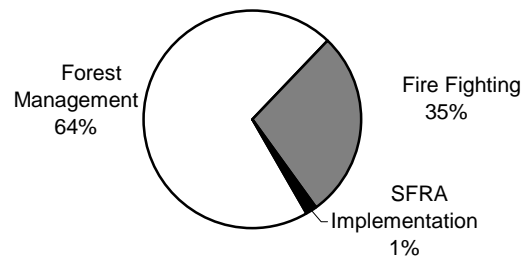
**Budget Activities Included:**

- ⇒ Forest Management
- ⇒ Fire Fighting
- ⇒ Sustainable Forest Resources Act Implementation

**Funding FY 2004-05**

(Total = \$125 million)

Data as of 11/01/04



**Key Measures**

DNR uses a range of performance measures to assess its progress in managing forest lands in the state to meet long-term, sustainable management objectives for multiple forest resources, and protecting citizens, property and natural resources from wildfires. The measures found in the budget activity narratives illustrate accountability to sustainable forestry results. For a more complete set of performance measures and more detailed descriptions of each measure, please see DNR's ***"A Strategic Conservation Agenda, 2003–2007: Measuring Progress toward Mission"*** ([www.dnr.state.mn.us/conservationagenda/index.html](http://www.dnr.state.mn.us/conservationagenda/index.html)).

See activity sections for specific measures.

**NATURAL RESOURCES DEPT**  
**Program: FOREST MANAGEMENT**

Program Summary

*Dollars in Thousands*

	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	412	593	586	586	1,172
<b>Technical Adjustments</b>					
One-time Appropriations			(586)	(586)	(1,172)
<b>Forecast Base</b>	<b>412</b>	<b>593</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	32,858	27,247	27,247	27,247	54,494
<b>Technical Adjustments</b>					
One-time Appropriations			(38)	(38)	(76)
<b>Forecast Base</b>	<b>32,858</b>	<b>27,247</b>	<b>27,209</b>	<b>27,209</b>	<b>54,418</b>
<b>Natural Resources</b>					
Current Appropriation	0	6,215	6,215	6,215	12,430
<b>Forecast Base</b>	<b>0</b>	<b>6,215</b>	<b>6,215</b>	<b>6,215</b>	<b>12,430</b>
<b>Game And Fish</b>					
Current Appropriation	242	242	242	242	484
<b>Technical Adjustments</b>					
One-time Appropriations			(242)	(242)	(484)
<b>Forecast Base</b>	<b>242</b>	<b>242</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	986	620	0	0	0
General	30,801	30,528	27,209	27,209	54,418
Natural Resources	0	6,215	6,215	6,215	12,430
Game And Fish	159	325	0	0	0
<b>Open Appropriations</b>					
General	9,608	9,500	9,500	9,500	19,000
<b>Statutory Appropriations</b>					
Natural Resources	40	110	34	34	68
Special Revenue	12,143	12,460	11,879	12,007	23,886
Federal	4,855	7,082	5,620	5,838	11,458
Gift	108	113	84	83	167
<b>Total</b>	<b>58,700</b>	<b>66,953</b>	<b>60,541</b>	<b>60,886</b>	<b>121,427</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	29,783	28,507	28,146	28,146	56,292
Other Operating Expenses	19,830	29,466	24,524	24,606	49,130
Capital Outlay & Real Property	2,192	1,699	1,504	1,894	3,398
Payments To Individuals	2	0	0	0	0
Local Assistance	5,296	5,699	4,837	4,710	9,547
Other Financial Transactions	1,597	1,582	1,530	1,530	3,060
<b>Total</b>	<b>58,700</b>	<b>66,953</b>	<b>60,541</b>	<b>60,886</b>	<b>121,427</b>

**NATURAL RESOURCES DEPT**  
 Program: FOREST MANAGEMENT

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium 2006-07
	FY2004	FY2005	FY2006	FY2007	
<b><u>Expenditures by Activity</u></b>					
Forest Management	36,144	44,716	38,393	38,738	77,131
Fire Fighting	21,887	21,402	21,417	21,417	42,834
Sustain Res Act Implementation	669	835	731	731	1,462
<b>Total</b>	<b>58,700</b>	<b>66,953</b>	<b>60,541</b>	<b>60,886</b>	<b>121,427</b>
<b>Full-Time Equivalents (FTE)</b>	<b>494.6</b>	<b>470.5</b>	<b>468.3</b>	<b>468.3</b>	



**Activity Description**

This activity exists to sustain and enhance forest ecosystems; to provide a sustainable supply of forest products to meet human needs (e.g., material, economic, and social); and to provide income to the permanent school trust fund.

The goals of this activity are to:

- ◆ provide a long-term, sustainable yield of forest resources. This includes timber and other forest crops, fish and wildlife habitat, clean water, rare flora and fauna, air, soil, educational opportunities, and aesthetic and historic values;
- ◆ manage school trust lands to fulfill the fiduciary responsibilities to the permanent school trust; and
- ◆ improve the health and productivity of public and private (including community) forest lands.

**Activity at a Glance**

- ◆ Managing 4.3 million acres of state forest land.
- ◆ Planting three to four million trees each year on state forestlands.
- ◆ Producing 10 million tree seedlings for planting on public and private lands.
- ◆ Generating \$20-\$22 million in revenues.
- ◆ Offering for sale 700,000–800,000 cords of wood each year . . . enough to build 15,000 homes.
- ◆ Providing technical and cost-share assistance serving 140,000 private forest landowners.

The basic purposes for which these forestry programs were originally created are still valid. These include:

- ◆ maintaining the forest land base; and
- ◆ encouraging professional management of forest lands to meet public demand for products and uses and reforestation and restoring forest lands altered by harvesting, wildfires, insects and diseases, wind storms, and flooding.

**Population Served**

This activity serves a wide range of stakeholders, including:

- ◆ non-industrial private forest landowners;
- ◆ forest industries;
- ◆ environmental groups;
- ◆ outdoor recreational users (motorized and non-motorized);
- ◆ hunters;
- ◆ loggers;
- ◆ communities;
- ◆ other state agencies and levels of government; and
- ◆ consulting foresters and other forestry professionals.

Other units of government and the private sector are involved in the management of forestlands in Minnesota. This broad involvement is driven primarily by the diverse ownership of the state’s forestlands. Each forestland owner has their own forest management objectives, that while often similar, are also sometimes unique.

**Services Provided**

This activity provides the following services:

- ◆ management of 4.3 million acres of state-owned lands, including
  - ⇒ forest vegetation management planning;
  - ⇒ timber sales and harvesting;
  - ⇒ reforestation;
  - ⇒ timber stand improvement;
  - ⇒ old growth, old forest, and riparian area management;
  - ⇒ maintenance and operation of the 2,064 mile state forest road system primarily for public recreation use, travel and access to state lands; and

## NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FOREST MANAGEMENT

Narrative

⇒ enforcement of state forest rules and regulations.

- ◆ forest management planning assistance (e.g., Forest Stewardship, Tree Farm, enrollment in Sustainable Forestry Incentives Act tax rebate program), technical advice, and cost-share assistance for non-industrial private forest landowners;
- ◆ technical urban forestry and cost-share assistance to Minnesota communities;
- ◆ producing and selling tree and shrub seedlings for conservation planting on public and private lands;
- ◆ monitoring the health, growth and composition of Minnesota' forests;
- ◆ monitoring the implementation and effectiveness of forest management practices and guidelines;
- ◆ technical assistance to counties;
- ◆ developing, monitoring, and evaluating evolving management concepts; and
- ◆ coordinating forestry related education programs in schools.

### Historical Perspective

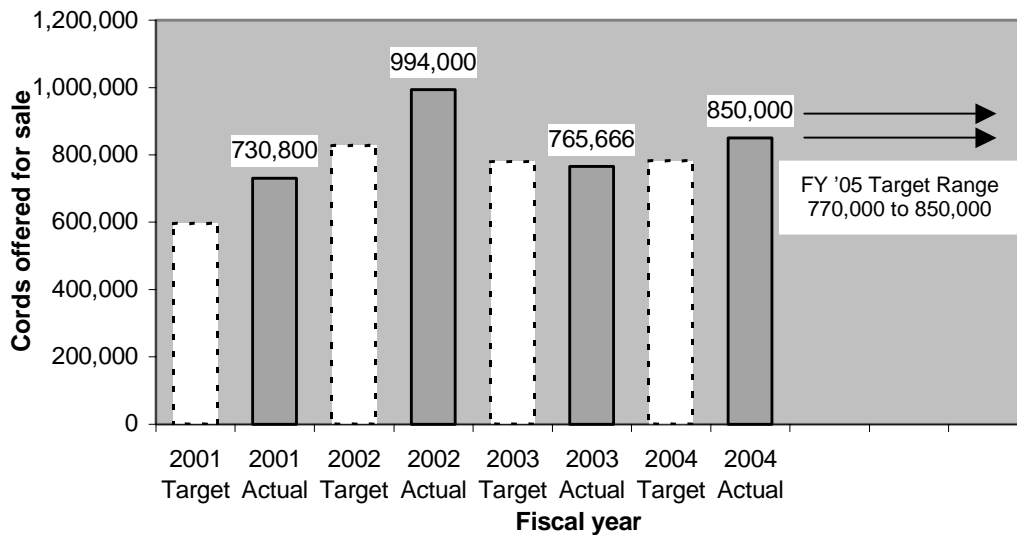
Over the past 15 years, the Department of Natural Resources (DNR) has contributed about 15 to 20% (i.e., average of 650,000 cords per year) of the total amount of timber harvested in the state (i.e., statewide timber harvesting has ranged from 3.5 to 4.1 million cords per year over the same time period; the most recent information estimates statewide timber harvests at 3.7 million cords in 2002). From FY 2002-04, DNR increased the amount of timber it offered for sale in response to a legislative initiative to offer for sale a backlog of state timber that, according to existing management plans, should have been offered in previous years. In addition, new DNR subsection forest resource management plans (SFRMPs) generally propose higher levels of harvesting over the next 7-10+ years to maintain desired acreages of various forest types; limit losses to tree decay and mortality; and improve the growth, quality and diversity of future forests. As sites identified under these plans are offered for sale and ultimately harvested (which can occur over a five-year permit period once they are sold), DNR's contribution to state timber harvesting can be expected to increase over the near term.

The DNR works with conservation partners to strengthen private forest management through the voluntary Forest Stewardship Program, which provides professional natural resource management expertise and cost sharing (for tree planting and other actions) to private landowners who develop plans for sustainable forest management. DNR currently provides about 40% to 45% of the Forest Stewardship planning assistance. Demands for assistance for forest management plan preparation and assistance will likely increase as a result of the passage of the Sustainable Forestry Incentives Act (SFIA) (which began with the 2002 tax year). The SFIA provides a tax rebate for landowners that follow a professionally prepared forest management plan for their forested property. Increased capacity for plan preparation assistance will need to come from the private sector and other conservation partners in order to meet demand.

Established in 1931, DNR Forest Tree Nurseries have historically played a significant role in providing tree seedlings to private and public landowners for planting for conservation purposes. In 1997, the legislature capped tree seedling production at DNR nurseries at 10 million seedlings per year to help avoid competition with private nurseries. This cap was suspended by the legislature through 2002 to address what is estimated to be a 2-million tree seedling shortage. Discussions will continue between the DNR, private nurseries and the legislature on the appropriate role of DNR nurseries in providing tree seedlings for conservation purposes.

**Key Measures**

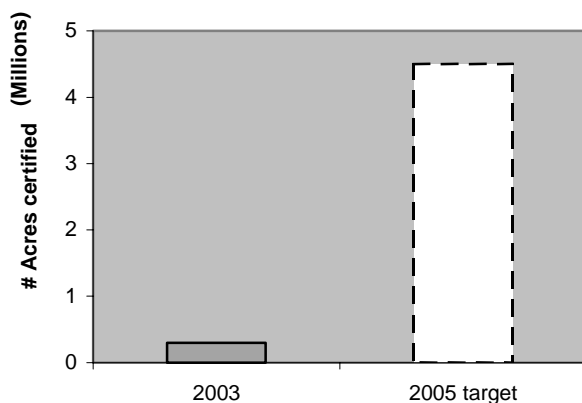
- ◆ **DNR Timber Sales:** With 21 percent of the state’s timberland, DNR is a significant source of raw materials for forest products industries. Also, harvests create habitat for many kinds of wildlife. DNR determines sustainable harvests on state lands with citizen and legislative guidance to balance timber production with other goals such as wildlife, recreation, water quality, and biodiversity.



**Indicator:** Number of cords of wood offered for sale on DNR lands

**Target:** Offer 770,000 – 850,000 cords of timber for sale from DNR lands in FY 2005

- ◆ **Forest Certification** (specifically, third-party audited certification) is an internationally recognized system that evaluates and verifies sustainable forest management practices. It is becoming a common benchmark for forest management. Certification will help DNR further improve its forest management practices, ensuring a sustainable supply of forest resource products and services within diverse, healthy and productive forests



**Indicator:** Percent of state-administered lands approved for forest certification

**Target:** Certify 100 percent of state-administered lands open to timber harvesting by the end of 2005. In 2006, annual audits will be initiated to verify and maintain certification.

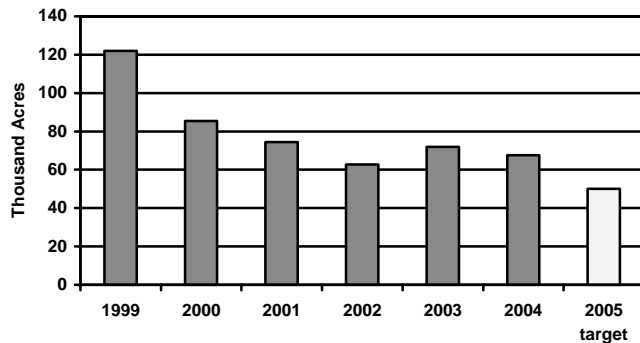
# NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FOREST MANAGEMENT

Narrative

- ◆ **Cooperative Forest Management:** Some 147,000 individuals and organizations (excluding industry) own 40 percent of Minnesota's forestland. This land, much in small woodlots, faces increasing development pressure. To encourage retention and sustainable management of these forestlands, the Forest Stewardship Program offers professional assistance to non-industrial, private forest owners in developing management plans that guide tree planting, timber harvesting and other forest management activities.



**Indicator:** Acres of Private Forestlands with Stewardship Plans

**Target:** Complete 50,000 acres of Forest Stewardship Plans in FY05 with 20,000 acres completed by DNR staff and the remainder by the private sector.

## Activity Funding

This activity receives 57% of its funding from General Fund appropriations, with 8% from the Natural Resources Fund that includes Forest Management Investment Fund, 21% from other special revenue accounts, 14% from federal sources (i.e., Legislative Commission on Minnesota Resources). About 50% of this activity's expenditures are salary related, 35% for other operating costs, and 15% for local assistance grants.

## Contact

Tom Baumann  
Forest Resource Management Section Manager  
DNR Division of Forestry  
Phone: (651) 296-4499  
Fax: (651) 296-0902

Learn more about:

- ◆ Timber harvesting on state lands at <http://www.dnr.state.mn.us/forestry/harvesting/index.html>
- ◆ Public involvement in forest planning at <http://www.dnr.state.mn.us/forestry/subsection/index.html>
- ◆ Statewide timber harvest at <http://www.mnplan.state.mn.us/mm/goal.html>
- ◆ The Forest Stewardship Program at <http://www.dnr.state.mn.us/fad/forestmgmt/stewardship.html>

**NATURAL RESOURCES DEPT**  
**Program: FOREST MANAGEMENT**  
**Activity: FOREST MANAGEMENT**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	986	620	0	0	0
General	22,467	22,482	18,829	18,829	37,658
Natural Resources	0	6,215	6,215	6,215	12,430
Game And Fish	159	325	0	0	0
<b>Statutory Appropriations</b>					
Natural Resources	40	110	34	34	68
Special Revenue	7,530	7,769	7,611	7,739	15,350
Federal	4,854	7,082	5,620	5,838	11,458
Gift	108	113	84	83	167
<b>Total</b>	<b>36,144</b>	<b>44,716</b>	<b>38,393</b>	<b>38,738</b>	<b>77,131</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	18,967	22,025	21,529	21,529	43,058
Other Operating Expenses	9,691	15,305	10,587	10,669	21,256
Capital Outlay & Real Property	2,187	1,699	1,504	1,894	3,398
Payments To Individuals	2	0	0	0	0
Local Assistance	5,229	5,634	4,772	4,645	9,417
Other Financial Transactions	68	53	1	1	2
<b>Total</b>	<b>36,144</b>	<b>44,716</b>	<b>38,393</b>	<b>38,738</b>	<b>77,131</b>
<b>Full-Time Equivalent (FTE)</b>	<b>303.0</b>	<b>334.6</b>	<b>332.4</b>	<b>332.4</b>	

**Activity Description**

The Division of Forestry is charged with preventing and suppressing wildfires on 45.5 million acres of public and private land in Minnesota. Our goals are to:

- ◆ provide wildfire protection to avoid loss of life;
- ◆ minimize the loss of property and natural resources;
- ◆ provide emergency response in Minnesota and other states; and,
- ◆ use prescribed fire as an effective natural resource management tool.

Wildfire control efforts under state authority originated in the early 1900s after a series of devastating wildfires that destroyed Hinckley, Baudette, Chisholm, and Cloquet. After a severe wildfire season in 1976 the legislature created an open appropriation account to fund emergency fire suppression efforts. Since then, we've worked with legislature to assure an appropriate balance between direct and open appropriations.

**Activity at a Glance**

- ◆ Wildfire protection on 45.5 million acres of land in Minnesota.
- ◆ Responding to an average of 1,650 fires reported to the Department of Natural Resources (DNR) each year that burn over 44,000 acres.
- ◆ Oversight of open burning statutes through the issuing of 60,000-70,000 burning permits each year.
- ◆ Operation of the Minnesota Interagency Fire Center, which coordinates wildfire response and resource sharing for wildfire suppression in Minnesota and for out-of-state reciprocal assistance.
- ◆ Providing direct emergency response assistance with equipment and trained staff.

**Population Served**

- ⇒ Minnesota citizens, homeowners, landowners and businesses.
- ⇒ Minnesota Rural Fire Departments.
- ⇒ Other state, provincial, and federal agencies as partners in wildfire and other emergency response.
- ⇒ Natural resource and land managers.

**Services Provided**

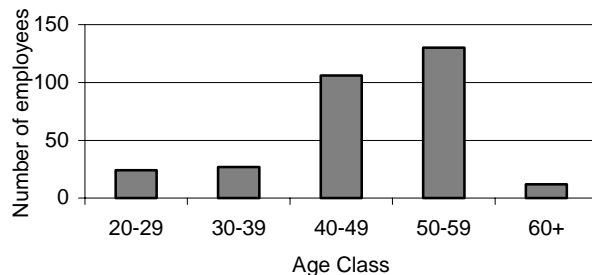
- ⇒ *Pre-suppression* activities include:
  - ◆ train firefighters and support personnel;
  - ◆ develop and maintain partnerships with other fire protection agencies;
  - ◆ operate the Minnesota Interagency Fire Center;
  - ◆ participate in a national interagency fire equipment cache;
  - ◆ contract for heavy ground and aerial suppression equipment;
  - ◆ maintain an emergency response communications network that supports interagency response; and,
  - ◆ develop mobilization and dispatch plans.
- ⇒ *Suppression* is accomplished by a combined force of trained firefighters, support personnel, and aerial and ground equipment. Activities include:
  - ◆ locating wildfires using a combination of aerial patrols, public reports, and limited utilization of lookout towers (i.e., detection);
  - ◆ pre-positioning of resources to maintain adequate response times (i.e., initial attack); and,
  - ◆ controlling the spread and minimizing damage and loss from wildfire (i.e., suppression).
- ⇒ *Firewise Structures & Communities'* activities include:
  - ◆ training and supporting homeowners, developers, and communities in implementing wildfire risk mitigation practices and principles (e.g., fuel reduction);
  - ◆ embedding firewise principles into K-12 education (e.g. teaching modules for geography and computer science classes); and,
  - ◆ increasing fire service communities' abilities to utilize Geographic Information System technology to assess and respond to wildfire risks.

- ⇒ *Prevention* activities include:
  - ◆ education (e.g., Smokey Bear, fire prevention week, school visits);
  - ◆ regulation of open burning (i.e., spring fire restrictions, issuing open burning permits); and,
  - ◆ enforcement of state wildfire and open burning (M.S. 88).
- ⇒ *Emergency response* assistance includes:
  - ◆ maintaining expertise and interagency qualifications in the national Incident Command System (ICS); and,
  - ◆ providing direct emergency response assistance with equipment, and staff trained in ICS command, support, and other incident management functions.
- ⇒ *Prescribed burning* helps prepare sites for reforestation, control insects, diseases, and invasive weeds, improve, wildlife habitat, maintain natural community types, reduce the risk and severity of wildfires, and provide valuable fire suppression training. Activities include:
  - ◆ fire planning, prescribed fires
  - ◆ conducting prescribed fires;
  - ◆ reporting, monitoring and evaluation of prescribed Department of Natural Resources (DNR) prescribed burning activity; and,
  - ◆ providing training to DNR staff and partner agencies and organizations involved in prescribed burning.
- ⇒ *Rural Community Fire Assistance*: Supporting rural fire departments and their ability to protect communities from wildfires through cooperative agreements training, grants and, contracts.
  - ◆ enabling local fire departments to use federal surplus equipment departments as part of the Federal Excess Property Program;
  - ◆ distributing approximately \$450,000 per year of state and federal funds per year to communities with populations under 10,000 to organize, train, and equip their fire departments for preventing and suppressing fires.
  - ◆ providing state surplus wildfire engines to rural fire departments that provide wildfire mutual aid.

**Historical Perspective**

Permanent staffing reductions and an aging workforce in the Division of Forestry have resulted in an age-class imbalance in field staff with wildfire suppression responsibilities. Firefighting remains arduous and hazardous work and heart attacks are the leading cause of wildland firefighting deaths. At a time when suppression demands are increasing in the expanding wildland-urban interface, this age-class imbalance increasingly challenges our suppression capabilities and has increased the need for and use of air craft, emergency firefighters, permanent personnel overtime, and resources from regional and national partner agencies.

Age Distribution of Employees  
DNR Division of Forestry 2004



Minnesota’s strong reciprocal relationship with its state, federal, and provincial partners in wildfire suppression is vital to overcoming this shortage. Maintaining these relationships and the reciprocal sharing of suppression resources, regionally as well as nationally, will impact other division programs. Support for accelerated training of new permanent staff and increasing the number of seasonal positions will be necessary.

In the FY 2004-05 biennial budget, \$2.25 million per year was shifted from the forest management activity General Fund appropriation to the fire fighting budget activity (i.e., emergency fire direction appropriation) in order to consolidate fire fighting direct program costs.

# NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FIRE FIGHTING

Narrative

The department was able to reduce the effects of FY 2004-05 fire fighting budget reductions through the use/availability of CL-215 water scooping aircraft; and strengthened partnerships with the Minnesota National Guard, Superior National Forest, and other wildfire response partners, and the provinces of Ontario and Manitoba. This was particularly important to preparedness for wildfire response in the area of northeastern Minnesota affected by the 1999 blow down event.

In December of 2005, the DNR will complete the lease purchase of the two CL-215 aircraft. These aircraft are experiencing expanded use, regionally and nationally, due to the reductions in availability of large air tankers over the last two years. The Division has increased its reimbursement costs for utilization of the aircraft to address the potential accelerated depreciation and maintenance required.

Rural community fire departments' difficulties in recruiting and retaining experienced and trained personnel also limit their ability to respond to fires in the wildland urban interface.

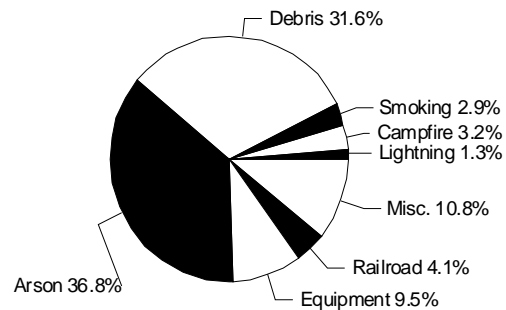
## Key Measures

### ◆ Wildfire Protection

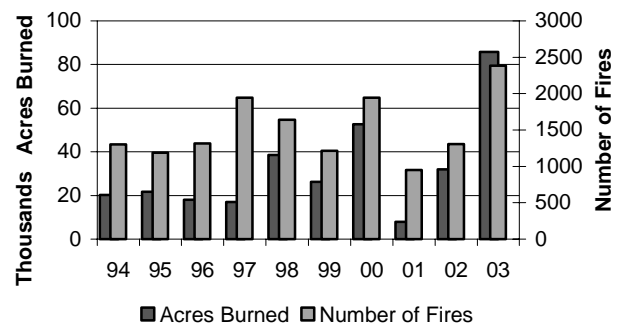
M.S. 88 defines a wildfire as "a fire requiring suppression action, burning any forest, brush, grassland, cropland, or any other vegetative material." The data presented in the charts below include wildfires that the DNR was actively involved in suppressing as well as wildfires suppressed by fire departments that were reported to the DNR.

2002-03 Causes of Wildfires

Total: 3,553 Wildfires



Wildfires Suppressed



## Activity Funding

The activity is funded primarily through general fund appropriations. Of the activity's state expenditures, about 77% are from the General Fund direct and open appropriation. The state receives full reimbursement for personnel or equipment mobilized in support of other states, provinces, or national emergencies.

## Contact

Olin Phillips, DNR Division of Forestry  
Resource Protection Section Manager  
Phone: (651) 296-5971 Fax: (651) 296-5954  
[Olin.Phillips@dnr.state.mn.us](mailto:Olin.Phillips@dnr.state.mn.us)

[http://www.dnr.state.mn.us/forestry/resource\\_protection.html](http://www.dnr.state.mn.us/forestry/resource_protection.html)

<http://www.dnr.state.mn.us/forestry/fire/index.html>

<http://www.dnr.state.mn.us/firewise/homerisk.html>

<http://www.dnr.state.mn.us/education/wildfire/index.html>



NATURAL RESOURCES DEPT  
 Program: FOREST MANAGEMENT  
 Activity: FIRE FIGHTING

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	7,681	7,220	7,650	7,650	15,300
<b>Open Appropriations</b>					
General	9,608	9,500	9,500	9,500	19,000
<b>Statutory Appropriations</b>					
Special Revenue	4,597	4,682	4,267	4,267	8,534
Federal	1	0	0	0	0
<b>Total</b>	<b>21,887</b>	<b>21,402</b>	<b>21,417</b>	<b>21,417</b>	<b>42,834</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	10,407	6,038	6,173	6,173	12,346
Other Operating Expenses	9,879	13,770	13,650	13,650	27,300
Capital Outlay & Real Property	5	0	0	0	0
Local Assistance	67	65	65	65	130
Other Financial Transactions	1,529	1,529	1,529	1,529	3,058
<b>Total</b>	<b>21,887</b>	<b>21,402</b>	<b>21,417</b>	<b>21,417</b>	<b>42,834</b>
<b>Full-Time Equivalents (FTE)</b>	<b>186.4</b>	<b>132.0</b>	<b>132.0</b>	<b>132.0</b>	

**Activity Description**

This budget activity supports implementation of the Sustainable Forest Resources Act (SFRA), M.S. 89A. The public goal to be achieved through the SFRA is promoting the sustainable management and protection of Minnesota's forest resources. The SFRA does so by providing a unique forum for collaborative problem solving among diverse groups interested in forest resource management and protection. The Minnesota Forest Resource Council (MFRC) implements the SFRA. Our core mission is to oversee two broad initiatives that address impacts of timber harvesting and forest management: 1) site-based forest resource practices; and 2) larger scale landscape-level planning and coordination. Focusing on both site- and landscape-level issues is important because of the continuing conflicts between commodity, ecological and amenity values associated with forests.

**Population Served**

Forests occupy one-third of Minnesota's land area and provide a variety of benefits vital to many Minnesota communities, their economies and the natural environment. Therefore, all Minnesota citizens, both urban and rural, depend to some extent on the state's forest resources since citizens expect and depend upon a vibrant economy, viable communities, and healthy ecosystems. Citizens who reside in forested areas and those who recreate there are especially dependent on the state's forest resources.

**Activity at a Glance**

- ◆ Addresses complex forest management issues through collaborative problem solving with the MFRC. The MFRC is made up of 17 individuals with diverse interests in management of Minnesota's forests,
- ◆ Oversees implementation and monitoring of comprehensive site-level forest management guidelines that promote sustainable harvest of over 85% of Minnesota's timber.
- ◆ Assembles forest resource data and develops and coordinates long-term forest management direction across all ownerships within eight landscape regions.
- ◆ Monitors timber-harvesting activity occurring within forest areas across the state.
- ◆ Guides the sustainable management and use of forestlands across the state that are vitally important to the state's \$6.9 billion forest industry and \$9 billion tourism industry.

**Services Provided**

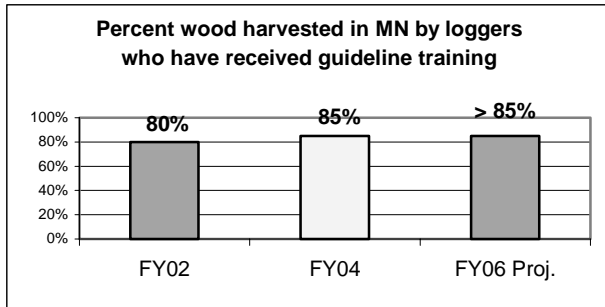
The MFRC coordinates implementation of the SFRA of 1995, and advises the governor and the legislature on the sustainability of the state's forest resources to promote aesthetic, environmental, recreational and economic values. The key programs led and conducted by the MFRC are: a) developing, implementing, reviewing and revising Timber Harvesting and Forest Management Guidelines, b) coordinating development of landscape-level forest resource plans and promoting forest management coordination within eight regions, c) conducting forest spatial analysis and modeling, d) monitoring harvest sites to assess degree of compliance with guidelines, e) promoting monitoring to assess current trends and conditions in managing and harvesting forest resources, f) promoting and guiding relevant forest research, g) operating the Citizens Concern Registration Program, which allows citizens to express concerns regarding negligent timber harvesting and forest management practices, and h) providing policy advice to the governor, legislature and public management agencies.

**Historical Perspective**

Large increases in timber harvest levels from the 1970s to the early 1990s led to intense conflict over forest policy issues in Minnesota. In response to citizen concerns about these increases, the Minnesota Environmental Quality Board commissioned a Generic Environmental Impact Statement (GEIS) on Timber Harvesting and Forest Management in 1989. The GEIS analyzed the effects that expanded timber harvesting might have on the state's forest resources. Completed in 1994, the GEIS suggests site, landscape, and research mitigation strategies to offset adverse impacts of timber harvesting. In 1995, the Minnesota Legislature adopted the Minnesota SFRA, one of the state's most significant forestry laws. The SFRA established policies and programs to ensure sustainable use and management of Minnesota's forests. The SFRA also created the Minnesota Forest Resources Council (M.S. 89A.03), and mandated it to develop and oversee programs to address impacts of timber harvesting and forest management at the site and landscape levels.

**Key Measures**

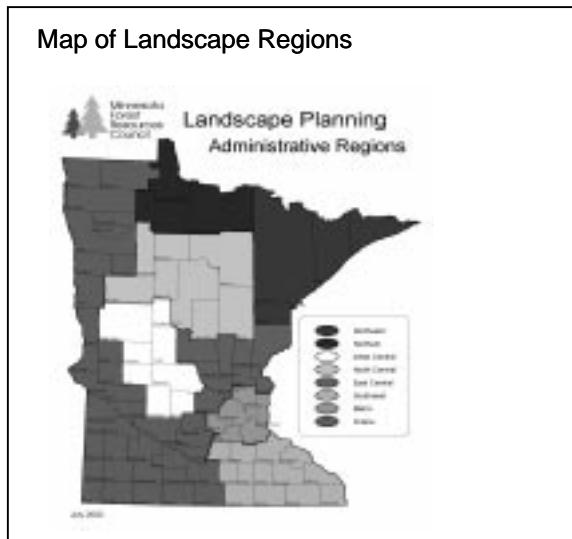
- ◆ **Timber Harvesting and Site-based Forest Management Guidelines:** The MFRC leads and conducts the development, implementation, review and revision of Timber Harvesting and Forest Management Guidelines.



**Indicator:** Percent of wood harvested by loggers who have received guideline training.

**Target:** Over 85% of wood is harvested by trained loggers.

- ◆ **Landscape-level Planning and Coordination:** The MFRC leads and coordinates the development of landscape-level forest resource plans within eight forested regions of the state.



**Indicator:** Number of MFRC Landscape plans completed.

**Target:** Complete all landscape plans for the 6 forested regions by 2005. In FY 2006-2007, coordinate implementation of plan strategies. .

- ◆ **Sustainable Forest Incentive Act:** The MFRC identified changes needed to state forest tax policy affecting privately owned forests, resulting in the enactment of the Sustainable Forest Incentive Act in 2001. Initial activity is moderate. Almost 500 landowners enrolled 528,505 acres in the first two years of the program.

**Activity Funding**

This activity is funded entirely by General Fund appropriations.

**Contact**

David C. Zumeta, Executive Director  
 Phone: (651) 603-0108  
 Fax: (651) 603-0110  
 E-mail: [dzumeta@tc.umn.edu](mailto:dzumeta@tc.umn.edu)  
 Website: <http://www.frc.state.mn.us/>

**NATURAL RESOURCES DEPT**  
**Program: FOREST MANAGEMENT**  
**Activity: SUSTAIN RES ACT IMPLEMENTATION**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	653	826	730	730	1,460
<b>Statutory Appropriations</b>					
Special Revenue	16	9	1	1	2
<b>Total</b>	<b>669</b>	<b>835</b>	<b>731</b>	<b>731</b>	<b>1,462</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	409	444	444	444	888
Other Operating Expenses	260	391	287	287	574
<b>Total</b>	<b>669</b>	<b>835</b>	<b>731</b>	<b>731</b>	<b>1,462</b>
<b>Full-Time Equivalentents (FTE)</b>	<b>5.2</b>	<b>3.9</b>	<b>3.9</b>	<b>3.9</b>	

**Program Description**

The purpose of the Parks and Recreation Management Program is to provide a state park and state forest recreation system that preserves and manages Minnesota's natural, scenic, and cultural resources for current and future generations while providing appropriate recreation and education opportunities. This program is the responsibility of the Department on Natural Resources' (DNR's) Division of Parks and Recreation.

The Minnesota state legislature has set aside 264,000 acres, which contain some of Minnesota's most spectacular scenic resources, and the most unique natural and cultural resources. Minnesota was the second state in the United States to recognize the need for a state park system when it established Itasca State Park in 1891. This was done to ensure that not all natural resources would be exploited or developed and that our citizens would forever have places where they could experience nature at its best, learn about the importance of the natural world and have an outdoor recreational experience. The primary statutes that cover the Minnesota State Park System are Chapters 85 and 86A.

<u><b>Program at a Glance</b></u>	
◆	Mission: Preserve natural resources while providing recreational and education opportunities.
◆	81 park units totaling 264,000 acres.
◆	8 million annual visitors.
◆	Over 5,000 individual campsites, 218 horse campsites, 68 group campsites, over 1,250 miles of trail, 6,381 picnic sites, 36 swimming beaches, 33 fishing piers, 322 miles of road and over 1,600 buildings.
◆	\$12.8 million in annual revenue.

**Population Served**

Minnesota statutes state that these opportunities should be made available to all citizens of Minnesota now and in the future. All citizens of the state of Minnesota benefit directly or indirectly from a high quality state park system. The eight million annual visitors to Minnesota state parks benefit directly from the system. Visitors to our state from around the United States and the world who visit state parks also benefit. A number of other communities are served by the state park system. The business community of the state is served because state parks generate tourism and tourist spending. When state park revenues and tourism spending are both considered, surveys indicate the state park system pays for itself in overall benefits to the state's economy. The state park system also helps redistribute dollars to greater Minnesota in a two-economy state. The education community is well served by state parks through naturalist programs, school class visits and natural resource research projects that occur throughout the system.

**Services Provided**

The services provided by the Division of Parks and Recreation are delivered through a variety of activities:

**Resource Management** - This activity provides direction and technical expertise for the division in protecting, restoring and managing natural and cultural resources on state park lands.

**Interpretive Services and Environmental Education** - This activity provides information, interpretive services and environmental education programs for park visitors, communities, and schools to increase their understanding and appreciation of natural and cultural resources, outdoor issues, and recreational opportunities.

**Land Acquisition** - This activity provides all the services necessary to determine legal park boundary descriptions, appraise land, acquire park land, and maintain land records for the division.

**Park Development** - The development activity is responsible for determining state park infrastructure needs, securing funds from the legislature, designing and building park structures and facilities, complying with the Americans with Disabilities Act (ADA), maintaining facilities, and keeping records of all activities.

**Archaeology** - This activity is conducts archaeological investigations and interpretations of all state park sites and projects as required by state and federal law.

**Park Operations** - This activity provides for all state park operations functions including operational policy development, customer service, maintenance, equipment management, interdisciplinary activities, local government contacts, budget management, and law enforcement.

**Management and Geographic Information Systems** - This activity provides the hardware and software for all state park computerized functions and the comprehensive management of all state park information, desktop support, Geographic Information System (GIS) surveys, and mapping services.

**Emergency Maintenance** - The emergency maintenance activity provides immediate help in the event of natural and man-made disasters such as floods, storms, forest fires, and accidents.

**Merchandise** - The merchandise activity provides high quality products and gifts for sale in state park nature stores and generates revenues for resource and education programs.

**Marketing and Public Affairs** - The marketing and public affairs activity manages the news media, operates the state park website, developing marketing plans, participating in the state fair, tourism trade shows, customer surveys, and in designing and publishing of a variety of brochures.

**Planning** - Planning activity develops provides the state park strategic plan, police operations and management of policies, annual reports, environmental review, interdisciplinary park unit plans, park research, surveys, and special reports and projects.

**Legislative Affairs** - This activity is responsible for the development, revision, and passage of all state park legislative initiatives including the state park boundary bill and budget legislation.

**Administration** - This activity is responsible for all budget and human resource matters within the division including budget development and management and the hiring process for approximately 450 FTE's.

## Historical Perspective

In 1891 the legislature created Itasca State Park to preserve the Mississippi River headwaters region with its old growth red and white pine. Since that time the system has grown to 72 state parks and recreation areas, 54 state forest campgrounds and recreation areas, eight state waysides and one state trail.

Visitation has risen steadily over the years and has stabilized at approximately eight million visitors per year, through the last several years. A variety of factors including weather events, limited capacity on high demand weekends, availability of facilities, competing recreation activities, and economic changes can cause fluctuations in visitation in any given year.

## Key Measures

Parks and Recreation uses a range of performance measures to assess its progress in managing park lands and facilities in the state to achieve sustainable management objectives and to provide good quality and safe recreation services for the state's citizens. The following measures illustrate accountability to sustainable management results in four core budget activity areas. For a more complete set of performance measures and more detailed descriptions of each measure, please see DNR's "**A Strategic Conservation Agenda, 2003-2007: Measuring Progress toward Mission**" ([www.dnr.state.mn.us/conservationagenda/index.html](http://www.dnr.state.mn.us/conservationagenda/index.html)).

◆ **State Park Visitor Satisfaction**

State Parks are an integral part of Minnesota's high quality of life. Each year eight million visitors enjoy Minnesota's 66 state parks and six recreation areas, and spend approximately \$200 million annually during their visits. In recent years, 95% of park visitors have expressed positive satisfaction ratings.

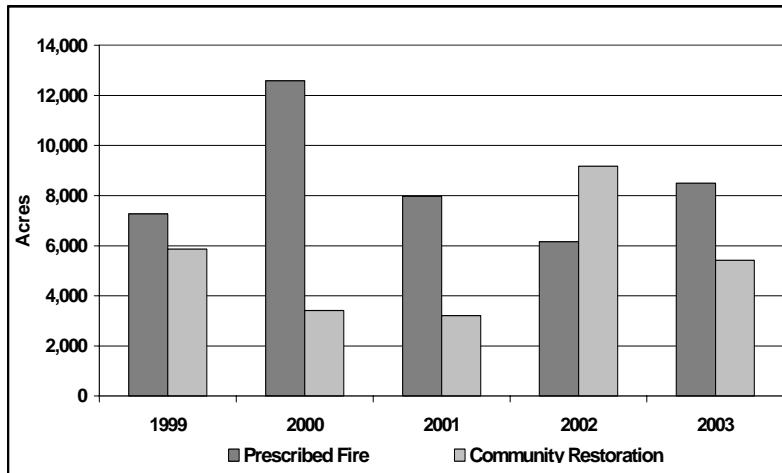


**Indicator:** Percent satisfied with a visit to Minnesota state parks

**Target:** Maintain a 95% or higher satisfaction rating

◆ **Natural Vegetation in State Parks**

State law mandates that state park managers protect, manage, and restore presettlement natural features, plants, and animals. Over 235 federal or state endangered, threatened or special concern species occur at more than 1,000 locations in state parks. State parks contain more than 30% of DNR's designated protected old growth forest, and support more than 80 types of important native plant communities. Natural community restoration and prescribed fire ensure the maintenance of important natural features.



**Indicator:** Acres of natural vegetation actively maintained or restored in the state park system.

**Target:** Maintain 5,400 acres in active restoration and carry out prescribed burns on 7,100 acres each year.

◆ **State Parks Historic Features**

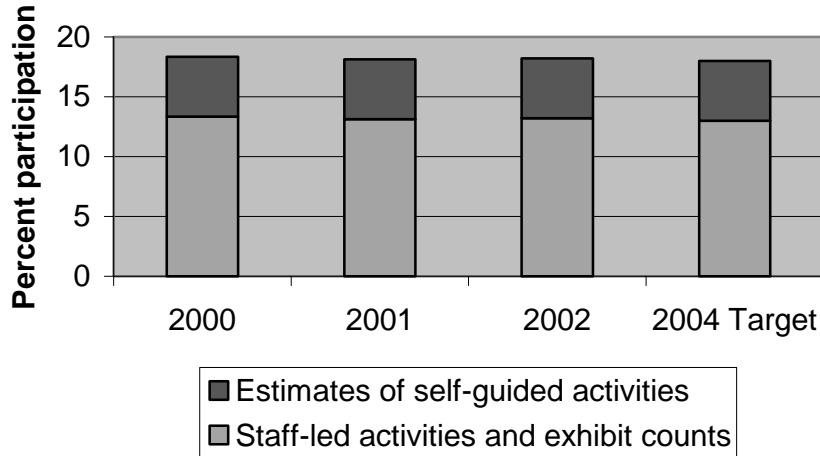
DNR has the statutory responsibility to protect historic properties listed on the National and State Registers. Of the 1600 total buildings in the state parks system, 369 (23%) are historic buildings or buildings located within the 34 National Register Historic Districts. In addition, the state parks system contains 251 historic structures and objects and five National Historic Landmarks.

**Indicator:** Maintenance and restoration of historic buildings, structures, and districts within state parks.

**Target:** Direct 10% of the capital investment for state parks in each biennium to National Register buildings, structures, and districts within state parks and state recreation areas

◆ **Outdoor Education**

Minnesota law mandates that state parks provide educational programs interpreting Minnesota’s natural and cultural resources for the public. Outdoor education promotes stewardship of Minnesota’s resources, offers a low-key enforcement tool, and promotes understanding of and support for DNR’s programs, key messages, and management decisions. For more than 60 years, state parks have offered interpretive facilities and hands on educational experiences to the eight million visitors who use parks each year.



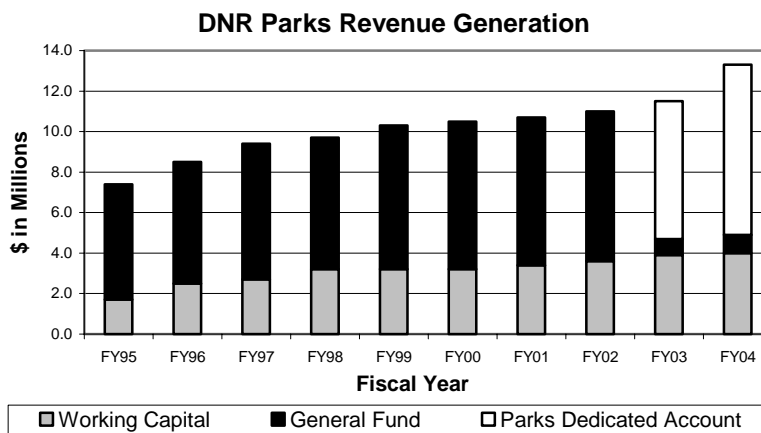
**Indicator:** Percent of park visitors participating in outdoor education activities

**Target:** Maintain at least 18% participation level of park visitors in outdoor education and interpretive opportunities.

**Program Funding**

**FUNDING SOURCES:** Funding for state parks in FY 2004 came from four sources in the following percentages: General Fund 50%, Parks Dedicated Account 28%, Lottery-in-lieu of Sales Tax 10%, and Working Capital 12%.

**REVENUE SUMMARY:** State parks generated a total of \$13.398 million in FY 2004, a 14.86% increase over the previous fiscal year. General Fund revenue totaled \$908,000 in FY 2004, an increase of 16.71% over FY 2003. The dedicated account collected \$8.354 million in FY 2004, a 22.35% increase over FY 2003.





GRANTS SUMMARY: Included in this program are two grants to the Metropolitan Council for metropolitan area regional parks and trails maintenance and operations: \$3.2 million each year from the General Fund, and \$4.152 million each year from the lottery in-lieu of sales tax proceeds.

**Contact**

Courtland Nelson, Director  
Ron Hains, Operations Manager  
William Brinker, Business Manager

DNR-Parks and Recreation  
500 Lafayette Road  
St. Paul, Minnesota 55155  
Phone: (651) 296-2270  
Fax: (651) 297-1157

# NATURAL RESOURCES DEPT

Program: PARKS & RECREATION MGMT

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	750	750	750	750	1,500
<b>Technical Adjustments</b>					
One-time Appropriations			(750)	(750)	(1,500)
<b>Forecast Base</b>	<b>750</b>	<b>750</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	19,511	19,511	19,511	19,511	39,022
<b>Technical Adjustments</b>					
Transfers Between Agencies			(3,300)	(3,300)	(6,600)
<b>Forecast Base</b>	<b>19,511</b>	<b>19,511</b>	<b>16,211</b>	<b>16,211</b>	<b>32,422</b>
<b>Natural Resources</b>					
Current Appropriation	17,225	17,225	17,225	17,225	34,450
<b>Technical Adjustments</b>					
Transfers Between Agencies			(4,152)	(4,152)	(8,304)
<b>Forecast Base</b>	<b>17,225</b>	<b>17,225</b>	<b>13,073</b>	<b>13,073</b>	<b>26,146</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	918	792	0	0	0
General	19,499	19,193	16,211	16,211	32,422
Minnesota Resources	110	0	0	0	0
Natural Resources	16,043	18,811	13,073	13,073	26,146
<b>Statutory Appropriations</b>					
Natural Resources	0	1	0	0	0
Special Revenue	5,015	5,247	4,661	4,661	9,322
Federal	0	179	50	50	100
Reinvest In Minnesota	10	14	0	0	0
Gift	133	398	242	242	484
<b>Total</b>	<b>41,728</b>	<b>44,635</b>	<b>34,237</b>	<b>34,237</b>	<b>68,474</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	23,839	23,636	23,433	23,433	46,866
Other Operating Expenses	9,105	11,350	10,235	10,235	20,470
Capital Outlay & Real Property	1,305	2,271	544	544	1,088
Local Assistance	7,479	7,378	25	25	50
<b>Total</b>	<b>41,728</b>	<b>44,635</b>	<b>34,237</b>	<b>34,237</b>	<b>68,474</b>
<b><u>Expenditures by Activity</u></b>					
Parks & Recreation Mgmt	41,728	44,635	34,237	34,237	68,474
<b>Total</b>	<b>41,728</b>	<b>44,635</b>	<b>34,237</b>	<b>34,237</b>	<b>68,474</b>
<b>Full-Time Equivalents (FTE)</b>	<b>447.6</b>	<b>437.4</b>	<b>437.4</b>	<b>437.4</b>	

**Program Description**

The purpose of the Trails and Waterways Management Program is to create recreation opportunities through a system of trails and water recreation facilities that contribute to a sustainable quality of life. This program is the responsibility of the DNR's Division of Trails and Waterways.

**Budget Activities Included:**

- ⇒ Non-motorized Recreation
- ⇒ Water Recreation
- ⇒ Motorized Recreation

**Key Measures**

DNR uses a range of performance measures to assess its programs in managing trails and waterways opportunities and services. For a more complete set of performance measures with detailed descriptions, please see the DNR's "***A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission***" ([www.dnr.state.mn.us/conservationagenda/index.html](http://www.dnr.state.mn.us/conservationagenda/index.html)).

See activity sections for specific measures.

# NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	1,260	1,510	1,510	1,510	3,020
<b>Technical Adjustments</b>					
One-time Appropriations			(1,510)	(1,510)	(3,020)
<b>Forecast Base</b>	<b>1,260</b>	<b>1,510</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	1,234	1,234	1,234	1,234	2,468
<b>Forecast Base</b>	<b>1,234</b>	<b>1,234</b>	<b>1,234</b>	<b>1,234</b>	<b>2,468</b>
<b>Natural Resources</b>					
Current Appropriation	21,155	18,255	18,255	18,255	36,510
<b>Technical Adjustments</b>					
One-time Appropriations			(1,243)	(1,243)	(2,486)
<b>Forecast Base</b>	<b>21,155</b>	<b>18,255</b>	<b>17,012</b>	<b>17,012</b>	<b>34,024</b>
<b>Game And Fish</b>					
Current Appropriation	2,171	1,684	1,684	1,684	3,368
<b>Forecast Base</b>	<b>2,171</b>	<b>1,684</b>	<b>1,684</b>	<b>1,684</b>	<b>3,368</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	1,111	2,867	0	0	0
General	1,330	1,398	1,234	1,234	2,468
Minnesota Resources	846	1,007	0	0	0
Natural Resources	17,874	23,375	17,012	17,012	34,024
Game And Fish	1,701	2,154	1,684	1,684	3,368
<b>Open Appropriations</b>					
Natural Resources	172	209	209	208	417
<b>Statutory Appropriations</b>					
Natural Resources	184	462	252	252	504
Special Revenue	679	388	131	81	212
Federal	2,241	3,240	3,540	3,540	7,080
Gift	59	130	79	79	158
<b>Total</b>	<b>26,197</b>	<b>35,230</b>	<b>24,141</b>	<b>24,090</b>	<b>48,231</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	8,831	9,500	8,588	8,588	17,176
Other Operating Expenses	4,568	6,766	4,511	4,461	8,972
Capital Outlay & Real Property	4,115	7,326	2,212	2,212	4,424
Payments To Individuals	1	0	0	0	0
Local Assistance	8,682	11,627	8,819	8,819	17,638
Transfers	0	11	11	10	21
<b>Total</b>	<b>26,197</b>	<b>35,230</b>	<b>24,141</b>	<b>24,090</b>	<b>48,231</b>

**NATURAL RESOURCES DEPT**

Program: TRAILS & WATERWAYS MGMT

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium 2006-07
	FY2004	FY2005	FY2006	FY2007	
<b><u>Expenditures by Activity</u></b>					
Non-Motorized Recreation	5,395	9,038	4,079	4,079	8,158
Water Recreation	8,731	10,176	7,981	7,931	15,912
Motorized Recreation	12,071	16,016	12,081	12,080	24,161
<b>Total</b>	<b>26,197</b>	<b>35,230</b>	<b>24,141</b>	<b>24,090</b>	<b>48,231</b>
<b>Full-Time Equivalents (FTE)</b>	<b>143.2</b>	<b>143.3</b>	<b>135.0</b>	<b>135.0</b>	

# NATURAL RESOURCES DEPT

**Program: TRAILS & WATERWAYS MGMT**

**Activity: NON-MOTORIZED RECREATION**

Narrative

## Activity Description

This activity provides trail recreation for state residents and tourists. It supports Department of Natural Resources (DNR) non-motorized trail-related activities primarily on state trails and in state forests.

## Population Served

The users served by this activity include:

- ◆ bicyclists;
- ◆ walkers;
- ◆ joggers;
- ◆ in-line skaters;
- ◆ hikers;
- ◆ horseback riders
- ◆ cross-country skiers; and
- ◆ Minnesotans and tourists who use or enjoy public waters.

## Activity at a Glance

- ◆ Nine paved state trails provided 896,373 annual hours of summertime use according to user surveys conducted by Trails and Waterways in 1996, 1997, and 1998.
- ◆ 14 state trails have paved surfaces for bicycle use.
- ◆ Adopt-a-River cleanups removed 181 tons of rubbish in calendar year 2003.

## Services Provided

The services provided by this activity include:

- ◆ administration of the State Trail Program;
- ◆ trail planning and surveying;
- ◆ management of capital budget acquisition and development projects;
- ◆ management of Legislative Commission on Minnesota Resources (LCMR) projects;
- ◆ administration of the Adopt-a-River program;
- ◆ administration of the Cooperative Trails Grant Program (local trail connections, regional trails, and national recreation trail grants [TEA-21]);
- ◆ development and maintenance of interpretive and vegetation management projects;
- ◆ maintenance of non-motorized state trails and DNR forestry trails; and
- ◆ development and distribution of public information materials (e.g., maps, brochures, etc.) for non-dedicated account activities.

## Key Measures

Minnesotans and tourists have outdoors access through a network of trails that promote recreational activities such as biking, hiking, skiing, and snowmobiling. Year-around recreation opportunities support Minnesota's high quality of life and its regional economies. Developing and sustaining a diverse trail system ensures DNR meets the needs of both tourists and local residents alike. State bicycle trails are an important part of this trail system.

### Indicator: Miles of State Trails

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY2004</u>	<u>FY2005</u>
State Trails	1,067	1,082	1,141	1,141	1,147	1,159
State Trails (bike)	330	345	365	400	406	418
TOTAL	1,397	1,427	1,506	1,541	1,553	1,577

### Indicator: Miles of Cross-Country Ski Trails

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY2004</u>	<u>FY2005</u>
DNR X-Country Ski	789	789	789	789	789	789
GIA X-Country Ski	1,003	1,003	1,003	1,003	1,003	1,003
TOTAL	1,792	1,792	1,792	1,792	1,792	1,792

**NATURAL RESOURCES DEPT**

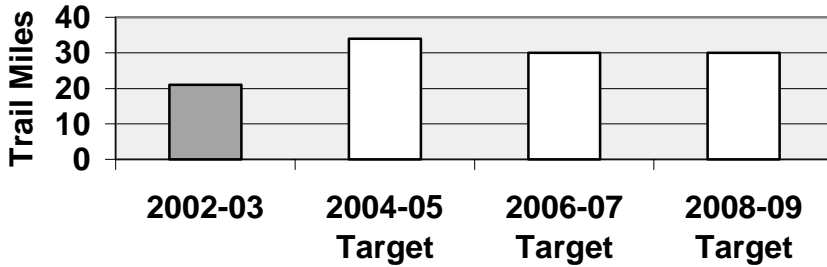
**Program: TRAILS & WATERWAYS MGMT**

**Activity: NON-MOTORIZED RECREATION**

Narrative

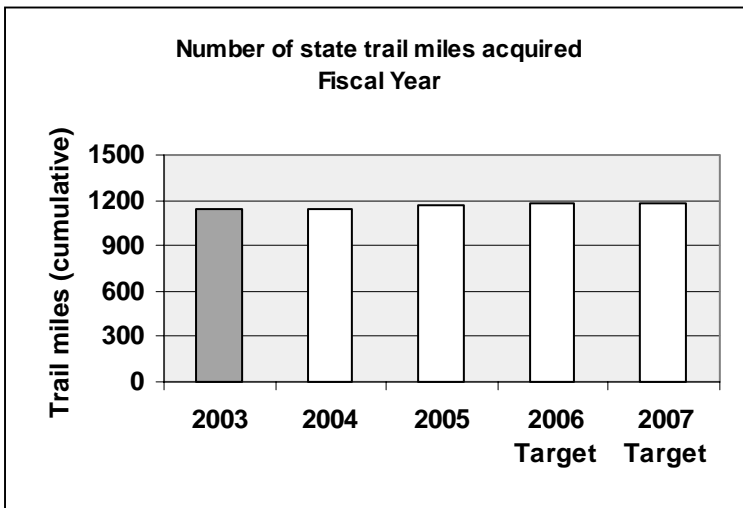
Currently there are 1,147 miles of state trail. Four hundred fifteen miles are paved, 379 with asphalt and 36 with crushed aggregate. DNR works with local trail associations, trail user groups, and communities to plan, acquire, develop, and manage the state trail system. Trails that were developed early in the history of the state trail program are in need of rehabilitation. Trail rehabilitation generally has been funded through the capital budget. For detailed descriptions of the following measures see DNR's *A Strategic Conservation Agenda, 2003-2007*.

Fiscal Years



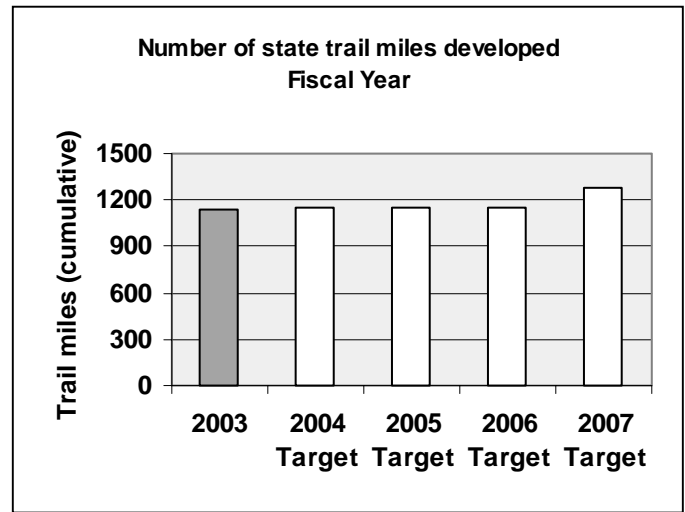
**Indicator:** Number of state trail miles rehabilitated.

**Target:** Rehabilitate approximately 30 miles of state trail every two years until 2009.



**Indicator:** Number of state trail miles acquired.

**Target:** Acquire 43 new state trail miles by the end of FY 2007, totaling 1,190 miles.



**Indicator:** Number of state trail miles developed.

**Target:** Develop 132 miles of state trails by the end of FY 2007, totaling 1,279 miles.

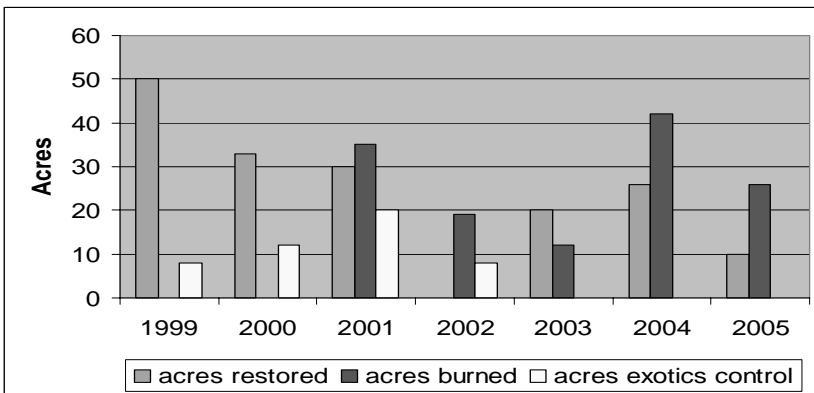
# NATURAL RESOURCES DEPT

**Program:** TRAILS & WATERWAYS MGMT

**Activity:** NON-MOTORIZED RECREATION

Narrative

Fiscal Year



**Indicator:** = Number of acres of natural vegetation restored and managed within trail rights-of-way.

**Target:** Maintain existing habitat restorations through appropriate management (e.g., prescribed burns and exotics control).

**Indicator: Adopt-A-River: Number of Cleanups Reported and Miles of Shoreline Cleaned**

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY2004</u>	<u>FY2005</u>
Cleanups Reported	155	170	185	136	150	155
Miles Cleaned	511	611	650	469	530	535

**Activity Funding**

This activity is funded primarily through General Fund appropriations and the Cross Country Ski Account (Cross-Ski passes also).

**Contact**

John Linc Stine  
 Assistant Director  
 Phone: (651) 296-0440  
 Fax: (651) 297-4575  
 E-mail: [linc.stine@dnr.state.mn.us](mailto:linc.stine@dnr.state.mn.us)

Additional information can be obtained on the DNR website at [dnr.state.mn.us](http://dnr.state.mn.us)."



**NATURAL RESOURCES DEPT**

**Program: TRAILS & WATERWAYS MGMT**

**Activity: NON-MOTORIZED RECREATION**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	262	2,092	0	0	0
General	1,330	1,398	1,234	1,234	2,468
Minnesota Resources	846	1,007	0	0	0
Natural Resources	1,212	1,246	0	0	0
<b>Statutory Appropriations</b>					
Natural Resources	6	423	216	216	432
Special Revenue	575	285	76	76	152
Federal	1,142	2,500	2,500	2,500	5,000
Gift	22	87	53	53	106
<b>Total</b>	<b>5,395</b>	<b>9,038</b>	<b>4,079</b>	<b>4,079</b>	<b>8,158</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	1,559	1,396	846	846	1,692
Other Operating Expenses	766	1,024	512	512	1,024
Capital Outlay & Real Property	742	2,015	5	5	10
Local Assistance	2,328	4,603	2,716	2,716	5,432
<b>Total</b>	<b>5,395</b>	<b>9,038</b>	<b>4,079</b>	<b>4,079</b>	<b>8,158</b>
<b>Full-Time Equivalents (FTE)</b>	<b>26.3</b>	<b>20.2</b>	<b>12.9</b>	<b>12.9</b>	

**Activity Description**

The purpose of the Water Access and Recreation activity is to provide the public with water-based recreational boating and fishing opportunities and services. This activity provides the public with access (M.S. 97A.141) to lakes, streams, river corridors and designated canoe and boating routes (M.S. 85.32) for boaters, anglers, paddlers, and other users. Safe harbors (M.S. 86A20-24) on Lake Superior provide trailerable boat access and boat slips for larger boats in a protected harbor.

**Activity at a Glance**

- ◆ Minnesota ranks fourth in the nation for total boats registered (845,000).

**Population Served**

All Minnesotans and tourists who boat, canoe, or fish or who wish to access Minnesota's lakes and rivers.

**Services Provided**

Major responsibilities of the activity:

⇒ *Boat Access Sites*

The 3,000 sites are one to seven acres in size, contain a boat launch ramp, a parking lot, an entrance road, and amenities such as toilets, docks, security lights, and information kiosks. One half of the sites are owned and operated by Department of Natural Resources (DNR). When building or upgrading access sites, DNR also looks for partnerships where DNR provides the capital/construction investment and the local community maintains and operates the facility. Services provided include maps and information guides and onsite maintenance. One half of the sites are locally maintained and operated.

⇒ *River Recreation*

Facilities and services on 26 rivers, designated as a canoe and boating route, are provided by DNR, including primitive campsites, rest areas, portage trails, and launch sites. Services include river cleanup, snag removal, maps and information guides, water level reports, and marking and signing of hazards. When needed, new access sites are acquired and developed according to management objectives and demonstrated need, often in cooperation with local units of government. There are currently 525 access sites on Minnesota rivers; 60% are operated by the DNR and 40% were developed in cooperation with local governments.

⇒ *Lake Superior Safe Harbors*

Implementation of the North Shore Harbors Plan, and subsequent legislation establishing safe harbors, began in 1999 with the completion of the Silver Bay safe harbor and marina. Taconite Harbor, a boat access and safe harbor only, was completed in fall 2001. Construction of the McQuade Road (Duluth) safe harbor and access will begin in fall 2004. State and federal funds have been appropriated for an additional harbor at Two Harbors that is in the land acquisition and design phase. All sites have active local participation and are constructed in cooperation with the U.S. Army Corps of Engineers. All facilities provide boat access and protection from storms, and some will provide gas, dockage, sewage pump outs, and other services related to boating and fishing. DNR is working with local groups and communities to plan future safe harbors and accesses at Knife River, Two Harbors, Grand Marais, and Grand Portage.

**Historical Perspective**

Minnesotans rely heavily on public water access sites. A survey conducted by the University of Minnesota showed that three-fourths of state boat owners launch at public boat access sites at least once a year. Minnesota ranks fourth in the nation for total boats registered (845,000) and first in the nation in the number of boats per capita (one boat for every six people).

In the 1996 Metro, 1998 Brainerd, 2001 Central Lakes, and 2003 Lower Mississippi River boating studies, boat access users gave high marks to the quality of boat access. In the Brainerd study, and to a lesser degree in the central lakes study, boat accesses were identified as becoming an asset to lakeside homeowners and resorts, who accounted for nearly 40% of access use. Over 50% of public access use is for fishing. Public accesses are becoming a necessity for all boaters, especially since boat and motor size has increased and rendered many small private accesses useless.

# NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: WATER RECREATION

Narrative

## Key Measures

- ◆ **Acquisition, development and maintenance of boat access sites.** Approximately 70% of DNR's goal for boat access sites has been attained.

**Indicator:** Number of Boat Access Sites

	<u>Fiscal Years</u>	<u>No. Sites</u>
<b>Target:</b> DNR anticipates constructing 10 new water access sites and one Lake Superior safe harbor/access in FY 2006-07.	1998-99	1,525
	2000-01	1,550
	2002-03	1,560
	2004-05	1,570

**Indicator:** Minnesota boater satisfaction levels with public access facilities. DNR uses periodic surveys to measure satisfaction levels with facilities and services. The survey ratings below are from a 2001 survey and represent a small improvement over a 1987 survey.



- ◆ **Future Indicators**

DNR will be adding a key measure in the future to address the miles of locally-administered water accesses.

## Activity Funding

Almost 35% of the current funding for this budget activity is appropriated from the Water Recreation Fund. This fund has two revenue sources: unfunded highway gas tax collected on gasoline used in boats; and watercraft registration fees. We also receive federal Wallop/Breaux funds for boat access from the following two sources: 1) the Game and Fish Fund, based on a federal law requiring 15% of federal receipts from the Sport Fish Restoration Program be spent on public access facilities (75% reimbursement); and 2) the Boat Safety Account administered by the U.S. Coast Guard (50% match).

## Contact

John Linc Stine

Assistant Director

Phone: (651) 296-0440

Fax: (651) 297-5475

E-mail: [linc.stine@dnr.state.mn.us](mailto:linc.stine@dnr.state.mn.us)

Additional information can be obtained on the DNR website at <http://www.dnr.state.mn.us/>.

**NATURAL RESOURCES DEPT**  
**Program: TRAILS & WATERWAYS MGMT**  
**Activity: WATER RECREATION**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	849	775	0	0	0
Natural Resources	4,901	6,208	5,026	5,026	10,052
Game And Fish	1,701	2,154	1,684	1,684	3,368
<b>Open Appropriations</b>					
Natural Resources	99	114	114	114	228
<b>Statutory Appropriations</b>					
Natural Resources	27	39	36	36	72
Special Revenue	18	103	55	5	60
Federal	1,099	740	1,040	1,040	2,080
Gift	37	43	26	26	52
<b>Total</b>	<b>8,731</b>	<b>10,176</b>	<b>7,981</b>	<b>7,931</b>	<b>15,912</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	3,206	3,658	3,497	3,497	6,994
Other Operating Expenses	2,401	2,568	2,123	2,073	4,196
Capital Outlay & Real Property	2,850	3,630	2,207	2,207	4,414
Local Assistance	274	320	154	154	308
<b>Total</b>	<b>8,731</b>	<b>10,176</b>	<b>7,981</b>	<b>7,931</b>	<b>15,912</b>
<b>Full-Time Equivalents (FTE)</b>	<b>52.5</b>	<b>56.4</b>	<b>55.4</b>	<b>55.4</b>	

# NATURAL RESOURCES DEPT

**Program:** TRAILS & WATERWAY MGMT

**Activity:** MOTORIZED RECREATION

Narrative

## Activity Description

This activity funded through the dedicated accounts within the Natural Resources Fund provides motorized trails users the opportunity to access and enjoy the outdoors in a safe, responsible manner while protecting sensitive resources and fostering local economic development.

### Activity at a Glance

- ◆ Four grant programs provided
- ◆ 269,000 registered snowmobiles
- ◆ 206,000 registered ATV's

## Population Served

This activity provides services to trails users who contribute to dedicated accounts through registration fees and in most cases unrefunded gas tax. The recreational activities of these trail users include:

- ◆ Snowmobiling;
- ◆ All-Terrain Vehicles;
- ◆ Off-Highway Motorcycles;
- ◆ Off-Road Vehicles.

## Services Provided

The services provided by this activity include:

- ◆ maintenance and operations of state trails;
- ◆ development on some state trails and in state forests;
- ◆ monitoring and maintenance of trails in state forest;
- ◆ operation of the Iron Range off-highway vehicle recreation areas;
- ◆ grant programs to local units of government;
- ◆ development and distribution of public information materials (e.g., maps, brochures, interpretive, etc.); and
- ◆ administration of dedicated account activities done by Trails and Waterways.

## Key Measures

- ◆ Develop and maintain trails to meet the growing demand for motorized recreational trails.

### Indicator: Miles of Department of Natural Resources Trails

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY2004</u>	<u>Target</u> <u>FY2005</u>
DNR-Snowmobile	2,135	2,135	2,135	2,135	2,135	2,135
DNR-Trail-ATV	151	181	212	263	289	300
DNR-Trail-Off-Hwy Motorcycle	192	192	192	192	192	197
DNR-Trail-Off Road Vehicle	11	11	11	11	11	11
<b>TOTAL</b>	<b>2,489</b>	<b>2,519</b>	<b>2,550</b>	<b>2,601</b>	<b>2,627</b>	<b>2,643</b>

- ◆ Administer a trail system that anticipates and responds to changing public demand through local trail grants.

### Indicator: Miles of Grant-In-Aid (GIA) Trails

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY2004</u>	<u>Target</u> <u>FY2005</u>
GIA-Snowmobile	15,000	15,200	15,400	18,200	18,250	18,300
GIA-All Terrain Vehicle	468	505	505	525	601	631
GIA-Off-Hwy Motorcycle	88	113	113	113	119	125
GIA-Off Road Vehicle	0	0	0	0	0	0
<b>TOTAL</b>	<b>15,556</b>	<b>15,818</b>	<b>16,018</b>	<b>18,838</b>	<b>18,990</b>	<b>19,056</b>

## NATURAL RESOURCES DEPT

**Program:** TRAILS & WATERWAY MGMT

**Activity:** MOTORIZED RECREATION

Narrative

- ◆ Inventory all forest roads and trails on more than four million acres of forestlands by October 31, 2004; designate forest roads and trails as open or closed to motorized use and reclassify "managed" forests as "limited" or "closed" by December 31, 2006.

**Indicator:** Number and acres of state forests with a completed forest road and trail inventory; number of miles and location of Off-Highway Vehicle (OHV) trails designated and closed (future indicator).

**Target Status:** As of June 1, 2004, DNR is 50% complete with the forestland inventory phase (approximately two million acres) and roads and trails within six state forests have been through the preliminary phase of the designation process.

- ◆ **Future Indicators**

DNR will be adding a key measure in the future to address the miles of locally administered trails.

### Activity Funding

This activity is funded primarily through dedicated revenues from the Natural Resources Fund and with supplemental funding from the General Fund for cross-country ski. Revenues generated for the Off-Highway Motorcycle (OHM), Off-Road Vehicle (ORV), All-terrain Vehicle (ATV), and Snowmobile Safety and Enforcement Funds come from vehicle registrations and unrefunded gas tax. Unrefunded gas taxes are those tax dollars attributed to fuel consumed while using public lands and trails.

### Contact

John Linc Stine

Assistant Director

Phone: (651) 296-0440

Fax: (651) 297-5475

E-mail: [linc.stine@dnr.state.mn.us](mailto:linc.stine@dnr.state.mn.us)

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**NATURAL RESOURCES DEPT**  
**Program: TRAILS & WATERWAYS MGMT**  
**Activity: MOTORIZED RECREATION**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Natural Resources	11,761	15,921	11,986	11,986	23,972
<b>Open Appropriations</b>					
Natural Resources	73	95	95	94	189
<b>Statutory Appropriations</b>					
Natural Resources	151	0	0	0	0
Special Revenue	86	0	0	0	0
<b>Total</b>	<b>12,071</b>	<b>16,016</b>	<b>12,081</b>	<b>12,080</b>	<b>24,161</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	4,066	4,446	4,245	4,245	8,490
Other Operating Expenses	1,401	3,174	1,876	1,876	3,752
Capital Outlay & Real Property	523	1,681	0	0	0
Payments To Individuals	1	0	0	0	0
Local Assistance	6,080	6,704	5,949	5,949	11,898
Transfers	0	11	11	10	21
<b>Total</b>	<b>12,071</b>	<b>16,016</b>	<b>12,081</b>	<b>12,080</b>	<b>24,161</b>
<b>Full-Time Equivalent (FTE)</b>	<b>64.4</b>	<b>66.7</b>	<b>66.7</b>	<b>66.7</b>	

### Program Description

The purpose of the Fish and Wildlife Management Program is to manage fish and wildlife, their habitats, and public use of fish and wildlife, including fishing, hunting, and trapping. This program is the responsibility of the Department of Natural Resources' (DNR's) Division of Fish and Wildlife.

It is the policy of the state that fish and wildlife are renewable natural resources to be conserved and enhanced through planned scientific management, protection, and use (M.S. 84.941). Hunting and fishing were recognized as a valued part of Minnesota's heritage to be managed by law and regulation for the public good when approved as Constitutional Amendment 13, Section 12, in 1998 by more than 77% of voters in the general election.

### Program at a Glance

- ◆ Serves 2.2 million anglers, 600,000 hunters, and 2.2 million wildlife viewers.
- ◆ Fishing, hunting, wildlife watching, and trapping generate \$2.7 billion in annual expenditures in Minnesota.

### Historical Perspective

On April 14, 2004, the commissioner announced an organizational restructuring at the managerial level of the Division of Fish and Wildlife. The goal of the change is to better manage budget and finances of the division; to better focus on planning, operations, and the decision-making process; and to improve the division's relationships with external stakeholders and partners.

Central management of the Fish and Wildlife Division is coordinated through five sections: 1) Operations; Programs; 2) Outreach; 3) Policy; 4) Programs; and 5) Administrative Services. Field programs are delivered through Fisheries Management and Wildlife Management activities in regional and area offices and by a statewide system of licensing agents (see activity narratives).

- ⇒ **Operations.** The Operations Section oversees division field staff in regional and area offices throughout the state. This section acquires and develops wildlife management and aquatic management areas, acquires stream easements, conducts habitat improvement projects, develops and maintains lands and user facilities, provides technical assistance to private landowners, conducts habitat and population surveys, conducts warmwater culture and fish stocking, and administers field aspects of hunting and fishing seasons.
- ⇒ **Outreach.** The Outreach Section focuses on customer service and information. This section oversees education, communications, recruitment, and partnering efforts. It includes MinnAqua (aquatic education), hunter/angler recruitment and retention, the Southeast Asian Outreach Program (and other minority outreach efforts), comprehensive lakes management, private/public lands outreach, partnering, ensuring hunting and fishing opportunities for people with disabilities, providing information, media relations, and agricultural relations for private land fish and wildlife habitats.
- ⇒ **Policy.** The Policy Section integrates scientific data and analyses into development of division policy, direction and issue management, and it coordinates division legislative involvement and initiatives. The Policy Section is divided into Research and Planning/Policy units. The Research unit oversees research projects on applied investigation areas relevant to improving fish and wildlife management, coordinates the collection and data analysis of wildlife habitat and population surveys, and develops and analyzes data necessary to manage treaty-related harvests. The Planning/Policy unit oversees strategic planning, issue identification and management, human dimensions and demographic surveys and analyses, policy development, and evaluation of division programs to assure effectiveness and accountability.
- ⇒ **Programs.** The Programs Section is divided into Fisheries Programs and Wildlife Programs units. Fisheries programs include commercial, cool and warmwater fisheries, coldwater (trout and salmon) fisheries, lake and stream surveys, shoreland habitat management, and coldwater fish culture. Wildlife programs include wetland wildlife, forest wildlife, farmland wildlife, big game, furbearers, hunting and trapping season management, and wildlife damage abatement. The Programs Section oversees division rulemaking and provides for effective, consistent, and coordinated development and delivery of statewide fish and wildlife programs and activities.



⇒ **Administrative Services.** The Administrative Services Section manages division budgets, revenues, business functions, grants, fleet and facilities, information systems, and the License Center. This section applies effective financial management strategies, simplifies budget reporting for accountability to oversight committees and the public, leverages monies for fish and wildlife conservation, effectively manages grant programs, and oversees the issuance of hunting and fishing licenses as well as other DNR licensing functions.

**Key Measures**

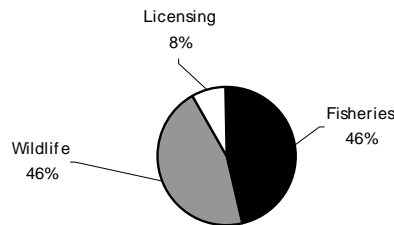
The Division of Fish and Wildlife uses a range of performance measures to assess its progress towards management, protection, use, understanding, and enjoyment of Minnesota’s fish and wildlife resources. For a comprehensive set of performance measures and more detailed descriptions of each measure, please see DNR’s **“A Strategic Conservation Agenda, 2003 –2007: Measuring Progress toward Mission”** ([www.dnr.state.mn.us/conservationagenda/index.html](http://www.dnr.state.mn.us/conservationagenda/index.html)).

See activity sections for specific fish and wildlife measures.

**Program Funding**

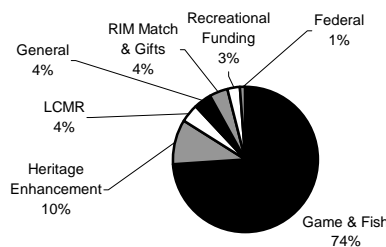
The program funding for the Division of Fish and Wildlife is split into three distinct activities: Fisheries, Wildlife and Licensing (see chart below).

**FY 2004-05 Program Breakdown by Activity**



Approximately 74% of the overall operating funding for the Division is from the Game and Fish Fund. The remainder of funding comes from a variety of funding sources including LCMR, General Fund, Water Recreation, ATV, OHV, Snowmobile, Heritage Enhancement, Federal Funds, Gifts, and RIM Critical Habitat Match. A pie chart showing the distribution by funding source is below.

**FY 2004-05 Division Operating Funding**



**Contact**

General information on the Division of Fish and Wildlife can be found on the Department of Natural Resources website <http://www.dnr.state.mn.us/index.html>. A wide variety of general and technical publications are also available.

Contact for additional information:

Edward K. Boggess, Chief  
Policy Section  
Division of Fish and Wildlife  
Phone: (651) 297-2072  
Fax: (651) 297-4961  
E-mail: [Ed.Boggess@dnr.state.mn.us](mailto:Ed.Boggess@dnr.state.mn.us)

# NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	910	1,071	1,039	1,039	2,078
<b>Technical Adjustments</b>					
One-time Appropriations			(1,039)	(1,039)	(2,078)
<b>Forecast Base</b>	<b>910</b>	<b>1,071</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	1,871	1,871	1,871	1,871	3,742
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			204	204	408
<b>Forecast Base</b>	<b>1,871</b>	<b>1,871</b>	<b>2,075</b>	<b>2,075</b>	<b>4,150</b>
<b>Natural Resources</b>					
Current Appropriation	197	197	197	197	394
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			1,195	1,195	2,390
<b>Forecast Base</b>	<b>197</b>	<b>197</b>	<b>1,392</b>	<b>1,392</b>	<b>2,784</b>
<b>Game And Fish</b>					
Current Appropriation	50,776	51,122	51,122	51,122	102,244
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			1,457	1,457	2,914
<b>Forecast Base</b>	<b>50,776</b>	<b>51,122</b>	<b>52,579</b>	<b>52,579</b>	<b>105,158</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	1,708	1,691	0	0	0
General	2,173	2,458	2,075	2,075	4,150
Minnesota Resources	298	400	0	0	0
Natural Resources	1,192	1,575	1,392	1,392	2,784
Game And Fish	47,410	57,107	52,579	52,579	105,158
<b>Open Appropriations</b>					
General	7,610	7,843	7,878	7,934	15,812
Game And Fish	725	818	812	807	1,619
<b>Statutory Appropriations</b>					
General	2	275	0	0	0
Natural Resources	1,007	1,420	963	1,010	1,973
Special Revenue	694	809	700	700	1,400
Game And Fish	2,769	3,512	2,467	2,467	4,934
Federal	463	637	713	713	1,426
Reinvest In Minnesota	1,489	2,601	2,175	2,175	4,350
Gift	147	837	244	244	488
<b>Total</b>	<b>67,687</b>	<b>81,983</b>	<b>71,998</b>	<b>72,096</b>	<b>144,094</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	37,302	39,446	38,902	38,902	77,804
Other Operating Expenses	16,420	24,036	17,466	17,513	34,979
Capital Outlay & Real Property	4,518	8,274	5,781	5,781	11,562
Local Assistance	9,447	10,213	9,841	9,897	19,738
Transfers	0	14	8	3	11
<b>Total</b>	<b>67,687</b>	<b>81,983</b>	<b>71,998</b>	<b>72,096</b>	<b>144,094</b>

**NATURAL RESOURCES DEPT**

Program: FISH & WILDLIFE MANAGEMENT

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<b><u>Expenditures by Activity</u></b>					
Fish Management	37,755	40,475	38,220	38,271	76,491
Wildlife Management	24,794	35,520	28,141	28,141	56,282
Licensing	5,138	5,988	5,637	5,684	11,321
<b>Total</b>	<b>67,687</b>	<b>81,983</b>	<b>71,998</b>	<b>72,096</b>	<b>144,094</b>
<b>Full-Time Equivalents (FTE)</b>	<b>631.4</b>	<b>655.7</b>	<b>655.7</b>	<b>655.7</b>	

**Activity Description**

The Fish Management Activity protects, maintains, and enhances Minnesota’s fishery resources and aquatic communities for recreational, ecological, and economic benefits to the state. The Division of Fish and Wildlife is the sole entity responsible for managing the state’s public fisheries resources. In addition to other units in the Department of Natural Resources (DNR), state environmental agencies, such as Agriculture, Health, Pollution Control, and the Board of Water and Soil Resources have responsibility for environmental regulation and management that impact water quality and aquatic habitat. Local units of government also have regulatory authority that impacts aquatic resources. Major fisheries issues include increasing fishing pressure, technology, and harvest, and, most important, the continual degradation of fish habitat from shoreline and watershed developments and non-point source pollution.

**Activity at a Glance**

- ◆ Fish Management influences recreational and commercial fisheries and aquatic habitat on approximately 5,400 lakes and 16,000 miles of fishable streams and rivers.
- ◆ About 30 million pounds of fish are harvested annually in Minnesota.
- ◆ 2.2 million anglers, 1,500 commercial fisheries operators, over 2,000 resort and ancillary tourist businesses are served.
- ◆ Sport fishing generates about \$1.6 billion each year in direct expenditures to the state’s economy.

**Population Served**

Primary stakeholders include anglers and fishing-related businesses. However, because fishing and the health of the aquatic environment are so important to the state’s economy and overall well being, virtually all Minnesotans have a stake in the management of our fisheries and aquatic resources.

**Services Provided**

The Fish Management Activity provides services that maintain and enhance game fish populations and aquatic habitat for the state’s anglers and businesses that depend on fishing. Core functions include:

- ◆ monitoring fish populations and aquatic habitat;
- ◆ protecting, improving, and restoring fish populations and aquatic habitat;
- ◆ propagating fish for stocking in publicly accessible waters;
- ◆ providing public information and aquatic education; and
- ◆ planning, coordination, and administration.

- ⇒ **Fish Population and Aquatic Habitat Monitoring.** Primary goals or outcomes for population and habitat monitoring include: 1) collection and distribution of knowledge about fish populations, aquatic ecosystems and management techniques among resource professionals, 2) improving information about individual lake and stream management for decision makers and the public, and 3) expand knowledge about angler attitudes, actions, and satisfaction levels among resource professionals.
- ⇒ **Fish Population and Aquatic Habitat Management.** Healthy aquatic habitats support sustainable fish populations for recreational and commercial users. Management of healthy aquatic habitats and fish populations requires the protection, restoration, and improvement of those habitats. Other goals or outcomes include expanded access to aquatic resources, improved numbers and sizes of fish through special and experimental regulations, and expansion of the quality and diversity of angling opportunities.
- ⇒ **Fish Propagation and Stocking.** Fish propagation includes the production of appropriate genetic fish strains and healthy fish stocks that can be used to meet management goals. Certain fish communities are restored, enhanced and maintained through stocking to meet angler interests.
- ⇒ **Public Information and Aquatic Education.** Fisheries Managers collaborate with the public, commercial, and governmental organizations on fish and aquatic habitat management efforts. With high interest in fishing in Minnesota, it is critically important that the public is aware of natural and altered aquatic systems and how

these systems need to be managed for the public good, as well as recreational fishing regulations to fully appreciate and enjoy fish and wildlife resources.

- ⇒ **Planning, Coordination, and Administration.** In order to meet Fish Management goals and outcomes it is necessary to maintain a healthy, skilled, knowledgeable, and productive workforce. Agency resources are effectively used by using appropriate techniques to accomplish fisheries goals and outcomes.

### **Historical Perspective**

In general, fisheries for many of Minnesota's important game fish species are in good condition including largemouth and smallmouth bass, muskellunge, brook and brown trout, lake trout, and catfish. Walleye numbers in lakes with natural reproduction are generally good to excellent. Although stocked walleye populations are in generally good shape also, there is some concern that past stocking reductions caused declines on some waters. An accelerated walleye program has been funded and implemented to address these concerns.

Bluegill and black crappie numbers remain high, but decreasing average size is a major concern. The same is true of northern pike and yellow perch. Lake trout populations are holding up well in their native range in northeast Minnesota, but harvest is at non-sustainable levels on some waters. The division has taken steps to address these species of concern through statewide and lake/stream specific fishing regulation changes.

### **Key Measures**

Primary performance measures for the Fish Management Activity are:

- ⇒ Game fish abundance and average size as measured by net catches and other sampling from the survey and assessment program.
- ⇒ Angler catch rates and average size of various fish species as measured by creel surveys.
- ⇒ Angler satisfaction as measured by attitude surveys.
- ⇒ Fisheries management plans developed with constituent input for each managed water.
- ⇒ Regulations that protect the fisheries resource and provide sustainable quality angling opportunities.
- ⇒ Aquatic habitat capable of sustaining recreational and commercial fisheries.
- ⇒ A public knowledgeable of the fisheries resource and the ecology, conservation, and ethics of fishing.

The following measures illustrate several core program activities and their conservation results. For a more complete set of performance measures and more detailed descriptions of each measure, please see DNR's "***A Strategic Conservation Agenda, 2003 -2007: Measuring Progress toward Mission***" ([www.dnr.state.mn.us/conservationagenda/index.html](http://www.dnr.state.mn.us/conservationagenda/index.html)).

**NATURAL RESOURCES DEPT**

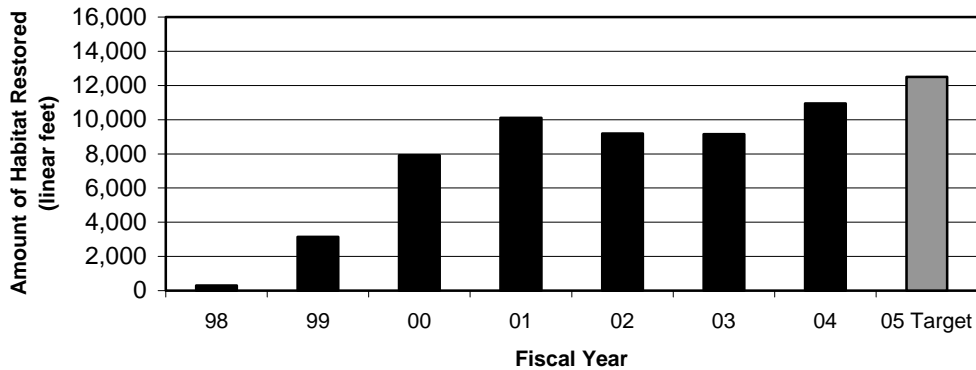
**Program: FISH & WILDLIFE MANAGEMENT**

**Activity: FISH MANAGEMENT**

Narrative

**Shoreline Habitat Conservation:** Healthy shorelines have long been recognized as critical for water quality, aquatic plants and essential habitat for fish and wildlife that live in or near Minnesota’s lakes and streams. DNR works with partners to manage and restore shoreline habitat.

**Shoreline Habitat Restored**

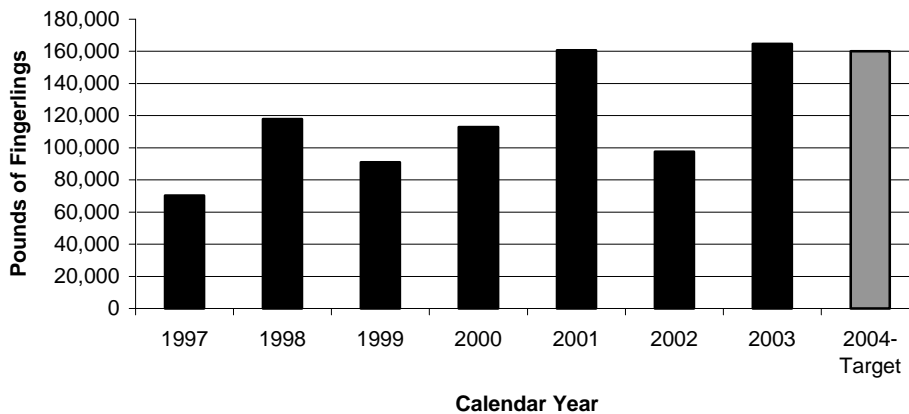


**Indicators:** Amount of shoreline habitat restored

**Target:** Restore 10,000 to 15,000 linear feet of shoreline each year.

**Walleye Stocking:** Walleye fishing is an integral part of Minnesota’s outdoor fishing heritage. Minnesota has a 36% participation rate in fishing—the second highest in the nation, behind Alaska.

**Pounds of Walleye Fingerlings Stocked**



**Indicator:** Pounds of walleye fingerlings stocked; walleye population levels

**Target:** Stock 160,000 pounds of walleye fingerlings each year

# NATURAL RESOURCES DEPT

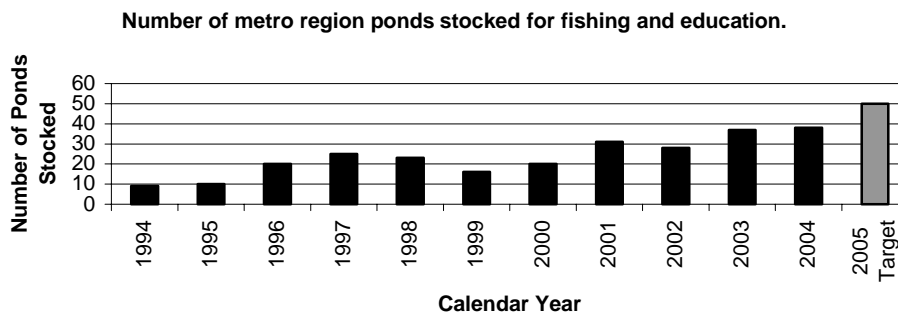
**Program:** FISH & WILDLIFE MANAGEMENT

**Activity:** FISH MANAGEMENT

Narrative

The DNR protects and improves walleye habitat, regulates catch, and stocks walleye into approximately 900 lakes where natural reproduction is lacking. DNR has obtained public input on walleye management for more than 350 lakes since 1999. Each lake has its own fisheries management objectives, such as stocking targets. To achieve individual lake stocking targets, the DNR produces fingerlings (four to six inch walleyes) in natural rearing ponds. Stocking is just one part of the picture; however, most walleye caught in Minnesota are from natural reproduction.

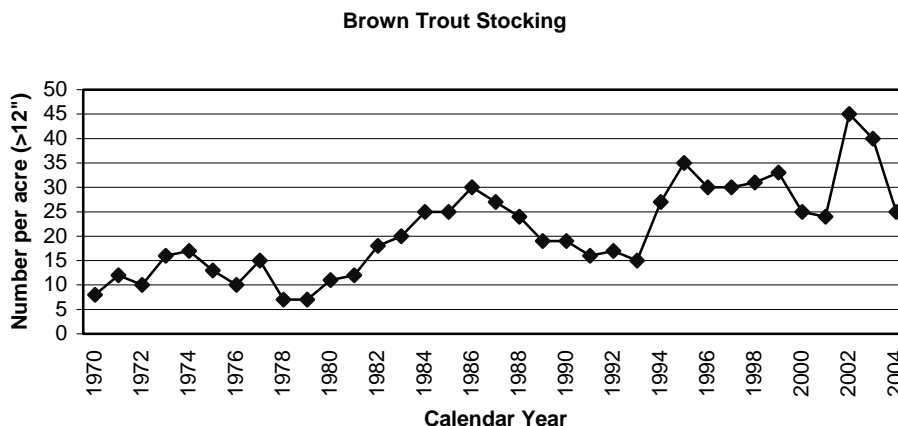
**Twin Cities Metropolitan Area Fishing:** With more than two million anglers in Minnesota, it's clear that fishing is one of our state's most popular pastimes. As the state's population has grown, people have become concentrated in the greater metro region. The metro region has over 900 small lakes, but many area residents don't have access to them. Only one in six Minnesotans owns a boat, and many water bodies lack shorefishing facilities. We need to provide adequate fishing locations and management in the metro region to assure future generations will have opportunities to experience our outdoor fishing heritage.



**Indicator:** Number of metro ponds stocked for fishing and education

**Target:** Stock 40-50 lakes, primarily with bluegill and crappie each year

**Brown Trout Populations:** Trout management in southeastern Minnesota streams dates back to the 1870s with the introduction of angling regulations and trout stocking. Today, southeastern Minnesota has 181 cold-water streams totaling 790 miles. DNR activities focus on protection and improvement of trout streams. Trout are stocked in streams that cannot support a fishery through natural reproduction.



**Indicator:** Brown trout population levels



# NATURAL RESOURCES DEPT

**Program:** FISH & WILDLIFE MANAGEMENT

**Activity:** FISH MANAGEMENT

Narrative

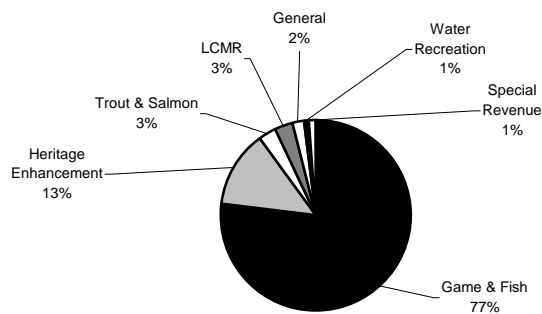
**Target:** Maintain or increase larger brown trout populations

## Activity Funding

This Activity generates revenue from the sale of fishing licenses and from reimbursement under the Federal Aid to Sport Fish Restoration Program. These revenues are deposited in the dedicated Game and Fish Fund to support the Fish Management Activity. The Heritage Enhancement Account, a sub-account of the Game and Fish Fund that was authorized by the 2000 legislature, is funded from a percentage of lottery revenues in lieu of sales tax. In addition, Fisheries generates dedicated revenue from cooperative agreements, sales of publications, and gifts.

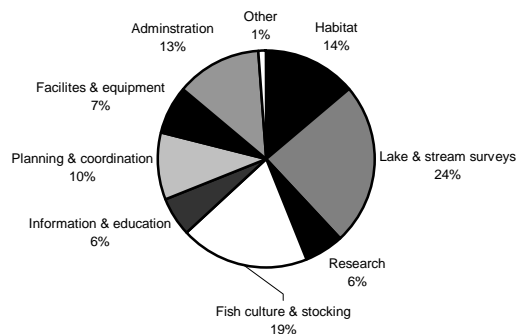
The direct operating budget for FY 2004-05 includes the following sources of funds: Game and Fish (77%); Heritage Enhancement (13%); Trout and Salmon (3%); Legislative Commission on Minnesota Resources (LCMR) (3%); General (2%); Water Recreation (1%); and Special Revenue (1%).

**Fish Management Direct Funding  
FY 2004-05**



Fisheries expenditures are summarized into 9 core activities. A breakdown of FY 2004 activity expenditures are shown below.

**Activity Expenditures  
FY 2004**



## NATURAL RESOURCES DEPT

**Program:** FISH & WILDLIFE MANAGEMENT

**Activity:** FISH MANAGEMENT

Narrative

The Fish Management Activity generates revenue from the sale of fishing licenses and from reimbursement under the Sportfishing Restoration Act. This U.S. Fish and Wildlife Service Federal Aid program, commonly referred to as the Dingle-Johnson Act (DJ), manages the distribution of revenues derived from federal excise taxes on fishing equipment to state fish and wildlife agencies through grants. In FY 2004-05 the grants under this program will generate over \$20 million in reimbursement. These revenues are deposited in the dedicated Game and Fish Fund to support the Fish Management Activity. In addition, the Division generates dedicated revenue from cooperative agreements, natural resources sales, sales of publications, and gifts.

### Contact

The following web sites offer additional information on the fish management activity.

The DNR Fishing information page at <http://www.dnr.state.mn.us/fishing/index.html> provides selected game fish information, news releases, and reports.

The "Lake Finder" at <http://www.dnr.state.mn.us/lakefind/index.html> provides management information about specific lakes. It also provides information about stocking, fish consumption advice, and water quality.

For general information about the Fish Management and local area fisheries office news see <http://www.dnr.state.mn.us/fisheries/index.html>.

For general information about fish management see <http://www.dnr.state.mn.us/fisheries/management/index.html>.

Ron Payer, Manager  
Program Section  
Division of Fish and Wildlife  
Phone: (651) 297-4098  
Fax: (651) 297-4916  
E-mail: [Ron.Payer@dnr.state.mn.us](mailto:Ron.Payer@dnr.state.mn.us)

**NATURAL RESOURCES DEPT**  
**Program: FISH & WILDLIFE MANAGEMENT**  
**Activity: FISH MANAGEMENT**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	867	686	0	0	0
General	596	617	509	509	1,018
Minnesota Resources	81	0	0	0	0
Natural Resources	197	213	213	213	426
Game And Fish	27,262	29,581	28,516	28,516	57,032
<b>Open Appropriations</b>					
General	7,610	7,843	7,878	7,934	15,812
Game And Fish	725	818	812	807	1,619
<b>Statutory Appropriations</b>					
Natural Resources	161	80	0	0	0
Special Revenue	214	257	175	175	350
Federal	23	76	25	25	50
Gift	19	304	92	92	184
<b>Total</b>	<b>37,755</b>	<b>40,475</b>	<b>38,220</b>	<b>38,271</b>	<b>76,491</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	21,250	22,166	22,142	22,142	44,284
Other Operating Expenses	6,337	8,747	7,196	7,196	14,392
Capital Outlay & Real Property	2,193	1,398	693	693	1,386
Local Assistance	7,975	8,150	8,181	8,237	16,418
Transfers	0	14	8	3	11
<b>Total</b>	<b>37,755</b>	<b>40,475</b>	<b>38,220</b>	<b>38,271</b>	<b>76,491</b>
<b>Full-Time Equivalent (FTE)</b>	<b>364.1</b>	<b>380.8</b>	<b>380.8</b>	<b>380.8</b>	

**Activity Description**

The Wildlife Management Activity exists to provide management, protection, use, understanding, and enjoyment of the state's wildlife (M.S. 84.941).

The Division of Fish and Wildlife is the primary authority responsible for wildlife population management and harvest regulation, providing healthy wildlife populations for hunting and viewing activities, as well as resolving conflicts between humans and wildlife.

Because of the critical role of habitat in maintaining healthy and diverse wildlife populations, this program is also the primary lead for other programs that deal with acquiring, managing, and restoring wildlife habitats on public and private lands, and some public waters. This program partners with public and private landowners, other agencies, all levels of government, nonprofit organizations, and citizens.

**Population Served**

Primary clientele include 597,000 hunters and trappers and 2.2 million wildlife viewers/photographers. In a 2001 national survey conducted by U.S. Fish and Wildlife Service \$483 million was expended on hunting and trapping related activities (an average of \$783 per participant) and \$531 million was expended for wildlife watching activities (an average of \$246 per participant.) Minnesota ranks sixth among all states for the number of hunters and trappers and eleventh for the number of wildlife viewers/photographers.

**Services Provided**

Wildlife Management has ten primary strategies or services provided:

- ⇒ Acquire, develop, and maintain wildlife management areas (WMAs) for wildlife habitat, public hunting, and wildlife observation.
- ⇒ Inventory and monitor the state's wildlife populations and habitats.
- ⇒ Provide customer service through regulated harvesting seasons, wildlife information, and education.
- ⇒ Provide technical assistance to land owners and land managers to improve wildlife habitat.
- ⇒ Improve the quality of Minnesota's shallow lakes.
- ⇒ Provide technical assistance and cost-sharing to resolve wildlife problems.
- ⇒ Conduct applied research on management-related wildlife topics.
- ⇒ Partner with organizations, individuals, and agencies to accomplish mutual objectives.
- ⇒ Monitor and protect wildlife health.
- ⇒ Provide leadership to inspire recruitment and retention of hunters and trappers.

Wildlife Management performance is measured in terms of quantities of public lands and waters administered, populations of wildlife species, and public recreation and information.

- ⇒ **Wildlife Management Areas.** This program manages an extensive system of over 1,355 Wildlife Management Areas totaling over 878,000 acres, with another 340,000 acres of cooperatively managed lands. Minnesota pioneered wetland protection efforts in the early 1950s with the "Save the Wetlands" program of acquiring shallow wetlands and managing them for wildlife—a program that has since become the model for other federal and state programs. The Minnesota WMA system is one of the largest in the country.

**Activity at a Glance**

- ◆ 597,000 hunters and trappers, 2.2 million wildlife viewers served.
- ◆ 1,355 wildlife management areas (WMA) with over 1.2 million acres managed for optimal wildlife habitat. 5,000 acres added to WMA system annually.
- ◆ Over 50 big game, small game, waterfowl, migratory bird, and furbearer species managed through regulated harvest.
- ◆ 360,000 acres of public land conserved and managed in FY 2004; over 8,500 acres of private land managed through annual cost-share programs in FY 2004.
- ◆ 38,700 hours of technical guidance on wildlife habitat/populations and nuisance animals provided to private landowners and government agencies in FY 2004.
- ◆ Hunting and trapping generated \$593 million and wildlife watching generated \$531 million for Minnesota's economy in 2001.

⇒ **Wildlife Populations and Resource Assessment.** Basic population inventory, monitoring, and research is essential to responsible management of populations, including the management of quota systems, setting hunting seasons, and investigating applied population and habitat management needs. For example, current projects are investigating issues as diverse as moose population dynamics in northeastern Minnesota, the relationship of forest thermal cover and the winter distribution and survival of deer, sources of mortality and movements of deer in agricultural environments; aerial surveys of deer to calibrate deer population models used to determine harvest target levels, the conservation benefits of lands retired in Conservation Reserve Program (CRP), and the current distribution and abundance of river otters in southern Minnesota.

Natural resource assessments provide historical and current data on habitat cover and land use patterns. This information is critical for evaluating, recommending and planning habitat protection and management efforts.

⇒ **Wildlife Habitat.** In addition to direct management of WMAs, the program provides technical assistance for wildlife habitat management and improvement on other public as well as private lands by consulting with forest managers, providing wildlife expertise for agricultural land conservation programs such as CRP, Conservation Reserve and Enhancement Program (CREP), and Reinvest in Minnesota (RIM) Reserve, assessing and managing shallow lakes with high wildlife production potential, and providing technical assistance and cost-share to private individuals and organizations for improving their lands for wildlife.

⇒ **Public Recreation and Information.** The Wildlife Management Activity provides areas for wildlife recreation and manages hunting and trapping seasons for over 50 game species which provide over 8.4 million days of recreation annually. The program also provides public information and education about wildlife through publications, mass media, and personal presentations. Minnesota has a rich and diverse wildlife component of great importance to the state's citizens. The state's many types of prairie, wetland, forest, and other plant communities support 403 migratory and resident bird species, 240 nesting bird species that breed in the state, 80 species of mammals, and 48 species of amphibians, reptiles, and mussels.

### Historical Perspective

Populations of many species are at or near all-time highs, including deer, wild turkeys, black bears, and locally breeding Canada geese. Minnesota also has some of the best ruffed grouse populations in the country and is a major waterfowl production state. Abundant populations of wildlife species provide for increased hunting, trapping and wildlife-related recreational opportunities. However, abundant populations of wildlife such as deer, bears, and geese can cause conflicts with humans so the Division of Fish and Wildlife also maintains programs to manage populations and address wildlife damage and nuisance problems.

Changing demographics are leading to changes in participation rates and expectations from wildlife-related recreational experiences. More focus is being placed on the use of surveys, licensing data, roundtables, and other forums to provide opportunities that improve participation and satisfaction, while maintaining population management needs.

Hunting and fishing were recognized as a valued part of Minnesotan's heritage to be managed by law and regulation for the public good when approved as Constitutional Amendment 13, Section 12 in 1998 by more than 77% of voters in the general election.

### Key Measures

The Wildlife Management Activity has three major goals: 1) to have healthy and productive wildlife populations and habitats managed on a sustainable basis; 2) to have high quality and abundant hunting, trapping, and wildlife recreation opportunities; and 3) be a leader in resource stewardship and have effective partnerships with citizens to manage wildlife resources. The following measures track progress toward these goals. For a more complete set of performance measures and detailed descriptions, please see the DNR's "***A Strategic Conservation Agenda, 2003–2007: Measuring Progress toward Mission***" ([www.dnr.state.mn.us/conservationagenda/index.html](http://www.dnr.state.mn.us/conservationagenda/index.html)).

# NATURAL RESOURCES DEPT

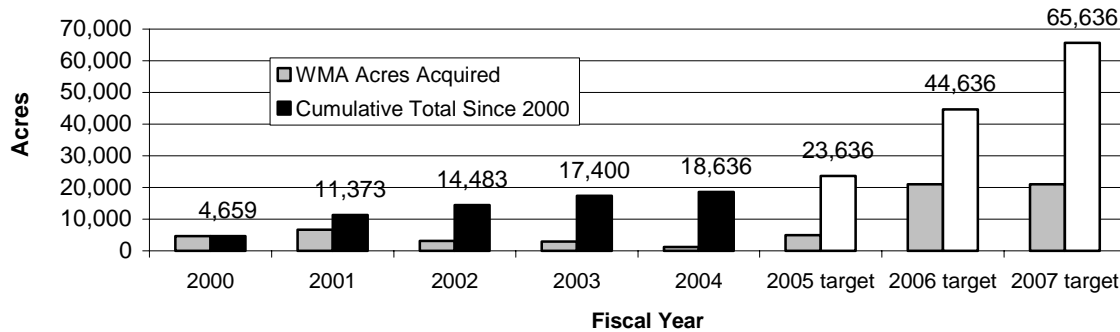
Program: FISH & WILDLIFE MANAGEMENT

Activity: WILDLIFE MANAGEMENT

Narrative

- Wildlife Management Areas:** The DNR manages 1,355 public wildlife areas covering 1.2 million acres of high-quality habitat in 86 of the state's 87 counties. These areas provide recreation for hundreds of thousands of hunters and wildlife watchers each year, who contribute significantly to the state's economy. After FY2005, stakeholders recommended the DNR acquire 21,000 acres/year for the next 10 years, and then acquire 12,250 acres/year for the following 40 years. Long-range planning will help Minnesota achieve a high-quality network of WMAs totaling an additional 700,000 acres over the next 50 years.

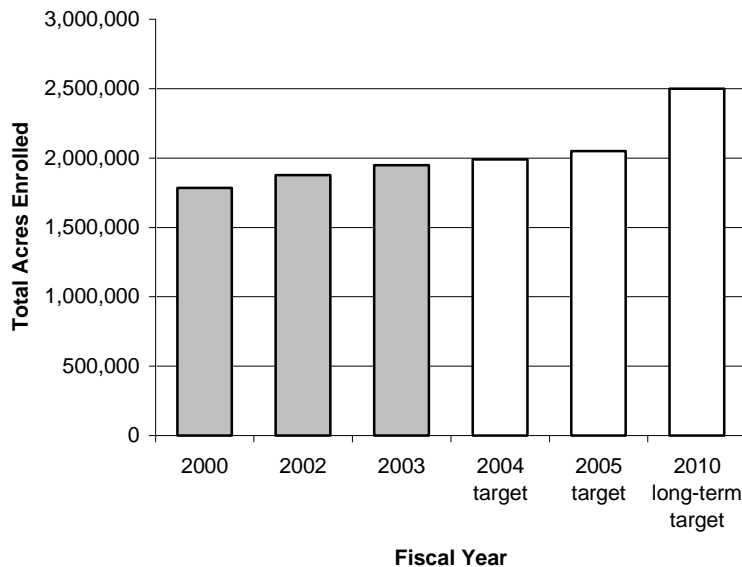
**Cumulative WMA Acres Acquired Since 2000**



**Indicator:** Number of acres protected in Wildlife Management Areas

**Target:** Acquire 5,000 WMA acres per year in FY2003–05. After FY 2005, stakeholders recommended DNR acquire 21,000 acres/year for the next 10 years.

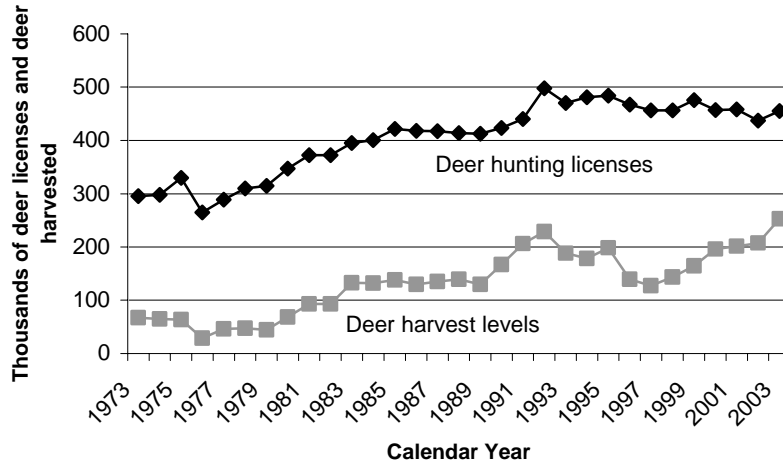
- Farmland conservation:** Wildlife populations have declined as the historic prairies and wetlands of southern and western Minnesota were converted to croplands. The 1985 Federal Farm Bill's CRP has provided substantial conservation opportunities on agricultural lands. Subsequent farm bills have continued to provide significant conservation provisions vital to habitat conservation.



**Indicator:** Acres in conservation practices under state and federal farmland programs.

**Target:** Have more than 2 million acres enrolled in conservation practices by the end of 2005 and 2.5 million acres by 2010.

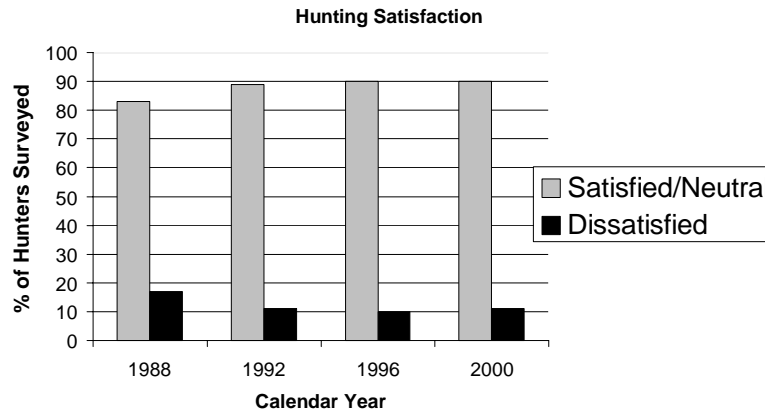
- ◆ **White-tailed deer management:** Deer provide substantial recreational and economic benefits to Minnesota. However, chronic high densities of deer may have a negative impact on forests, farms, and personal property. Hunters expect high deer densities and harvests, and represent a significant lobbying force for maintaining or expanding deer populations. At the same time, increases in negative deer-human interactions due to high deer populations have increased and broadened public interest in deer management.



**Indicator:** Percent of deer management areas within goal range for harvest levels

**Target:** Maintain deer populations within goal ranges in at least 75 percent of deer management areas.

- ◆ **Hunter Recruitment and Satisfaction:** Hunter satisfaction is related to healthy wildlife populations and habitats, but also to a complex relationship between the degree of crowding, availability of hunting areas, animals seen, animals bagged, size of animals, length and timing of seasons, bag limits, and other factors. DNR is conducting more “human dimensions” surveys to assess satisfaction and the contributors to high or low satisfaction.



**Indicator:** Hunter satisfaction levels as measured by surveys.

**Target:** Maintain 90% satisfaction rates among hunters.

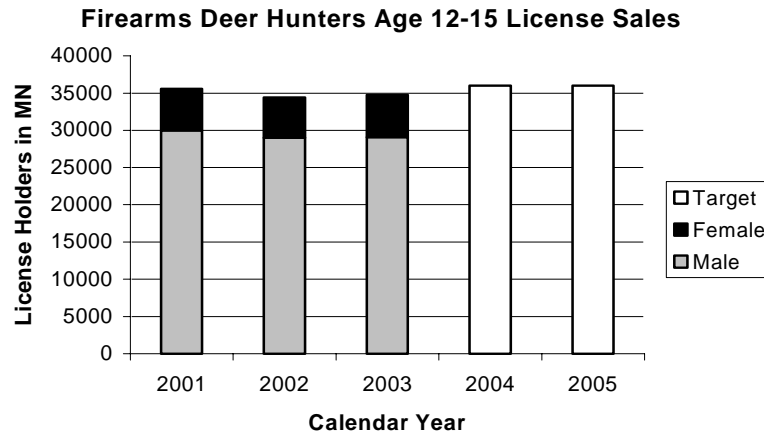
# NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: WILDLIFE MANAGEMENT

Narrative

The DNR has initiated a special effort to promote and sustain hunting by identifying barriers to participation and enacting programs and policies that reduce or remove them. The DNR has reduced youth hunting license fees and initiated special youth hunts, and is working with hunting organizations to provide educational and introductory experiences.



**Indicator:** Youth hunter participation and hunter satisfaction as measured by surveys

**Target:** Maintain youth hunter participation as measured by license sales, increase special youth hunts in the future, and maintain 90% satisfaction rates among hunters.

## Activity Funding

The Wildlife Management activity generates revenue from the sale of hunting licenses and from reimbursement under the Federal Aid in Wildlife Restoration Act. This U.S. Fish and Wildlife Service Federal Aid program, commonly referred to as the Pittman-Robertson Act (PR), manages the distribution of revenues derived from federal excise taxes on hunting equipment to state fish and wildlife agencies through grants. In FY 2004-05, these federal grants will generate over \$12 million in reimbursement. These revenues are deposited in the dedicated Game and Fish Fund to support the Wildlife Management Activity. In addition, the Division generates dedicated revenue from cooperative agreements, natural resource sales, sales of publications, and gifts.

The Wildlife Management Activity receives funding from many sources with the bulk of funding from the Game and Fish Fund (including its dedicated accounts (70%). The 2000 legislature expanded the Game and Fish Fund by including lottery in-lieu of sales tax proceeds in a Heritage Enhancement Account and allocated a portion of this to the Wildlife Program. Other sources of funds include Special Revenue (2%), General (6%), Legislative Commission on Minnesota Resources (LCMR) (4%), and Federal (1%).



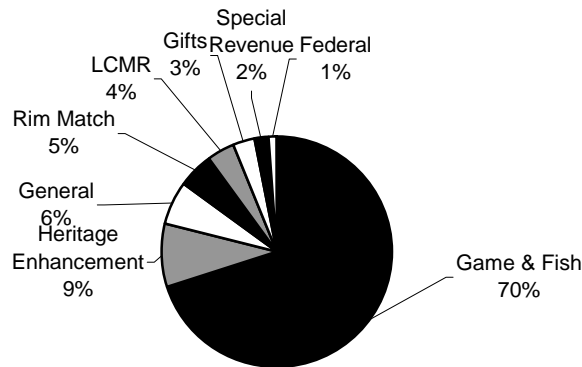
# NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: WILDLIFE MANAGEMENT

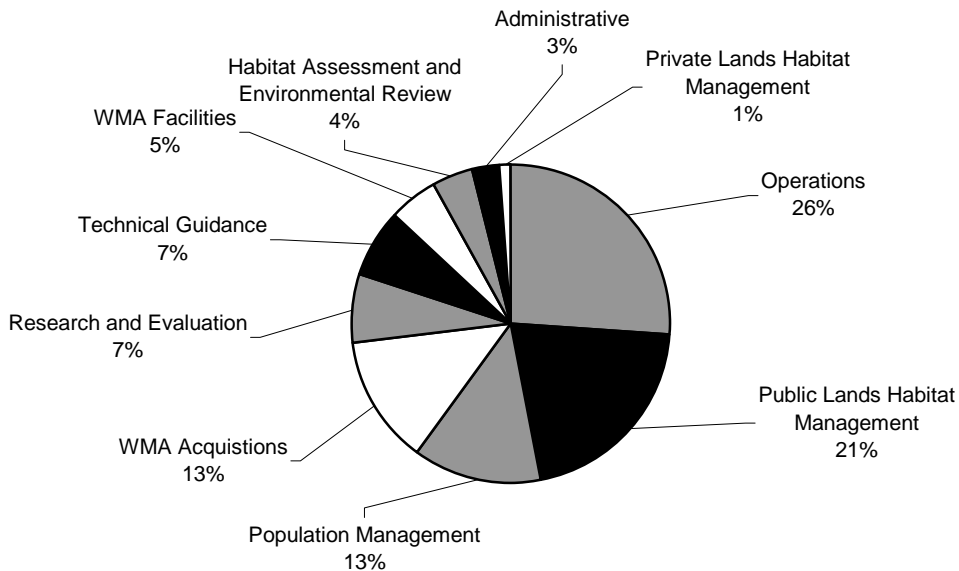
Narrative

**Wildlife Management Direct Funding  
FY 2004-05**



Wildlife expenditures are summarized into 10 core activities. A breakdown of FY 2004 activity expenditures are shown below

**Activity Expenditures - FY 2004**



## Contact

General information on Wildlife programs can be found on the Department of Natural Resources website <http://www.dnr.state.mn.us>. A wide variety of general and technical publications are also available.

Contact for additional information:

Edward K. Boggess, Manager, Policy Section

Division of Fish and Wildlife

Phone: (651) 297-2072

Fax: (651) 297-4961

E-mail: [Ed.Boggess@dnr.state.mn.us](mailto:Ed.Boggess@dnr.state.mn.us)

**NATURAL RESOURCES DEPT**

**Program: FISH & WILDLIFE MANAGEMENT**

**Activity: WILDLIFE MANAGEMENT**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	841	1,005	0	0	0
General	1,431	1,796	1,416	1,416	2,832
Minnesota Resources	217	400	0	0	0
Game And Fish	19,073	26,271	22,895	22,895	45,790
<b>Statutory Appropriations</b>					
General	2	275	0	0	0
Natural Resources	22	179	18	18	36
Special Revenue	467	537	510	510	1,020
Game And Fish	746	1,437	362	362	724
Federal	378	486	613	613	1,226
Reinvest In Minnesota	1,489	2,601	2,175	2,175	4,350
Gift	128	533	152	152	304
<b>Total</b>	<b>24,794</b>	<b>35,520</b>	<b>28,141</b>	<b>28,141</b>	<b>56,282</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	14,669	15,837	15,316	15,316	30,632
Other Operating Expenses	6,328	10,744	6,077	6,077	12,154
Capital Outlay & Real Property	2,325	6,876	5,088	5,088	10,176
Local Assistance	1,472	2,063	1,660	1,660	3,320
<b>Total</b>	<b>24,794</b>	<b>35,520</b>	<b>28,141</b>	<b>28,141</b>	<b>56,282</b>
<b>Full-Time Equivalentents (FTE)</b>	<b>240.5</b>	<b>244.7</b>	<b>244.7</b>	<b>244.7</b>	

**Activity Description**

This activity manages the issuance of game, fish and commercial licenses, registration and titling of watercraft, and registrations of ATVs, OHVs, OHM, and snowmobiles through an electronic licensing system (ELS) developed specifically for the state of Minnesota.

**Population Served**

Licensing serves the general public, licensing agents, deputy registrars and management within the Department of Natural Resources (DNR). Other governmental organizations benefit as well from the services outlined below.

**Services Provided**

The business of issuing licenses, registrations and titles involves:

- ◆ development, implementation, and maintenance of ELS;
- ◆ managing approximately 1,700 license agents and 173 deputy registrars statewide;
- ◆ collection and distribution of \$63 million in receipts annually;
- ◆ development, implementation, and maintenance of the computerized lottery system for issuing controlled hunt permits;
- ◆ development, implementation, and maintenance of the computerized commercial licensing system;
- ◆ issuance of all game and fish licenses, registrations and titles at the License Section's counter;
- ◆ shipping, mailing, and receiving a variety of license/registration/title related materials;
- ◆ providing information to the general public regarding license/registration/titling procedures, rules, and laws.

**Historical Perspective**

License Management was transferred to the Division of Fish and Wildlife during FY2004. The License Section's duties have changed dramatically over the past five years, converting from a manual system to a completely automated system. ELS has enabled the department to provide accurate and timely information pertaining to license holders, license and recreation activities, revenue collected, and numbers of licenses, registrations and titles issued for use by the department, other state agencies, legislature, and the general public. In addition, the new system accelerates the collection of revenues from license, registration, and title sales.

ELS allows the purchase of licenses from a local agent, by phone, or online. Hunting and fishing licenses can be purchased electronically any time of the day, any day of the week. It has also streamlined business practices and cut administrative costs. Currently 135 different transactions are available online, ranging from hunting and fishing licenses to cross-country ski passes, snowmobile trail stickers, boat and recreational vehicle registration renewals.

The ongoing development and availability of electronic tools will result in continued improved service and efficiency for licensing activities.

**Activity at a Glance**

- ◆ Manage the transactions and collect revenues from three million DNR licenses as well as 1.3 million boat/vehicle registrations and watercraft titles.
- ◆ Manage 1,700 point-of-sale hunting and fishing license agents and 173 registration and titling agents.
- ◆ Sell 1500 Lifetime Licenses.
- ◆ Collect \$63 million in receipts annually

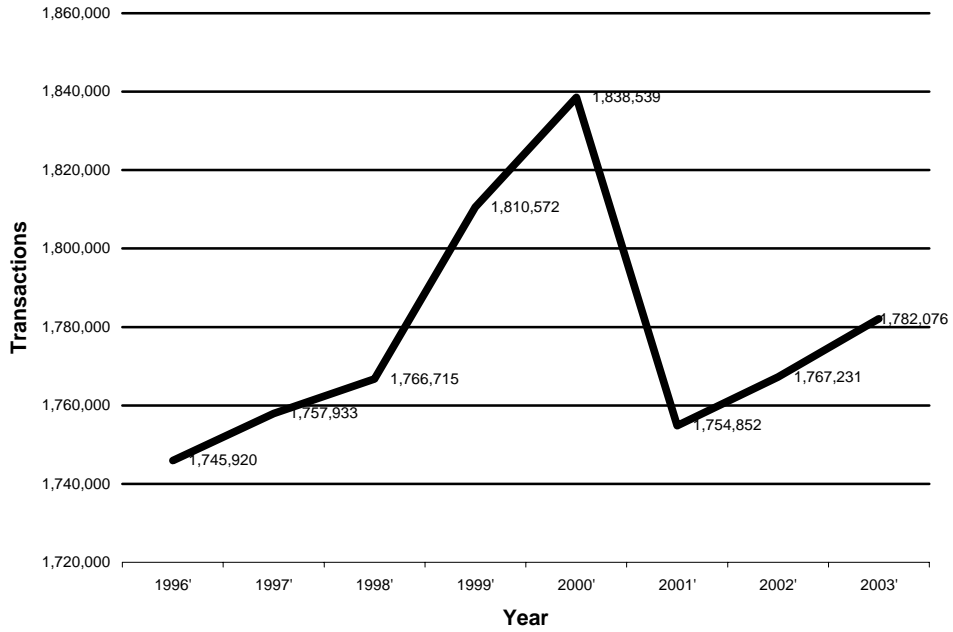
**NATURAL RESOURCES DEPT**

**Program: FISH & WILDLIFE MANAGEMENT**

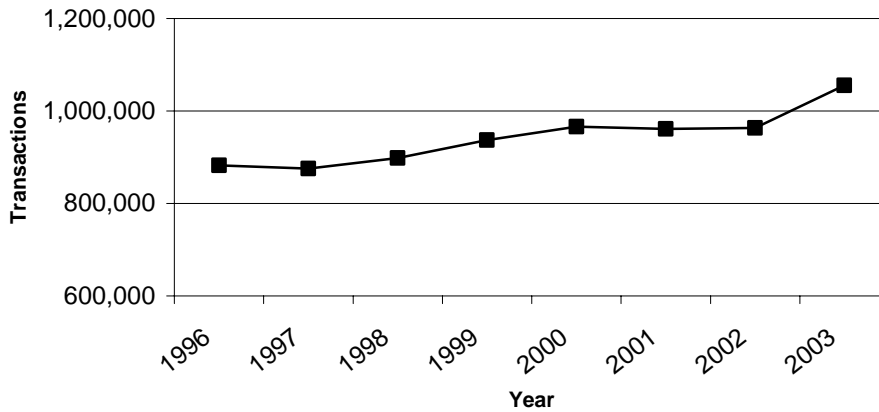
**Activity: LICENSING**

Narrative

**Angling Type License Transactions by Year**



**Hunting Type License Transactions By Year**



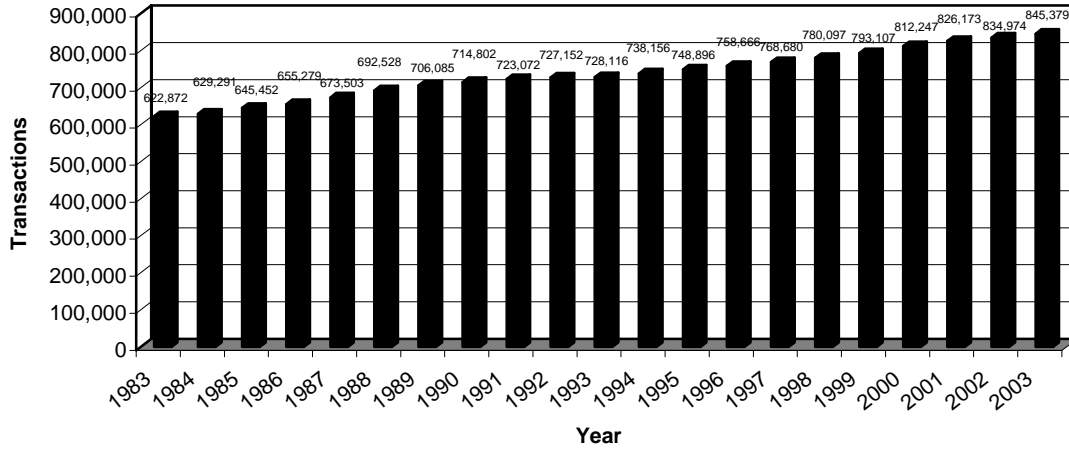
# NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

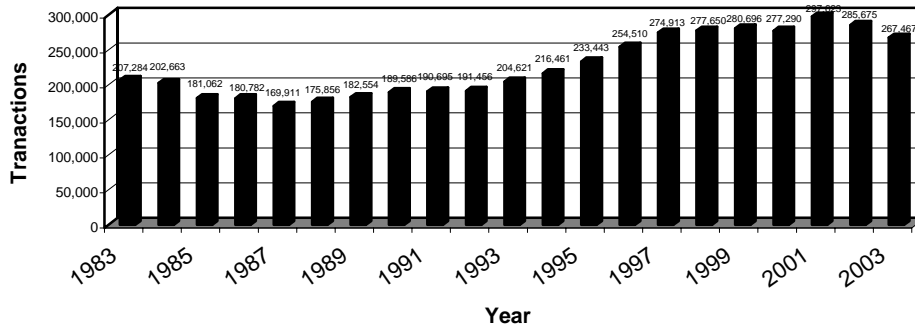
Activity: LICENSING

Narrative

### Watercraft Transactions by Year



### Snowmobile Transactions by Year



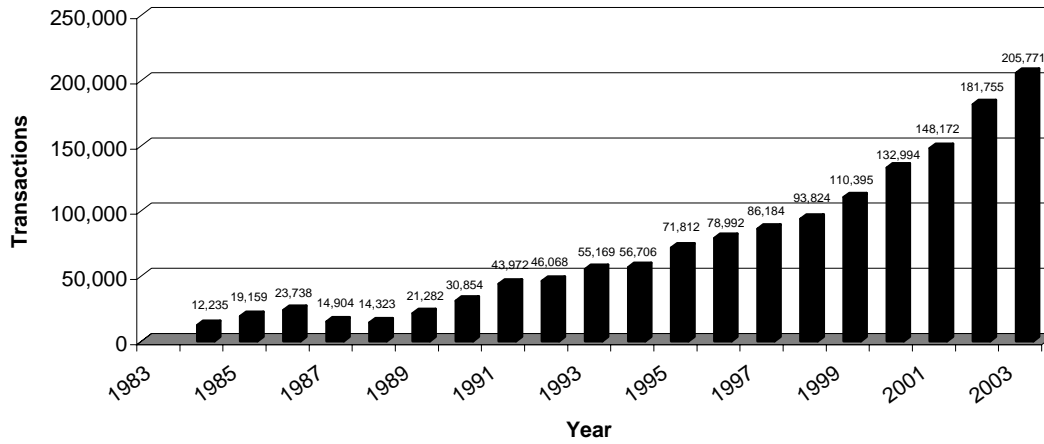
# NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

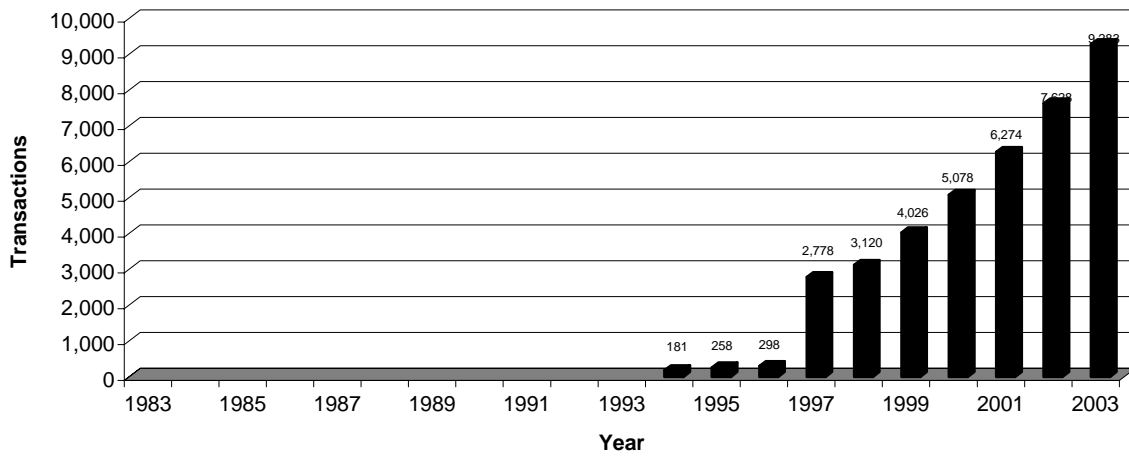
Activity: LICENSING

Narrative

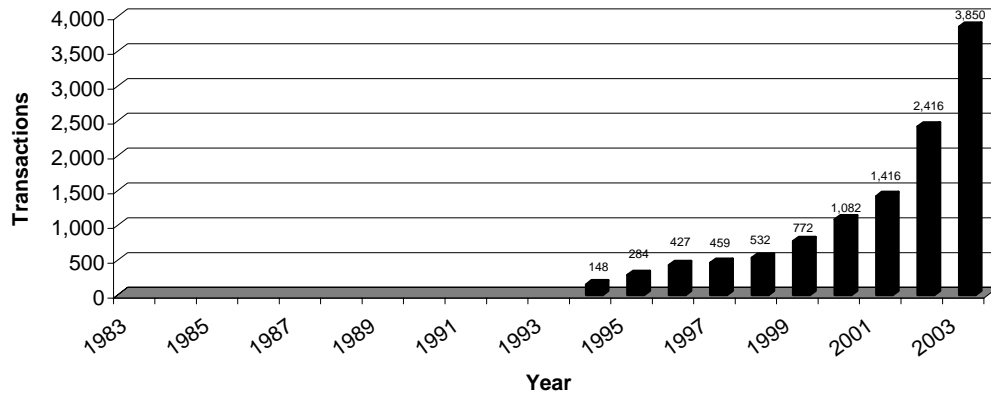
### ATV Transactions by Year



### OHM Transactions by Year



**ORV Transactions by Year**

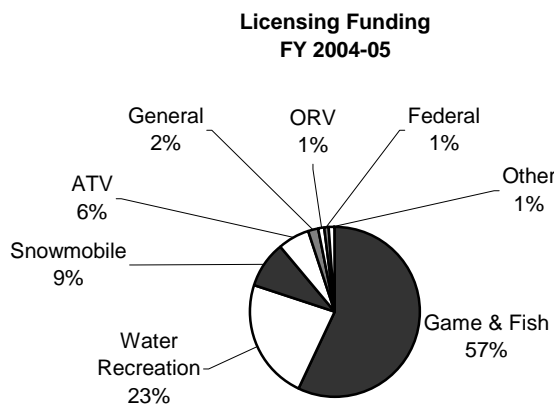


**Key Measures**

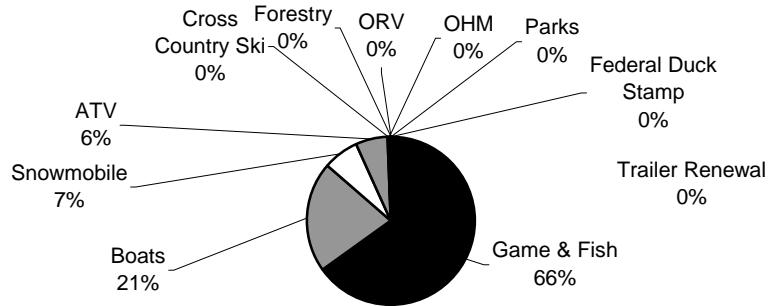
⇒ Hunter and angler satisfaction with licensing procedures: As part of its mission the DNR provides high-quality services to Minnesota’s hunters and anglers. This includes not only managing and sustaining resources, but also providing customers with licenses and useful information. This indicator focuses on hunter and angler satisfaction with procedures to get a license or permit. High satisfaction is part of the goal of providing high-quality customer services. Information on this indicator will assist the DNR with ongoing assessment of satisfaction levels with ELS.

**Activity Funding**

The operating budget for FY 2004 includes the following sources of funds: Game and Fish Fund (57%), Water Recreation (23%), Snowmobile (9%), ATV (6%), General (2%), ORV (1%), Other (1%).



**2004 Activity Percentages**



**Contact**

Peter Skwira, Manager  
Administrative Services Section Manager  
Division of Fish and Wildlife  
Phone: 651-297-2944  
Fax: 651-297-7272  
[peter.skwira@dnr.state.mn.us](mailto:peter.skwira@dnr.state.mn.us)



**NATURAL RESOURCES DEPT**  
**Program: FISH & WILDLIFE MANAGEMENT**  
**Activity: LICENSING**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	146	45	150	150	300
Natural Resources	995	1,362	1,179	1,179	2,358
Game And Fish	1,075	1,255	1,168	1,168	2,336
<b>Statutory Appropriations</b>					
Natural Resources	824	1,161	945	992	1,937
Special Revenue	13	15	15	15	30
Game And Fish	2,023	2,075	2,105	2,105	4,210
Federal	62	75	75	75	150
<b>Total</b>	<b>5,138</b>	<b>5,988</b>	<b>5,637</b>	<b>5,684</b>	<b>11,321</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	1,383	1,443	1,444	1,444	2,888
Other Operating Expenses	3,755	4,545	4,193	4,240	8,433
<b>Total</b>	<b>5,138</b>	<b>5,988</b>	<b>5,637</b>	<b>5,684</b>	<b>11,321</b>
<b>Full-Time Equivalent (FTE)</b>	<b>26.8</b>	<b>30.2</b>	<b>30.2</b>	<b>30.2</b>	

**Program Description**

The purpose of the Ecological Services Program is to ensure that present and future generations enjoy the benefits of healthy ecosystems. This program is the responsibility of the Department of Natural Resources (DNR's) Division of Ecological Services.

In the 1970s, however, people began to recognize the need to protect and manage all wildlife species (game and nongame) as well as native plants and natural communities, such as prairies and wetlands. In addition, they recognized the importance of addressing serious threats such as contaminants and invasive exotic species, and the need to restore degraded systems, such as lakes, rivers and wetlands, to protect and improve the natural resources that are so important to Minnesota's quality of life. The Division of Ecological Services addresses these important resource issues with 16 different programs concentrated in four key areas: 1) nongame and rare resources; 2) lakes and rivers; 3) ecosystem health; and 4) conservation information and community assistance.

**Program at a Glance**

- ◆ Manage 138 scientific and natural areas.
- ◆ Survey Minnesota counties for rare biological resources.
- ◆ Maintain over 30,000 records of rare resources.
- ◆ Provide 18,000 hours/yr of technical ecological assistance to private developers, local governments, and other agencies.
- ◆ Assist 10,000 homeowners to protect native shoreland vegetation.
- ◆ Help 1.6 million boaters avoid spreading exotic species.
- ◆ Work with 1,000 volunteers to monitor loon populations.
- ◆ Assist 60 initiatives designed to restore degraded rivers.

**Population Served**

Ecological Services reaches out in partnership and service to a wide range of individuals and organizations. These include: active and concerned citizens, outdoor enthusiasts, local units of government, private business, nonprofit organizations, and natural resource managers.

**Services Provided**

Ecological Services' primary mission is to collect and link ecological information to help make wise resource decisions and protect and restore natural plant and wildlife communities. The division accomplishes this by providing five key services:

- ⇒ **Collecting ecological data.** Collecting and translating ecological information requires specialized expertise to understand how ecosystems and their component parts work. Division staff has ecological expertise in Minnesota's natural communities (e.g. forests, wetlands, rivers) and in the state's flora and fauna (e.g. ornithologists, botanists, and herpetologists). Small grants are provided to individuals and academic institutions to collect information on rare resources.
- ⇒ **Managing ecological data.** The Division's emphasis on collecting ecological information means that it must place an equally important emphasis on managing data. The backbone of the system is the Natural Heritage Information System, which includes over 20 databases that store data on rare features (e.g. state-listed plants and animals and native plant communities).
- ⇒ **Delivering technical assistance.** The division provides educational programs, and ecological data to decision makers and educators. It is important to deliver good information to resource users so that it becomes an important component in decision-making efforts of landowners, business leaders, resource agencies, and local public officials. Several division programs are focused on data delivery and interpretation, technical assistance, and providing educational material.
- ⇒ **Protecting and restoring native plant and wildlife communities.** Key functions include acquisition and management of a statewide system of natural areas and prairie bank easements, minimizing the impact of exotic species, shoreland habitat restoration, and river restoration. Small grants to local units of government help them manage and control the impacts of Eurasian watermilfoil on public waters.

⇒ **Regulating activities that impact native plant and wildlife communities.** Program staff manage permit programs designed to protect aquatic plants, control exotic species, protect endangered species, and provide for the safe operation of lake aeration systems.

### Historical Perspective

The history of the Division of Ecological Services reflects the growing interest of Minnesota's citizens to address a broader range of natural resource issues. For nearly 40 years the unit provided technical assistance to the department's traditional resource programs in fisheries and wildlife. In the 1980s, however, a series of program changes and additions gave shape to a newly expanded division with authorities in a variety of new areas including invasive exotic species, endangered species, wetland mitigation, nongame wildlife, scientific and natural areas, native plants and plant communities, and restoration of degraded grassland and river habitats.

Coupled with the increased interest in addressing a broader range of natural resource issues has been an increase in the number of wildlife watchers as outdoor recreation participants. The number of Minnesota citizens participating in bird watching, wildlife tourism, bird feeding, and wildlife photography increased from 1.3 million in 1996 to 1.9 million in 2001 – an increase of 46% in five years (U.S. Fish and Wildlife Service, 2002). The amount of money spent in search of bald eagles, loons, and peregrine falcons in the wild, as well as cardinals and warblers at bird feeders, increased from \$383.2 million in 1996 to \$523.5 million in 2001 – an increase of 36.6% in five years. Nevertheless, despite the increase in the number of wildlife watchers, there is concern that the percentage of the state's total population participating in this and other outdoor activities is actually decreasing as the overall population increases.

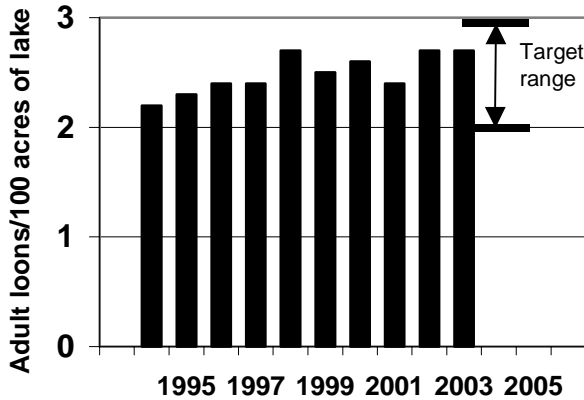
The division has greatly increased partnerships with local units of government in response to the growing interest to protect open space and natural areas and to restore degraded sites. Local communities utilize ecological data provided by the division to launch local protection initiatives, such as Sherburne County's Sugarbush Preserve, Chub Lake watershed protection in Dakota County, Chain of Lakes Natural Area in Isanti County, and the new regional park in Scott County. The division's efforts have also guided local governments' interest in initiating river restoration and protection efforts throughout the state.

### Key Measures

Ecological Services uses a range of performance measures to assess its progress in collecting and providing ecological information critical to wise resource decisions and sustainable resource results. The following measures illustrate four of the division's core program activities and their conservation results. For a more complete set of performance measures and more detailed descriptions of each measure, please see DNR's "**A Strategic Conservation Agenda, 2003 –2007: Measuring Progress toward Mission**" ([www.dnr.state.mn.us/conservationagenda/index.html](http://www.dnr.state.mn.us/conservationagenda/index.html)).

◆ Nongame and Rare Resources

**Loon populations:** Minnesota is summer home to approximately 12,000 adult loons. To assess the stability of loon populations over time, the DNR’s loon monitoring program relies on nearly 1,000 volunteers to collect data on six 100-lake ‘index areas.’

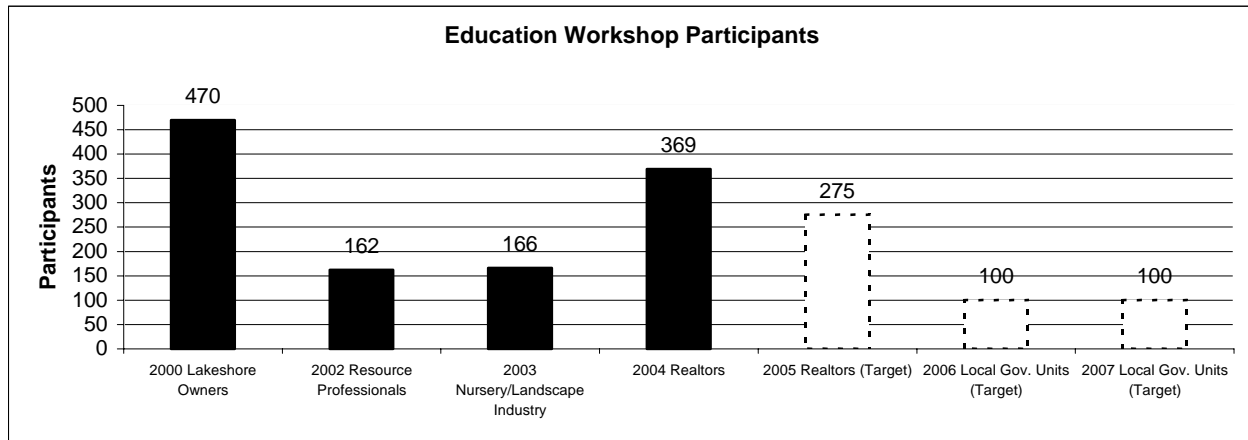


**Indicator:** Loon population levels in six 100-lake index areas

**Target:** Sustain a population of two to three adult loons per 100 acres of lake surface in the Aitkin/Crow Wing area over the long term.

◆ Lakes and Rivers

**Shoreline Habitat Conservation:** DNR produces education materials on conserving and restoring shoreline habitat and hosts shoreline management workshops for citizens, industry, resource professionals, and local units of government.



**Indicator:** Number of shoreline workshop participants.

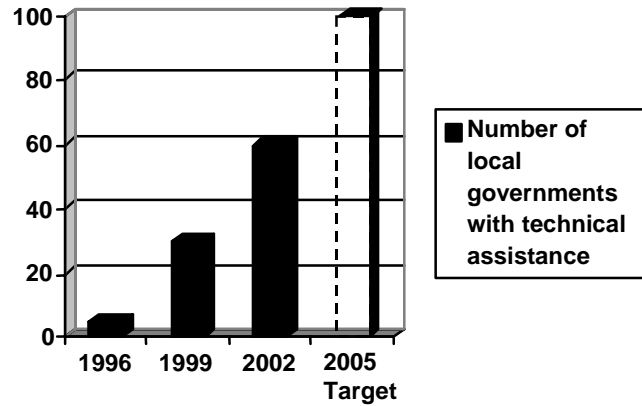
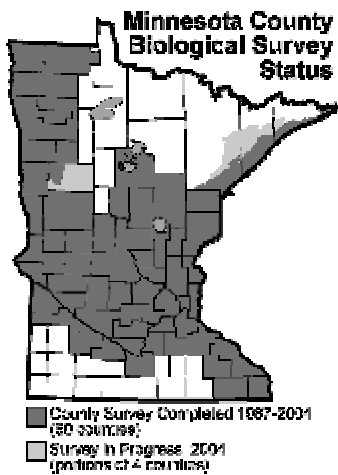
**Target:** Reach 275 realtors with shoreline workshops in 2005.

In FY 2006-07, DNR plans to reach 100 members of local units of government each year pending grant approval.

◆ **Conservation Information and Community Assistance**

**Counties with a Minnesota County Biological Survey:** The Minnesota County Biological Survey (MCBS) is a systematic examination of the state's rare biological features. The survey has already identified 14,377 locations of rare features and documented 17 species of native plants and two species of amphibians not previously recorded in Minnesota.

**Local Governments using Natural Heritage data:** Technical assistance and up-to-date data on natural features help local governments protect natural resources in a cost-effective, collaborative manner.



**Indicator:** Number of counties with a Minnesota County Biological Survey

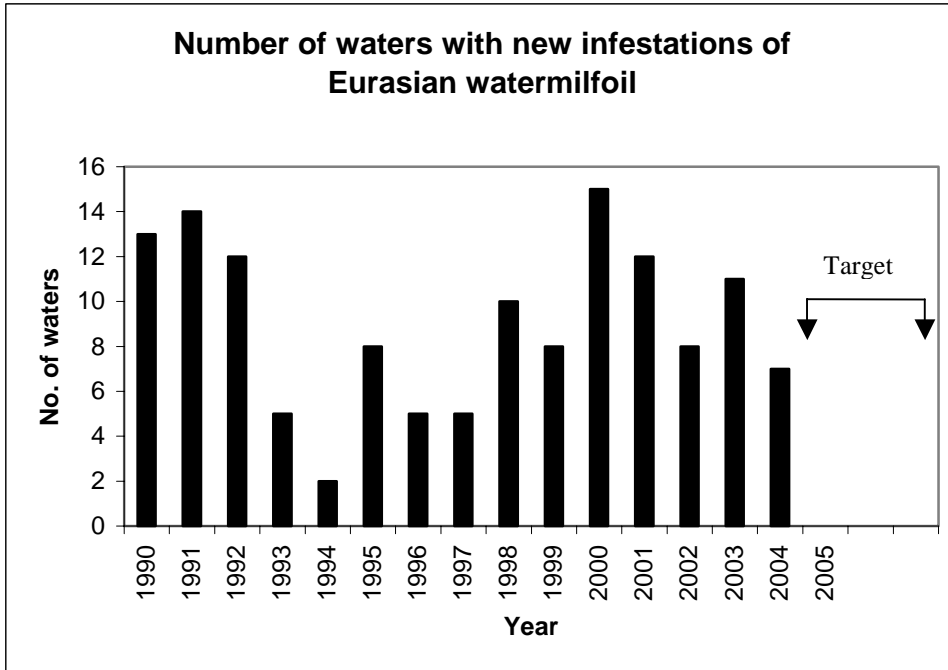
**Target:** Complete 62 counties and portions of 5 other counties by 2007 and all counties by 2021

**Indicator:** Number of local governments receiving technical assistance

**Target:** Provide technical assistance and natural features information to an additional 100 local governments by 2005

◆ Ecosystem Health

**Eurasian watermilfoil** is a nonnative aquatic invasive plant that harms Minnesota waterways by displacing native species, degrading habitat for fish and wildlife, and limiting lake recreation. Unintentional transport on trailered watercraft and equipment is believed to be the primary means of spread. Ninety percent of Minnesota boaters responding to a question in a 2000-2001 survey said they took action to avoid spreading aquatic invasive species, an increase over a similar survey in 1994 when 70% of Minnesota boaters said they took action.



**Indicator:** Number of waters with new infestations of Eurasian watermilfoil.

**Target:** Limit the rate of spread of Eurasian watermilfoil to no more than 10 new lakes per year.

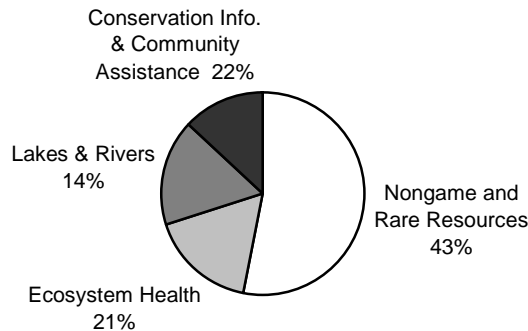
**Program Funding**

Ecological Services' operating budget for FY 2004-05 included the following sources of funds: General (21%), Game and Fish (12%), Heritage Enhancement (8%), Natural Resources (18%), Environmental Trust Fund (8%), Federal (18%), and Special Revenue (14%). Total program funding in FY 2004-05 was \$31.4 million.

Game and Fish Fund appropriations include dollars from the Heritage Enhancement Account, a sub-account of the Game and Fish Fund that was authorized by the 2000 legislature and funded from a percentage of lottery revenues in lieu of sales tax. Natural Resources funding includes the Water Recreation Account (motorboat gas taxes), Exotics Species Surcharge (sub-account of the Water Recreation Account funded by a surcharge on boat licenses), Nongame Fund (state income tax check-off), and Off-Highway Vehicle (OHV) and Recreational Trail funds (OHV registration fees). Federal and Special Revenue funds include dollars from a number of grant programs and cooperative agreements.

This program generates revenue from aquatic plant and lake aeration permits and reimbursement under the Federal Aid to Sport Fish and Wildlife Restoration and State Wildlife Grant programs. Sport Fish and Wildlife Restoration dollars are deposited in the Game and Fish Fund. State Wildlife Grants are federal dollars reimbursed for state program expenditures targeted at wildlife species of greatest conservation need.

**FY 2004-05 Allotments by Program Area**



**Contact**

Lee Pfannmuller, Director  
 Phone: (651) 296-0783  
 Fax: (651) 296-1811  
 E-mail: [lee.pfannmuller@dnr.state.mn.us](mailto:lee.pfannmuller@dnr.state.mn.us)

Steve Hirsch, Assistant Director  
 Phone: (651) 297-4918  
 Fax: (651) 296-1811  
 E-mail: [steve.hirsch@dnr.state.mn.us](mailto:steve.hirsch@dnr.state.mn.us)

General information about the division and its diverse program services is available on the DNR website ([http://www.dnr.state.mn.us/ecological\\_services/index.html](http://www.dnr.state.mn.us/ecological_services/index.html)). In addition, annual reports are available that summarize the division's expenditures from the Game and Fish Fund and activities with the Aquatic Plant Management and Exotic Species programs. These can be obtained by calling (651) 296-2835.

**NATURAL RESOURCES DEPT**  
**Program: ECOLOGICAL SERVICES**

Program Summary

*Dollars in Thousands*

	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	1,177	1,099	1,138	1,138	2,276
<b>Technical Adjustments</b>					
One-time Appropriations			(1,138)	(1,138)	(2,276)
<b>Forecast Base</b>	<b>1,177</b>	<b>1,099</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	3,085	3,085	3,085	3,085	6,170
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			50	50	100
<b>Forecast Base</b>	<b>3,085</b>	<b>3,085</b>	<b>3,135</b>	<b>3,135</b>	<b>6,270</b>
<b>Natural Resources</b>					
Current Appropriation	2,572	2,632	2,632	2,632	5,264
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			157	157	314
<b>Forecast Base</b>	<b>2,572</b>	<b>2,632</b>	<b>2,789</b>	<b>2,789</b>	<b>5,578</b>
<b>Game And Fish</b>					
Current Appropriation	3,020	3,028	3,028	3,028	6,056
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			252	252	504
<b>Forecast Base</b>	<b>3,020</b>	<b>3,028</b>	<b>3,280</b>	<b>3,280</b>	<b>6,560</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	1,059	1,485	0	0	0
General	3,068	3,531	3,135	3,135	6,270
Natural Resources	2,410	3,177	2,789	2,789	5,578
Game And Fish	2,312	3,992	3,280	3,280	6,560
<b>Open Appropriations</b>					
Natural Resources	4	5	5	5	10
<b>Statutory Appropriations</b>					
Natural Resources	16	199	114	60	174
Special Revenue	101	653	225	225	450
Federal	1,812	3,496	2,958	2,938	5,896
Remediation	37	3,000	2,000	1,169	3,169
Reinvest In Minnesota	561	245	155	155	310
Gift	36	263	50	50	100
<b>Total</b>	<b>11,416</b>	<b>20,046</b>	<b>14,711</b>	<b>13,806</b>	<b>28,517</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	7,260	8,197	7,574	7,574	15,148
Other Operating Expenses	2,975	7,313	4,600	4,580	9,180
Capital Outlay & Real Property	700	1,100	144	90	234
Local Assistance	481	3,436	2,393	1,562	3,955
<b>Total</b>	<b>11,416</b>	<b>20,046</b>	<b>14,711</b>	<b>13,806</b>	<b>28,517</b>



NATURAL RESOURCES DEPT  
 Program: ECOLOGICAL SERVICES

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium 2006-07
	FY2004	FY2005	FY2006	FY2007	
<b><u>Expenditures by Activity</u></b>					
Ecological Services	11,416	20,046	14,711	13,806	28,517
<b>Total</b>	<b>11,416</b>	<b>20,046</b>	<b>14,711</b>	<b>13,806</b>	<b>28,517</b>
<b>Full-Time Equivalent (FTE)</b>	<b>128.7</b>	<b>131.8</b>	<b>119.0</b>	<b>119.0</b>	

**Program Description**

The purpose of the Enforcement – Natural Resource Laws and Rules Program is to ensure public safety and compliance with laws regarding state game and fish, recreational vehicles, natural resource commercial operations, and environmental protection. This program is the responsibility of the Department of Natural Resources’ (DNRs) Division of Enforcement.

Major responsibilities include law enforcement, public safety, and education in:

- ◆ hunting and fishing seasons, methods of taking animals and fish, bag and possession limits;
- ◆ public safety, especially where it concerns alcohol use while hunting or operating Off-Highway Vehicles (OHV), and watercraft;
- ◆ commercial use and possession of natural resources and products;
- ◆ protection of the state’s land, air, and water; and
- ◆ safety training and hunter education for youth and adults.

**Population Served**

The division serves our citizens by safeguarding the public safety through education and enforcement efforts with approximately 845,000 registered boaters, 860,000 licensed hunters, 1.5 million licensed anglers, 250,000 registered recreational vehicles, 267,000 registered snowmobiles, 2,000 licensed/registered commercial operations, and countless other stakeholders and visitors using our abundant natural resources and recreational opportunities.

**Services Provided**

The Enforcement Division provides services to the state through the use of community-based conservation officers and specially trained officers assigned for support. Currently, services are provided through the divisions:

- ◆ 135 conservation officers assigned to specific community field stations for field operations;
- ◆ Special Investigation Unit (SIU) undercover work targeting unlawful activity among commercial operations;
- ◆ Department Aviation Unit, used by all divisions for operations support including aerial census and mapping;
- ◆ Wetland Enforcement Officers (WEO), specifically trained in the complexities of state and federal wetland issues, deal with unlawful activity in wetlands and wetlands destruction;
- ◆ Training and Standards Unit, concentrating on officer training, professionalism, and safety; and
- ◆ Information and Education programming, administering mandated safety training and education programs delivered through volunteer instructors, regional training officers, and local conservation officers.

**Historical Perspective**

Natural resource commercial and recreational use has increased many-fold in the last half-century; however, the Enforcement Division has maintained approximately the same number of officer positions. In addition to the exponential increase in the number of traditional hunters (example – the number of deer hunters has increased over 650%) and the number of anglers (has increased over 400%), the state has new user groups. Some added duties since that time include:

**Program at a Glance**

The Enforcement Division protects the state’s natural resources. There is a direct link between natural resources and the state’s quality of life, as well as impacts to the tourism industry and the state’s economy. Some FY 2004 highlights:

- ◆ 40,000+ citizens attended the division’s education/safety classes.
- ◆ Cited or documented over 23,000 violations.
- ◆ Enforced the Wetlands Conservation Act (WCA).
- ◆ Provided aviation support for department needs ranging from wildlife population census to enforcement activities.
- ◆ Partnered with other divisional staff for assistance in enforcement efforts through the use of non-enforcement staff working in cooperative support of the law enforcement mission.
- ◆ Administered almost \$2.0 million in grants to local law enforcement agencies for enforcement work in boat and water, snowmobile, Off-Highway Vehicles (OHV), and also administered matching dollars for the improvement of public shooting and archery ranges.

- ◆ Boat and Water Safety Enforcement (845,000 boats);
- ◆ Wetlands drainage/WCA enforcement;
- ◆ State/grants-in-aid (GIA) Trails (20,000 miles);
- ◆ All-Terrain Vehicles (ATV's), Off-Road Vehicles (ORV's), Off-Highway Motorcycles (OHM's), Snowmobiles (517,000);
- ◆ Firearm Safety Classes (20,000 students annually);
- ◆ Adult Hunter Education (3,000 students annually);
- ◆ Water Quality and Pollution Issues;
- ◆ Irrigation Laws;
- ◆ Commercial enterprises such as Shooting Preserves, taxidermists, Ginseng exporters;
- ◆ State Parks Enforcement;
- ◆ Snowmobile and OHV Safety Education;
- ◆ Invasive Species;
- ◆ Forest Arson Investigations;
- ◆ New seasons for wildlife species, e.g., metro goose, turkey, moose, muzzleloader deer, archery deer, falconry, mourning doves;
- ◆ Indian Treaty Issues;
- ◆ Cross-Country Ski Passes;
- ◆ Shoreline Protection; and
- ◆ Driving While Impaired (DWI) Enforcement.

Modern wildlife management theory and practice has focused on habitat protection and enhancement as opposed to stocking and "put-and-take" operations. Pro-active law enforcement efforts likewise focus upon more habitat protection efforts for game and fish population enhancement (forests, waters, wetlands, and prairies). While the traditional role of conservation officer patrol and the apprehension of violators is a key factor in effective management, specialized training and skills are required for a more comprehensive approach to wildlife and environmental protection. Recent emphasis has been placed on deploying more conservation officers in the field as opposed using them in supervision and management.

**Key Measures**

The effectiveness of law enforcement efforts cannot be gauged simply by tabulating the results of citations and warnings issued. The Division has a three-pronged approach to gaining compliance; information, education, and law enforcement, with enforcement action as the last measure. The division will continue to use the media to inform and influence citizens to increase voluntary compliance and report more violations, and educational efforts will be enhanced. The following measures illustrate the Division's core program activities. Detailed descriptions of performance measures are found in DNR's "A Strategic Conservation Agenda, 2003-2007" ([www.dnr.state.mn.us/conservationagenda/index.html](http://www.dnr.state.mn.us/conservationagenda/index.html)).

**Game and Fish Protection:** Compliance with natural resource laws is difficult to measure. Roadside wildlife possession inspections have consistently found a compliance rate of approximately 75%. Our goal is to increase this compliance rate as well as increase levels of service hours in the following priority areas:

- ⇒ Wetlands Conservation Act: Efforts by the division will meet or exceed a goal of 10,600 service hours in FY 2005 and 11,300 hours in FY 2006.
- ⇒ Experimental/Special Regulation Waters: Conservation Officers will increase efforts on these waters. Enforcement goal hours for fisheries enforcement will exceed 77,000 hours in FY 2005 and 90,000 hours in FY 2006
- ⇒ In FY 2005, Waterfowl Task Force: Operations will expand to include a total of fifteen officers. Overall waterfowl enforcement efforts by the Division will exceed a goal of 22,000 hours in FY 2005 and 23,600 in FY 2006.

**Recreational Vehicle Law Enforcement:**

- ⇒ Hours spent in law enforcement activities will be increased from the FY 2004 level of 14,600 hours to a statewide goal of 16,200 hours in FY 2005 and 18,200 hours in FY 2006.
- ⇒ The division will enhance all enforcement efforts including information, education, and training to increase compliance and reduce injuries and fatalities associated with the unlawful operation of recreational vehicles.
- ⇒ The division will re-establish task force operations for enhanced ORV and snowmobile enforcement efforts.

**Safety Education:** Retain 4,000 volunteer instructors.

- ⇒ Outreach efforts will be increased to draw more students to vehicle safety classes. Each year the division will train 950 students in All-Terrain Vehicle, and 14,900 in Snowmobile Safety to reduce the fatalities associated with recreational vehicle use. Goals are to have fewer fatalities than the following historical percentages: Snowmobiling - 7.53/100,000 registered snowmobiles, ATV - 8.26/100,000 registered ATVs.
- ⇒ Outreach efforts will be increased to draw more students to firearms safety and advanced hunter education safety classes. In each year, we will train 24,000 students in firearms safety and 5,600 students in advanced hunter education with the goal of reducing the injuries/fatalities associated with firearms hunting incidents.

**Program Funding**

The Enforcement Division has a complex funding mechanism. The operating budget for FY 2004-05 is comprised of the following sources of funds: Game and Fish (65.3%), General (14.7%), Water Recreation (8.1%), Snowmobile (4.4%), and OHM/ORV/ATV (7.1%), and Solid Waste (.4%).

**Contact**

Major William Spence, Administrative Manager

Phone: (651) 296-4677

Fax: (651) 297-3727

E-mail: William. Spence @dnr.state.mn.us

**NATURAL RESOURCES DEPT**

Program: ENFORCEMENT NR LAWS&RULES

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	120	120	120	120	240
<b>Technical Adjustments</b>					
One-time Appropriations			(120)	(120)	(240)
<b>Forecast Base</b>	<b>120</b>	<b>120</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	3,487	3,987	3,987	3,987	7,974
<b>Forecast Base</b>	<b>3,487</b>	<b>3,987</b>	<b>3,987</b>	<b>3,987</b>	<b>7,974</b>
<b>Natural Resources</b>					
Current Appropriation	6,786	6,786	6,786	6,786	13,572
<b>Forecast Base</b>	<b>6,786</b>	<b>6,786</b>	<b>6,786</b>	<b>6,786</b>	<b>13,572</b>
<b>Game And Fish</b>					
Current Appropriation	17,170	17,238	17,238	17,238	34,476
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			115	115	230
<b>Forecast Base</b>	<b>17,170</b>	<b>17,238</b>	<b>17,353</b>	<b>17,353</b>	<b>34,706</b>
<b>Remediation</b>					
Current Appropriation	100	100	100	100	200
<b>Forecast Base</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>200</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	105	135	0	0	0
General	3,645	4,328	3,987	3,987	7,974
Natural Resources	5,403	7,844	6,786	6,786	13,572
Game And Fish	14,769	19,754	17,353	17,353	34,706
Remediation	59	141	100	100	200
<b>Statutory Appropriations</b>					
Natural Resources	0	163	80	80	160
Special Revenue	47	21	3	3	6
Game And Fish	54	297	155	155	310
Federal	298	541	670	622	1,292
Gift	15	48	5	5	10
<b>Total</b>	<b>24,395</b>	<b>33,272</b>	<b>29,139</b>	<b>29,091</b>	<b>58,230</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	16,543	19,013	19,002	19,002	38,004
Other Operating Expenses	5,863	12,200	7,976	7,928	15,904
Local Assistance	1,989	2,059	2,161	2,161	4,322
<b>Total</b>	<b>24,395</b>	<b>33,272</b>	<b>29,139</b>	<b>29,091</b>	<b>58,230</b>

**NATURAL RESOURCES DEPT**

Program: ENFORCEMENT NR LAWS&RULES

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium 2006-07
	FY2004	FY2005	FY2006	FY2007	
<b><u>Expenditures by Activity</u></b>					
Enforcement-Nr Laws&Rules	24,395	33,272	29,139	29,091	58,230
<b>Total</b>	<b>24,395</b>	<b>33,272</b>	<b>29,139</b>	<b>29,091</b>	<b>58,230</b>
<b>Full-Time Equivalent (FTE)</b>	<b>220.0</b>	<b>272.0</b>	<b>272.0</b>	<b>272.0</b>	

**Program Description**

This program is the responsibility of the Department of Natural Resources' (DNR's) service bureaus, regional operations, and commissioner's office.

The purpose of the Operations Support Program is to provide administrative support to all other DNR programs; direct services to the general public; financial assistance to local governments and private organizations to build recreational facilities; and to protect and enhance natural areas.

**Budget Activities Included:**

- ⇒ Operations Support
- ⇒ Recreation and Local Initiative Grants

**Key Measures**

DNR uses a range of organizational indicators to assess its performance related to department-wide operations and business practices. For a more complete set of performance measures and more detailed descriptions of each measure, please see DNR's "***A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission***" ([www.dnr.state.mn.us/conservationagenda/index.html](http://www.dnr.state.mn.us/conservationagenda/index.html)).

See activity sections for specific measures.

**NATURAL RESOURCES DEPT**  
**Program: OPERATIONS SUPPORT**

Program Summary

*Dollars in Thousands*

	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Direct Appropriations by Fund</u></b>					
<b>Environment &amp; Natural Resource</b>					
Current Appropriation	7,923	7,661	7,661	7,661	15,322
<b>Technical Adjustments</b>					
One-time Appropriations			(7,661)	(7,661)	(15,322)
<b>Forecast Base</b>	<b>7,923</b>	<b>7,661</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>General</b>					
Current Appropriation	12,134	12,134	12,134	12,134	24,268
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			(254)	(254)	(508)
<b>Forecast Base</b>	<b>12,134</b>	<b>12,134</b>	<b>11,880</b>	<b>11,880</b>	<b>23,760</b>
<b>Natural Resources</b>					
Current Appropriation	6,016	4,016	4,016	4,016	8,032
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			(1,352)	(1,352)	(2,704)
One-time Appropriations			(246)	(246)	(492)
<b>Forecast Base</b>	<b>6,016</b>	<b>4,016</b>	<b>2,418</b>	<b>2,418</b>	<b>4,836</b>
<b>Game And Fish</b>					
Current Appropriation	8,084	8,091	8,091	8,091	16,182
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			(1,824)	(1,824)	(3,648)
<b>Forecast Base</b>	<b>8,084</b>	<b>8,091</b>	<b>6,267</b>	<b>6,267</b>	<b>12,534</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	10,472	8,850	0	0	0
General	11,901	12,354	11,880	11,880	23,760
Minnesota Resources	408	0	0	0	0
Natural Resources	2,861	3,798	2,418	2,418	4,836
Game And Fish	6,431	6,774	6,267	6,267	12,534
<b>Statutory Appropriations</b>					
General	0	107	22	0	22
Natural Resources	976	2,326	1,500	1,500	3,000
Special Revenue	714	781	518	441	959
Game And Fish	0	1	0	0	0
Federal	1,082	2,669	2,045	1,991	4,036
Miscellaneous Agency	82	0	0	0	0
Gift	1,006	814	759	759	1,518
<b>Total</b>	<b>35,933</b>	<b>38,474</b>	<b>25,409</b>	<b>25,256</b>	<b>50,665</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	16,836	16,960	15,916	15,853	31,769
Other Operating Expenses	5,992	7,362	5,960	5,900	11,860
Capital Outlay & Real Property	2,275	3,358	2,007	1,977	3,984
Local Assistance	10,467	10,794	1,526	1,526	3,052
Other Financial Transactions	363	0	0	0	0
<b>Total</b>	<b>35,933</b>	<b>38,474</b>	<b>25,409</b>	<b>25,256</b>	<b>50,665</b>



**NATURAL RESOURCES DEPT**  
 Program: OPERATIONS SUPPORT

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium 2006-07
	FY2004	FY2005	FY2006	FY2007	
<b><u>Expenditures by Activity</u></b>					
Operations Support	26,173	27,759	23,909	23,756	47,665
Rec & Local Initiative Grants	9,760	10,715	1,500	1,500	3,000
<b>Total</b>	<b>35,933</b>	<b>38,474</b>	<b>25,409</b>	<b>25,256</b>	<b>50,665</b>
<b>Full-Time Equivalents (FTE)</b>	<b>243.2</b>	<b>242.1</b>	<b>238.6</b>	<b>233.9</b>	

**Activity Description**

This activity provides administrative support to agency management such as formulating and establishing policies and priorities; integrating department operations in a cohesive direction; and management of DNR capital assets, information, and employee safety. The activity includes the Commissioner's Office; Office of Management and Budget Services; Bureau of Human Resources; Bureau of Information and Education; Facilities, Operations, and Information Services; and Regional Operations.

Legislative guidance is provided in Minnesota Statutes pertaining to such topics as: accounting, contracting, and budget; data practices; planning and performance measurement; management of fleet, facilities, and assets; publication of regulations and other information; Permanent School Fund; state employment, labor relations, and state retirement; safety; human rights and accessibility. Article 11 of the Minnesota Constitution provides direction concerning finances, revenue from state lands, the Permanent School Fund, and the Environment and Natural Resources Fund.

**Population Served**

Operations Support assists and provides services to DNR managers, supervisors, and employees in all divisions, bureaus, and regions, and to the general public, local communities, and other governmental organizations.

**Services Provided**

⇒ **Commissioner's Office** provides leadership and direction for the department and manages regulatory and legislative affairs.

⇒ **Office of Management & Budget Services (OMBS)** support bureau provides these agency management and financial services:

- ◆ Leadership and coordination for strategic planning, operational and capital budgeting, and results management;
- ◆ Market research to inform agency-wide policies and evaluate results important to citizens;
- ◆ Leadership and oversight for departmental budgeting, accounting, contracting, and financial management and reporting;
- ◆ Coordination and oversight of Federal funding; and
- ◆ Grants management and revenue oversight.

⇒ **Bureau of Human Resources** provides agency leadership and management services on employee relations and workforce planning issues, including:

- ◆ Compliance with and administration of federal and state employment laws, rules and regulations, including five labor agreements and two unrepresented labor plans;

**Activity at a Glance**

- ◆ Developed A Strategic Conservation Agenda, consisting of 75 measurable indicators with targets to show department accountability for conservation results and its mission.
- ◆ Distributed over 450,000 DNR publications to the general public and responded to approximately 135,000 phone inquiries and over 33,000 e-mail inquiries.
- ◆ Directed budget and accounting procedures for effective use of over \$300 million per year.
- ◆ Developed and implemented the Web Integrated Revenue System (WIRES) to manage receipts and receivables for of more than \$150 million per year.
- ◆ Managed Federal Emergency Management Agency (FEMA) public assistance grants for damage to DNR properties and facilities from natural disasters.
- ◆ Coordinated 434,000 hours of volunteer time with a value of \$7.2 million for natural resource-based activities.
- ◆ Completed over 23,000 employee and position transactions and 345 job analysis reviews, and filled 1,300+ positions in FY04.
- ◆ Provided facility design, construction, and maintenance services.
- ◆ Provided management services for equipment that is driven 17 million miles per year.
- ◆ Provided safety and health services for employees who work 4.5 million hours.
- ◆ Provided information technology support for 25,000+ DNR Web site pages with 101,000 pages viewed daily; 85,000 e-mail messages; and over a gigabyte of data downloaded daily.
- ◆ Administered over \$2 million in natural resource management and planning grants provided to local communities.
- ◆ Protected habitat through acquisition, easements, or ordinances and direct technical and financial assistance to local communities.
- ◆ Resolved conflicts on natural resource issues within the Department and with the Department's stakeholders.

## NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

Activity: OPERATION SUPPORT

Narrative

- ◆ Job allocation, recruitment coordination, selection, and compensation for 3,000+ jobs in 400 job classes; and
- ◆ Human resource policy, employment and data records, payroll, labor distribution, benefits, and insurance.

⇒ **Bureau of Information and Education** provides the following services:

- ◆ Information for the general public through the DNR's Information Center (including phone calls, e-mail, voicemail, and walk-ins) and through the media (including written news releases and interviews);
- ◆ Audio-visual, graphics, special event, and educational support for all DNR units;
- ◆ Publication of bi-monthly *Minnesota Conservation Volunteer* magazine;
- ◆ Administration of Boat and Water Safety Program; and
- ◆ Coordination of volunteer programs.

⇒ **Bureau of Facilities, Operations, and Information Services** provides leadership and expertise on managing capital assets, information, and employee safety, including:

- ◆ Administrative oversight for leasing and operation of buildings, design expertise, construction management and repair services for all DNR facilities;
- ◆ Selection and purchase of appropriate equipment and provision of maintenance services;
- ◆ Purchase and supply of materials and equipment needed to operate programs efficiently and effectively;
- ◆ Health and safety program to foster employee attentiveness to personal health and to create the safest possible work environment; and
- ◆ Information services for efficient and effective deployment of computer, telecommunications, and data and information resources.

⇒ **Regional Operations** provides leadership and assistance for interdisciplinary delivery of DNR services at the local level, including:

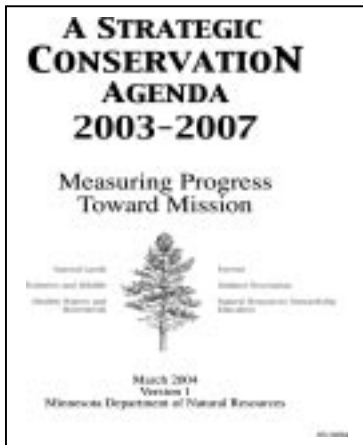
- ◆ Coordination of natural resource management programs to ensure that the agency provides a unified response and is effectively and appropriately managing and conserving the state's natural resources.
- ◆ Technical assistance to local communities, stakeholders, and elected officials.
- ◆ Local administration of financial assistance programs, including Conservation Partners, Environmental Partnerships, Natural Areas, Metro Greenways, and Legislative Commission on Minnesota Resources (LCMR) grants, Community Assistance grants, and Metro Greenways Planning grants.
- ◆ Information and education, communications planning, media relations, and department participation in local education and community events.
- ◆ Coordination of the department's emergency response assistance in the event of a non-fire emergency.

### Historical Perspective

In recent years, the varied components of Operations Support have focused on improvements in operational efficiency and accountability. The Office of Management and Budget Services pursues effective integration of planning, budgeting, operations, and accountability mechanisms. Human Resources activities are shifting to a paperless/on-line system, while workforce planning is a key strategic issue due to the high percentage of employees and managers approaching retirement age. Information & Education activities are also shifting to electronic systems and e-commerce. Facilities, Operations, and Information Services is providing information management, capital assets, and safety programming to DNR workers through streamlined and economical systems. The DNR has four regions with headquarters in Bemidji, Grand Rapids, New Ulm, and St. Paul; in setting budget priorities for FY 2004-05, significant emphasis was placed on Regional Operations to strengthen interdisciplinary coordination.

**Key Measures**

DNR's Operations Support created and manages an agency-wide performance measurement process that builds and reports on agency performance indicators. These indicators serve to clearly define agency natural resource priorities; measure progress; and document accountability to results. DNR's **"A Strategic Conservation Agenda, 2003 –2007"** ([www.dnr.state.mn.us/conservationagenda/index.html](http://www.dnr.state.mn.us/conservationagenda/index.html)) reports on a set of 75 indicators and associated targets that reflect the range and reach of DNR's mission.

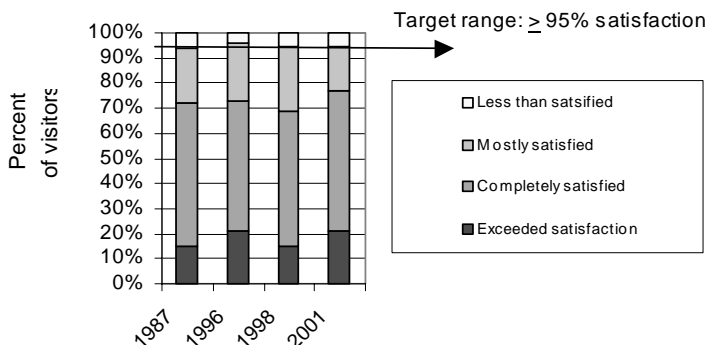


DNR's Operations Support also updates and maintains 24 agency-level indicators along with associated targets found on the Governor's Office Department Results Management Website ([www.departmentresults.state.mn.us](http://www.departmentresults.state.mn.us)).

In addition to managing agency-wide performance reporting of natural resource indicators, DNR's operations support collects and tracks specific organizational indicators related to customer satisfaction, fiscal management, human resources management, safety performance, information services, and regional operations as illustrated below.

**Customer Satisfaction**

Market Research: Design and conduct surveys and research to determine customer expectations and satisfaction related to parks, trails, and other recreational opportunities. This example indicator focuses on park visitor satisfaction.



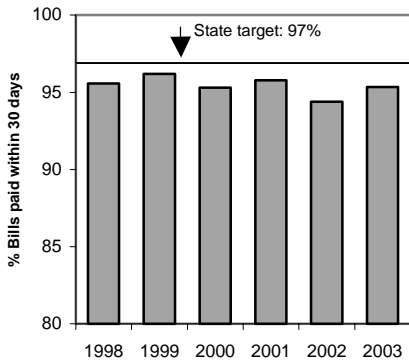
**Indicator:** Percent satisfied with visit to a Minnesota state park

**Target:** Maintain a 95 percent or higher satisfaction rating.

**Managing Fiscal Resources**

Effective and Efficient Fiscal Management: The percentage of bills paid within 30 days is one area where DNR is tracking efforts and striving to become even more efficient. Within the past six years the DNR has successfully paid 94-96% of bills within 30 days. DNR is working to meet the state target of 97%.

**Percentage of bills paid within 30 days.**



**Indicator:** Percentage of bills paid within 30 days.

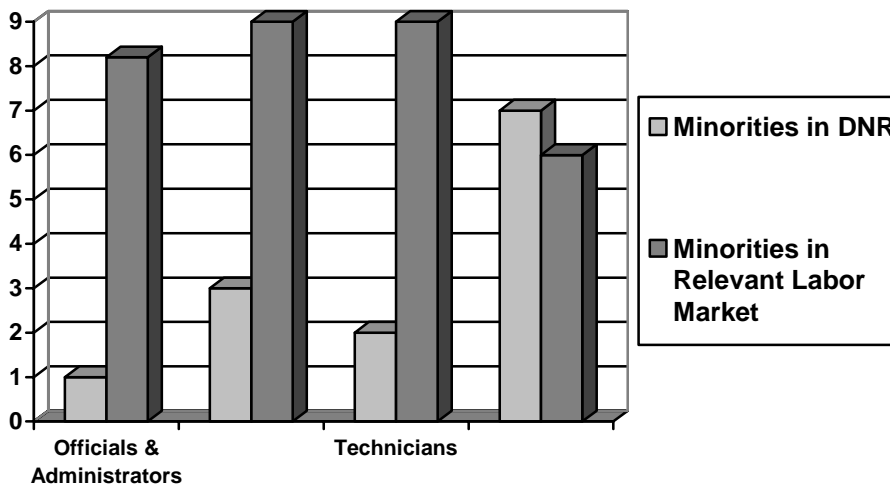
**Target:** Pay 97% of bills within 30 days

**Human Resources Management**

Affirmative Action: - percentage of minorities in the DNR workforce as compared to the relevant labor market: In order to assure that positions in the executive branch are equally accessible to all qualified persons, and to eliminate the underutilization of qualified members of protected groups, Minnesota statutes require state agencies to set hiring goals. Minorities are largely underrepresented in the DNR as illustrated below.

**Percentages of Minorities**

August 2004



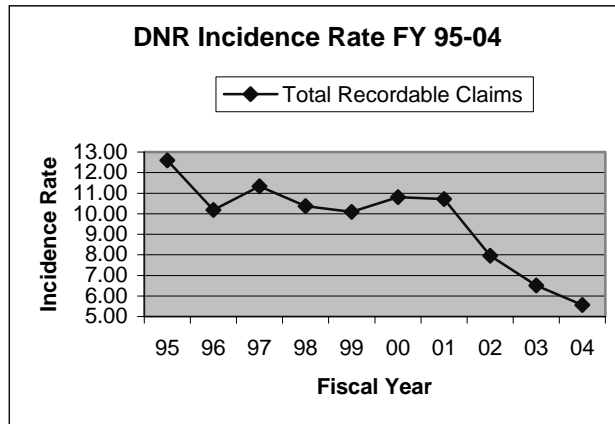
**EEO4 Categories**

The above indicator supports the Department of Employee Relations' (DOER) statewide performance indicators related to human resources management.

**Safety Performance**

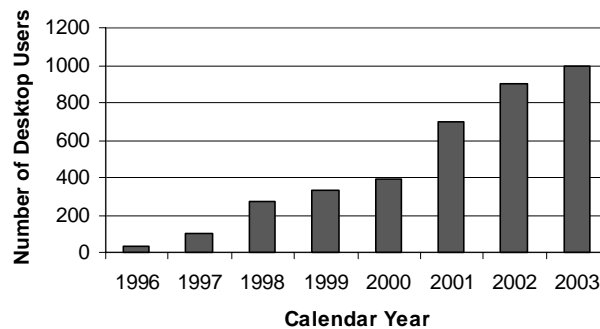
Incidence Rate: – is an indicator for safety performance. The total recordable incidence rate is the number of Occupational Health and Safety Administration (OSHA) recordable injuries and illnesses per 200,000 hours worked. The DNR Incidence Rate has dropped 56% in the last ten years and 30% in the last three years. The short-term goal is to reduce the total injuries or illnesses in the DNR so that the recordable claims incidence rate is lower than the private sector total incidence rate published by the Bureau of Labor Statistics (BLS).

**Target – DNR incident rate less than the BLS total incidence rate for the private sector of 5.7**



**Information Services**

GIS Software Use: - Field managers and resource managers use high-quality and up-to-date geographic information systems (GIS) tools to manage the state's natural resources. This indicator illustrates how DNR supports efficient and effective information technologies.



## NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

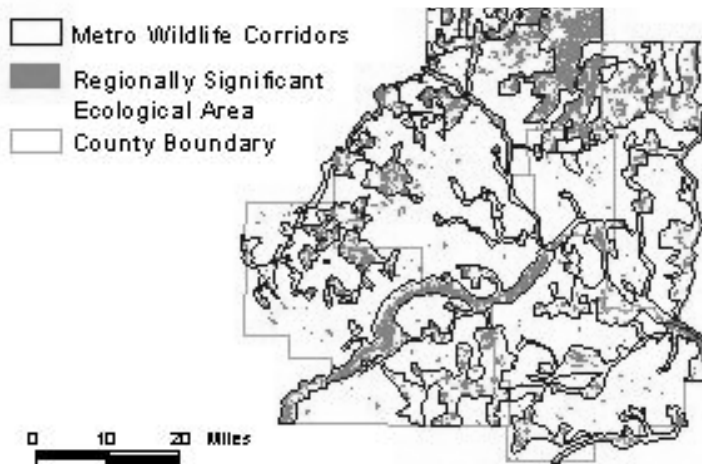
Activity: OPERATION SUPPORT

Narrative

### Regional Operations

Community Partnerships and Habitat Protection: Regional operations supports DNR's mission through interdisciplinary priority setting, community partnership building, resource allocation, and issue resolution. The following indicator is an example of conservation partnership activity by regional operations. Regional operations shares in the responsibility with DNR Divisions to accomplish statewide targets defined in DNR's "A Strategic Conservation Agenda". Regional operations helps coordinate the interdisciplinary actions needed to ensure that meeting individual conservation targets is done in ways that optimize overall DNR mission results.

### Significant natural resource areas in the seven-county Twin Cities metropolitan area.



**Indicator:** Number of habitat acres protected in the Twin Cities metropolitan area

**Target:** Protect an additional 700 habitat acres and restore about 1,700 habitat acres through the Metro Wildlife Corridor Project by 2005.

### Activity Funding

For the current biennium, 79% of the funding for this budget activity is from the General Fund, Natural Resources Fund, and the Game and Fish Fund. Thirteen percent of the budget is derived from dedicated receipt sources and federal funds. The remaining eight percent represents projects recommended by the LCMR and funded through the Minnesota Environment and Natural Resources Trust Fund and the State Land and Water Conservation Account in the Natural Resources Fund.

### Contact

Brad Moore, Assistant Commissioner for Operations  
Joe Kurcinka, Chief Financial Officer  
Office of Management and Budget Services  
Department of Natural Resources  
500 Lafayette Road  
St. Paul, Minnesota 55155  
Phone: (651) 296-4789  
Fax: (651) 296-6047  
<http://www.dnr.state.mn.us>

**NATURAL RESOURCES DEPT**  
**Program: OPERATIONS SUPPORT**  
**Activity: OPERATIONS SUPPORT**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	2,317	707	0	0	0
General	11,901	12,354	11,880	11,880	23,760
Natural Resources	2,640	3,552	2,418	2,418	4,836
Game And Fish	6,431	6,774	6,267	6,267	12,534
<b>Statutory Appropriations</b>					
General	0	107	22	0	22
Special Revenue	714	781	518	441	959
Game And Fish	0	1	0	0	0
Federal	1,082	2,669	2,045	1,991	4,036
Miscellaneous Agency	82	0	0	0	0
Gift	1,006	814	759	759	1,518
<b>Total</b>	<b>26,173</b>	<b>27,759</b>	<b>23,909</b>	<b>23,756</b>	<b>47,665</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	16,798	16,918	15,916	15,853	31,769
Other Operating Expenses	5,856	7,362	5,960	5,900	11,860
Capital Outlay & Real Property	2,275	3,358	2,007	1,977	3,984
Local Assistance	881	121	26	26	52
Other Financial Transactions	363	0	0	0	0
<b>Total</b>	<b>26,173</b>	<b>27,759</b>	<b>23,909</b>	<b>23,756</b>	<b>47,665</b>
<b>Full-Time Equivalent (FTE)</b>	<b>242.7</b>	<b>241.6</b>	<b>238.6</b>	<b>233.9</b>	



**Activity Description**

The Recreation and Local Grants Initiative activity provides financial assistance to local governments and private organizations to build recreational facilities and to protect and enhance natural areas. The Local Parks Grants and Natural and Scenic Area Grants programs are established in M.S. 85.019. The Conservation Partners and Community Environmental Partnerships Grants programs are not established in statute, but have been funded by the Legislative Commission on Minnesota Resources (LCMR) since 1995. The Regional Park Grants (Outside Metro) program was funded by the legislature in 2000, 2001, and 2003 and is not established in statute. Pass-through contract administration for LCMR projects was funded by the 2001 legislature [ML 2001, First Special Session, Chap. 2, Sec.14, Subd.3 (b)] and the 2003 legislature [ML 2003, Chap. 128, Art. 1, Sec. 9, Subd. 3(c)].

**Population Served**

This activity serves cities, counties, townships, recognized Indian Tribal Governments, and eligible private/nonprofit organizations throughout Minnesota. Projects have been funded in every county and in well over 500 cities throughout the state.

**Services Provided**

Projects funded through the Recreation and Local Grants Initiative foster more livable communities, a healthier population, and greater public appreciation and knowledge of natural resource benefits.

- ⇒ **Local Parks Grants** provide matching grants to encourage the creation or enhancement of high quality outdoor recreation facilities.
- ⇒ **Natural and Scenic Area Grants** provide matching grants to protect and enhance natural and scenic areas.
- ⇒ **Conservation Partners Grants** provide matching grants to encourage enhancement of fish, wildlife and native plant habitats, and research and survey of fish and wildlife directly related to specific habitat improvements.
- ⇒ **Environmental Partnership Grants** provide matching grants to encourage environmental service projects and related education activities through public and private partnerships.
- ⇒ **Regional Park Grants (Outside Metro)** provides grants to public regional parks organizations outside the Twin Cities metro area to acquire land, design, construct, and redevelop regional parks and trails, open space, and recreational facilities. Each \$3.00 of state grants must be matched by \$2.00 of non-state funds.

In 2003 the legislature appropriated \$120,000 from the Environmental Trust Fund to the Department of Natural Resources (DNR) for administration of contracts for appropriations to several third party recipients, such as nonprofits and other levels of government. The Local Grants Unit administers this appropriation.

**Activity at a Glance**

**Local Park Grants**

- ◆ 2003: Acquired 80 acres of new parkland for one county and one city park and developed or redeveloped outdoor recreation facilities at an additional 13 local parks.
- ◆ 2004: Acquired seven acres of new parkland for one city park; developed or redeveloped outdoor recreation facilities at an additional four local parks.

**Natural and Scenic Area Grants**

- ◆ 2003: Acquired 287 acres of natural/scenic areas in seven city, county, and township projects. A waterfall, river and lake shore land, prairie and woodlands protected.
- ◆ 2004: Acquired a 30 acre natural and scenic area in one city. Includes oak woodlands, lake frontage.

**Conservation Partners Grants**

- ◆ 2003: 26 habitat improvement projects throughout the state.
- ◆ 2004: No new grants approved.

**Environmental Partnership Grants**

- ◆ 2003: 14 conservation and environmental partnership grants throughout the state.
- ◆ 2004: No new grants approved.

**Regional Park Grants**

- ◆ 2003: Acquired 258 acres of regional parkland in two county and two city parks outside the metro area. Developed outdoor recreation facilities in eight parks.
- ◆ 2004: Developed facilities in one county park.

**Pass-Through Appropriations**

- ◆ Administered approximately two dozen pass-through appropriations.

# NATURAL RESOURCES DEPT

**Program:** OPERATIONS SUPPORT

**Activity:** REC & LOCAL INITIATIVE GRANTS

Narrative

The Recreation and Local Grants Initiative, and the pass-through appropriations administered by DNR staff, represent a significant contribution to protecting and enhancing natural areas and outdoor recreation areas. One key characteristic of this activity is that it involves a variety of partnerships and cooperative efforts among state, local government, private organizations, and private citizen stakeholders. All projects are undertaken as positive, voluntary initiatives on the part of the participants.

## Historical Perspective

The Land and Water Conservation Fund (LWCF) has played an important role in the history of the United States' outdoor recreation and conservation funding efforts. Created in 1964 by Congress, it receives funding primarily through offshore oil and gas receipts. Because offshore drilling for oil and gas depletes a valuable natural resource, Congress determined that it was appropriate to invest the proceeds from these offshore leases to protect America's natural resources and encourage the nation to experience outdoor recreation. Since its inception, this program is responsible for the acquisition of nearly seven million acres of parkland and almost 40,000 state and local recreation and open space projects nationwide.

Since 1965, the LWCF program in Minnesota has invested more than \$64 million into the state's outdoor recreation system, funding over 400 state projects and over 800 local park and recreation projects. The LWCF program in Minnesota has a state and local program, each receiving 50% of the federal appropriation. The state program supports the acquisition and development of the State Outdoor Recreation System. The local program, supported by the Recreation and Local Grants Initiative budget activity, provides matching funds to local units of government, including recognized tribal governments, for outdoor recreation projects.

Congress appropriated federal FFY 2000 funds to the states from the LWCF for the first time in several years. In federal FFY 2001, \$1.6 million was appropriated and in federal FFY 2002 \$2.5 million was appropriated to the state. From that peak year the funding has declined to just over \$1.6 million in each of FFY 2003 and 2004. One half of these funds are used for the local park program. These federal appropriations represent a significant increase in LWCF funding from previous years, but the prospects for future funding are unclear.

The Local Initiatives Grant Program has also received state funding since the 1960s through state bonding and appropriations from the Environment and Natural Resources Trust Fund and the former Future Resources Fund. Through the years, over 1,600 local projects have received over \$133 million in state grant funds through this program. Projects have been funded in every county and in over 500 cities throughout the state.

The local match contributed through the years to the programs included in this activity totals over \$100 million.

## Key Measures

DNR's report entitled "A Strategic Conservation Agenda 2003-2007," describes 75 performance indicators with conservation targets in six key areas. One DNR conservation target is to help local governments acquire 200 acres per year in 2005-06 and 200 to 300 acres per year thereafter. The table below illustrates local government demand for open space grants: (**\$'s in millions**)

<b>Demand for Grants</b>	<b>FY 2003 Requests Received</b>	<b>FY 2003 Funds Available</b>
Local Park Grants	\$6.8	\$.39
Natural & Scenic Grants	1.35	.99
Regional Park Grants	1.38	1.18

<b>Demand for Grants</b>	<b>FY 2004 Requests Received</b>	<b>FY 2004 Funds Available</b>
Local Park Grants	\$9.04	\$.56
Natural & Scenic Grants	1.34	.20
Regional Park Grants	.47	.04

**NATURAL RESOURCES DEPT****Program: OPERATIONS SUPPORT****Activity: REC & LOCAL INITIATIVE GRANTS**

Narrative

Results of Grant Investments	FY 2003-04 Projects Funded	Results
Local Park Grants	20	87 acres of new parkland in three parks Outdoor recreation facilities in 17 parks
Natural & Scenic Grants	8	317 acres of natural & scenic areas acquired ~one mile of river and lakeshore protected
Regional Park Grants	11	258 acres acquired in four parks Outdoor recreation facilities in nine county and city parks

**Activity Funding**

For the current biennium, 61% of the funding for this budget activity is provided from the Minnesota Environment and Natural Resources Trust Fund to support LCMR recommended pass-thru grant projects. The remaining 39% percent of funding is from the federal Land and Water Conservation Fund.

**Contact**

Department of Natural Resources  
Local Grants Program  
500 Lafayette Road  
St. Paul, Minnesota 55155

Wayne Sames, Program Supervisor  
Joe Kurcinka, Chief Financial Officer  
Office of Management and Budget  
Phone: (651) 296-0565  
Fax: (651) 296-6047  
Website: <http://www.dnr.state.mn.us>

**NATURAL RESOURCES DEPT**  
**Program: OPERATIONS SUPPORT**  
**Activity: REC & LOCAL INITIATIVE GRANTS**

Budget Activity Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>2006-07</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Environment & Natural Resource	8,155	8,143	0	0	0
Minnesota Resources	408	0	0	0	0
Natural Resources	221	246	0	0	0
<b>Statutory Appropriations</b>					
Natural Resources	976	2,326	1,500	1,500	3,000
<b>Total</b>	<b>9,760</b>	<b>10,715</b>	<b>1,500</b>	<b>1,500</b>	<b>3,000</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	38	42	0	0	0
Other Operating Expenses	136	0	0	0	0
Local Assistance	9,586	10,673	1,500	1,500	3,000
<b>Total</b>	<b>9,760</b>	<b>10,715</b>	<b>1,500</b>	<b>1,500</b>	<b>3,000</b>
<b>Full-Time Equivalents (FTE)</b>	<b>0.5</b>	<b>0.5</b>	<b>0.0</b>	<b>0.0</b>	