

Agency Purpose

The mission of the Minnesota Department of Natural Resources (DNR) is to “work 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.” The DNR’s three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection, requires a fully integrated approach to conservation.

Core Functions

The DNR works to provide opportunities for hunting and fishing, other recreational opportunities, and economic development, as well as to preserve important features of our natural heritage. Integrated resource management is the DNR’s strategy to share stewardship responsibility with citizens and partners as we manage for multiple interests.

The DNR has identified three key drivers of change that influence the agency’s ability to manage for natural resource results. These drivers broadly affect the distribution and quality of Minnesota’s natural resources and the people who use them. The following strategies address these key driving trends:

- ◆ *Outdoor recreation participation:* Increase outdoor recreation participation through targeted marketing and enhanced community outreach and communications.
- ◆ *Renewable energy and climate change:* Increase energy efficiency in DNR operations, promote new conservation-based energy sources, and mitigate and adapt to climate change and its effects.
- ◆ *Landscape changes from growth and development:* Work with private landowners to encourage development that conserves natural resources and promote integrated approaches to managing private and public land and water resources.

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.

The agency is organized into four geographic regions, eight operating divisions, and four support bureaus. DNR staff work out of 182 field offices that are located statewide.

At A Glance

Minnesota has approximately 51 million total land acres.

Public Lands and Waters Administered by DNR

- ◆ 5.5 million acres of land owned by the state of Minnesota, including 4.8 million acres predominantly in state forest management
- ◆ 12 million acres of land managed for mineral rights
- ◆ Eight million acres of surface rights and mineral rights managed for horticultural peat, industrial minerals, and construction materials
- ◆ 58 state forests
- ◆ 11,842 lakes
- ◆ 69,000 miles of rivers and streams

Facilities and Recreational Lands Administered by DNR

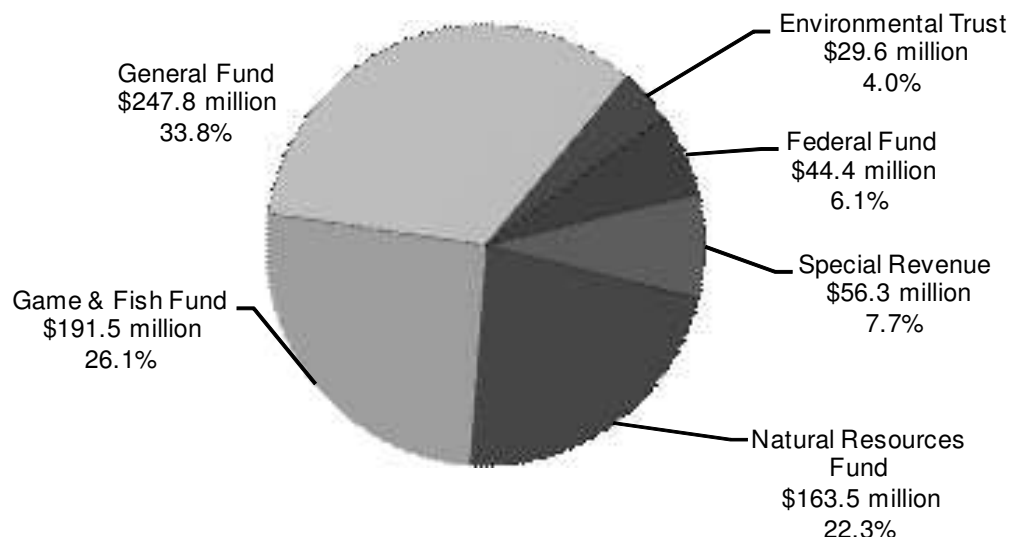
- ◆ 67 state parks and seven state recreation areas and eight state waysides totaling 226,831 acres
- ◆ 54 state forest campgrounds and day use areas
- ◆ 1,429 wildlife management areas, encompassing more than 1.277 million acres
- ◆ 38,014 acres (including 841 shoreland miles) of aquatic management areas
- ◆ 146 scientific and natural areas, totaling approximately 182,900 acres
- ◆ 1,585 state water accesses
- ◆ 340 fishing piers and shorefishing sites
- ◆ 30 designated canoe and boating routes, encompassing over 4,000 miles, and 155 miles of the Lake Superior Water Trail
- ◆ 1,249 miles of multi-use state trails, including 554 miles of paved bicycle trails
- ◆ 870 miles of cross-country ski trails (DNR and Grant-in-Aid)
- ◆ 2,198 miles of off-highway vehicle trails (DNR and Grant-in-Aid)
- ◆ 21,685 miles of snowmobile trails (DNR and Grant-in-Aid)

- ◆ **Lands and Minerals Division** manages agency real estate transactions and promotes, regulates, and provides expertise on mineral exploration, mining, and mine land reclamation.
- ◆ **Waters Division** regulates all phases of the hydrologic cycle, including managing impacts on wetlands, lake, river, and groundwater phases of the hydrologic cycle.
- ◆ **Forestry Division** protects citizens and property from wildfire and strives for the sustainable yield of timber resources for forest products while managing state forests for wildlife habitat and recreation.
- ◆ **Parks and Recreation Division** operates a system of state park and state forest campgrounds that conserves and manages natural, scenic, and cultural resources, and offers opportunities for recreation and education.
- ◆ **Trails and Waterways Division** provides public access to lakes, rivers and streams; designates boating routes; and maintains a statewide network of recreation trails.
- ◆ **Fish and Wildlife Division** conserves and enhances the state's fish and wildlife populations and their supporting habitats through regulation, restoration, research, monitoring, and education.
- ◆ **Ecological Resources Division** works to advance healthy, resilient ecosystems through research on native plant and animal communities; regulation and environmental review; provides extensive public information; and maintains the state's scientific and natural areas.
- ◆ **Enforcement Division** enforces laws related to game and fish; wetlands; aquatic plants; and the operation of watercraft, snowmobiles, ATVs and other recreational vehicles; and provides a series of conservation and safety education programs.
- ◆ **Operations Support** includes the commissioner's office, regional operations, recreation and local grants management, policy leadership and coordination, departmental support, customer service, and assistance to local governments and private organizations.

Budget

Direct, open, and statutory appropriations total \$733 million for the FY 2008-09 biennium: 33.8% is from the general fund, 26.1% from the game and fish fund, 22.3% from the natural resources fund, 7.7% from special revenue, and the remaining from other funding sources. Number of full time employees for the DNR from all funding sources is 3,689.70 (due to seasonal fluctuation in workforce, total FY 2008 FTEs is 3,980.96).

FY2008-09 Budgeted Expenditures by Fund \$733.1 Million



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NATURAL RESOURCES DEPT

Agency Overview

Dollars in Thousands					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	13,370	16,200	16,200	16,200	32,400
Forecast Base	13,370	16,200	0	0	0
Change		0	(16,200)	(16,200)	(32,400)
% Biennial Change from 2008-09					-100%
General					
Current Appropriation	92,540	80,619	80,619	80,619	161,238
Forecast Base	92,540	80,619	79,493	79,493	158,986
Change		0	(1,126)	(1,126)	(2,252)
% Biennial Change from 2008-09					-8.2%
Natural Resources					
Current Appropriation	77,564	79,326	79,326	79,326	158,652
Forecast Base	77,564	79,326	77,326	77,326	154,652
Change		0	(2,000)	(2,000)	(4,000)
% Biennial Change from 2008-09					-1.4%
Game And Fish (operations)					
Current Appropriation	90,111	92,818	92,818	92,818	185,636
Forecast Base	90,111	92,818	92,192	92,042	184,234
Change		0	(626)	(776)	(1,402)
% Biennial Change from 2008-09					0.7%
Remediation Fund					
Current Appropriation	100	100	100	100	200
Forecast Base	100	100	100	100	200
Change		0	0	0	0
% Biennial Change from 2008-09					0%
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	10,705	24,103	0	0	0
General	86,120	90,431	79,493	79,493	158,986
Minnesota Resources	104	113	0	0	0
Natural Resources	70,604	84,010	77,326	77,326	154,652
Game And Fish (Operations)	84,340	98,561	92,192	92,042	184,234
Remediation Fund	99	101	100	100	200
Permanent School	80	320	200	200	400
Open Appropriations					
General	20,750	18,912	40,451	40,415	80,866
Natural Resources	459	809	558	558	1,116
Game And Fish (Operations)	831	1,033	1,030	1,030	2,060
Statutory Appropriations					
General	306	128	0	0	0
Natural Resources	3,799	5,065	3,499	3,499	6,998
Miscellaneous Special Revenue	20,564	21,866	20,768	20,768	41,536
Game And Fish (Operations)	3,933	4,437	3,481	3,481	6,962
Federal	15,094	27,559	25,588	25,054	50,642
Remediation Fund	1,511	1,200	506	157	663
Reinvest In Minnesota	3,238	6,110	4,974	4,974	9,948
Miscellaneous Agency	13	0	0	0	0
Gift	1,684	2,295	1,871	1,871	3,742
Permanent School	5	199	3	3	6
Total	324,239	387,252	352,040	350,971	703,011

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Expenditures by Category</u>					
Total Compensation	163,944	179,638	174,419	174,234	348,653
Other Operating Expenses	106,663	137,096	114,465	114,069	228,534
Capital Outlay & Real Property	10,035	28,659	12,957	12,671	25,628
Payments To Individuals	1	2	2	2	4
Local Assistance	43,586	41,844	28,408	28,088	56,496
Other Financial Transactions	10	0	0	0	0
Transfers	0	13	21,789	21,907	43,696
Total	324,239	387,252	352,040	350,971	703,011
<u>Expenditures by Program</u>					
Land & Minerals Resource Mgmt	10,715	15,396	33,046	33,164	66,210
Water Resources Mgmt	21,073	18,191	15,500	15,498	30,998
Forest Management	67,199	77,141	71,350	71,405	142,755
Parks & Recreation Mgmt	40,826	43,694	42,393	42,393	84,786
Trails & Waterways Mgmt	32,697	43,853	35,620	35,588	71,208
Fish & Wildlife Management	82,234	99,731	89,275	89,046	178,321
Ecological Resources	21,257	31,317	23,105	22,387	45,492
Enforcement Nr Laws&Rules	31,986	33,660	33,146	33,146	66,292
Operations Support	16,252	24,269	8,605	8,344	16,949
Total	324,239	387,252	352,040	350,971	703,011
<i>Full-Time Equivalents (FTE)</i>	2,425.5	2,449.3	2,405.7	2,392.9	

Program Description

The Department of Natural Resources (DNR) is responsible for implementing land policy on state-owned lands and providing fiduciary oversight for real estate and mineral transactions that relate to state lands. This program is the responsibility of the DNR's Division of Lands and Minerals.

The program's real estate responsibilities include land purchases, sales, and exchanges that implement the resource management plans reflected in the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission*. The land survey unit provides the foundation for fee title and conservation easement boundaries.

Mineral management responsibilities include issuing leases for exploration and mining, negotiating lease terms, inspecting mines and exploratory drilling, calculating ores mined, and managing revenue related to mining and exploration. The program also provides technical assistance to local governments on mineral resources and mining issues.

The mineland reclamation program has regulatory authority for reclamation of metallic minerals and peat mines to ensure environmentally sound mining practices. Current work includes environmental review for the ongoing exploration and mineral development projects in northern Minnesota.

Program at a Glance

- ◆ National Mineral Commodity Rankings*
 - ⇒ 8th in non-fuel mineral production
 - ⇒ 1st in taconite production
 - ⇒ 10th in sand and gravel production
 - ⇒ 3rd in horticultural peat production
- ◆ 12 million acres of land managed for mineral rights and 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
- ◆ \$59.9 million in mineral revenue generated in FY 2007-2008
- ◆ Reclamation program for iron ore, metallic minerals, and horticultural peat
- ◆ Acquisition of 57,469 acres of conservation easements
- ◆ Acquisition of 14,850 acres of fee title land

*Mineral Commodity Summaries 2008, United States Geological Survey

Population Served

State-owned lands provide citizens recreational opportunities for hunting, fishing, and other pursuits. Mineral rents and royalties provide financial benefits to state trust funds, local governments, and the general fund.

Services Provided

DNR's three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection, requires a fully integrated approach to conservation. Integrated resource management is DNR's strategy to share stewardship responsibility with citizens and partners as we manage for multiple interests. The Land and Minerals Resource Management Program serves the mission by providing real estate management services to the department and managing state-owned minerals resources, including the permitting and reclamation of taconite, non-ferrous metallic minerals, and horticultural peat mines for the various trusts that own the land.

◆ Real Estate Management

The program provides the following real estate transactional services: land acquisitions; land exchanges; land sales; road easements; utility licenses; real estate tax and special assessment payments; and agricultural and other types of leases. Land is acquired in fee title and for conservation easements designed to protect habitat and natural resources for current and future generations of Minnesotans. Specific responsibilities include calculating payments in lieu of taxes (PILT) that provide counties revenue for state-owned natural resources lands within each county. Responsibilities also include conducting legislatively mandated reviews for county-proposed, tax-forfeited land sales. This program provides land surveying services for the department, including boundary staking and platting for acquisitions, conservation easements, land sales, and trespass situations. Additional services include: land title research, review of encroachments and adjoining rights, and review of quiet title actions served on the department by the judiciary.

◆ Land Records System

In FY 2008, the department began a four-year project to reengineer the department's Land Records System. The system contains records for about 400,000 individual parcels totaling about 5.3 million acres of DNR-administrated land and 2.9 million acres of county-administered land held in trust by the state in addition to 12 million acres of mineral rights. Fiscal years 2010-11 will be the third and fourth years of the project that will eventually support department-wide strategic land management, increase the transparency of real estate transactions, and enable public Web-based Internet access to the department's land records.

◆ Mineral Management

The DNR is responsible for managing minerals resources owned by the state. Activities include identifying mineral resources and leasing mineral lands for the financial benefit of various trust funds and local units of government. State-owned mineral resources include taconite, iron ore, non-ferrous metallic minerals, horticultural peat, construction aggregates, and industrial minerals. The DNR is responsible for monitoring global commodity demand and pricing; establishing equitable royalty rates for state-owned minerals; developing mineral resource information to support state mineral lease sales and mining, determining ore quality, generating resource and reserve estimates, conducting field inspections, collecting rental and royalties due from exploration and mining on state lands; and reconciling and disbursing mineral rental and royalty payments to the appropriate accounts.

◆ Mineland Reclamation

As directed by Minnesota statutes, the DNR establishes and enforces regulations for reclamation of lands disturbed by mining. Responsibilities include reducing the environmental impacts of mining; ensuring adequate environmental review of proposed developments; issuing permits; ensuring progressive reclamation; enforcing reclamation law; ensuring public review and input to the permitting process; developing mine closure plans and overseeing mine closures.

Historical Perspective

A number of global trends are affecting the Lands and Minerals Management Program. Foremost is the global minerals marketplace. In addition, the country's focus on energy and related infrastructure construction is impacting the department's management of land assets.

Strong global demand for iron ore and steel has continued to have a positive impact for the taconite industry. Worldwide demand for iron ore is expected to surpass two billion tons in 2008, doubling 2001 demand. In Minnesota, taconite plants are operating at capacity, new processing plants are under construction, and companies are expanding mines. Iron demand is not only driving production of taconite pellets in the state, but it is also providing jobs and producing record state royalties.

As of August 2008, the DNR had issued a permit amendment to United Taconite, LLC for an expansion of the Thunderbird Pit near Eveleth and Northshore Mining Company was working toward an expansion of the Peter Mitchell Pit near Babbitt. ArcelorMittal Steel USA was mining in their East Reserve to supplement the declining production from the Laurentian Mine, potentially expanding the life of the mine by 12 to 15 years. U.S. Steel Corporation's Keewatin Taconite was undergoing environmental review and permitting to restart an idled furnace and expand the current mine pit limits. U.S. Steel Corporation's Minntac operation near Virginia was beginning wetland delineation in preparation for a permit amendment to increase the pit limits and production, and Hibbing Taconite Company had applied for a permit amendment to allow for a hydro-separator system to improve tailings segregation and allow for increased storage in their current tailings basin. In addition, the construction of the Mesabi Nugget, LLC commercial iron nugget plant was scheduled for completion in the fall of 2009. Minnesota Steel Industries, LLC has received a permit to mine, and all other required permits, for a planned taconite mine and steel plant near Nashwauk on the western Mesabi Iron Range, and Steel Dynamics, Inc.'s project was undergoing environmental review and permitting to restart mining in some of the adjacent pits to feed the iron nugget plant currently under construction.

As part of its fiduciary responsibilities in managing mineral leases, the DNR has negotiated increases in taconite royalty rates with ArcelorMittal and U.S. Steel. Upon approval of the Executive Council in September, the royalty rate per gross ton of taconite mined increased from \$0.88 per ton to \$1.62 per ton for ArcelorMittal and \$0.88 per gross ton to \$1.52 per ton for U.S. Steel leases.

Similar to iron ore, global non-ferrous metal demand and pricing is driving exploration and development in the state. As of August 2008, metal prices had softened, but prices continued to be near historical highs for copper, nickel, platinum and gold. In Minnesota, PolyMet's NorthMet project was undergoing environmental review for an open pit mine near Hoyt Lakes. In the Duluth Complex, Duluth Metals' Nokomis project, Franconia's Birch Lake project, and Teck Cominco Ltd.'s Babbitt project were in advanced stages of exploration drilling. In addition, Kennecott had announced a significant copper-nickel discovery near Tamarack, in Aitkin County, and has embarked on an extensive drilling program to determine the extent of mineralization.

As of July 2008, the state had 271 active metallic mineral leases, encompassing about 87,000 acres, located in Aitkin, Carlton, Itasca, Kanabec, Koochiching, Lake, Lake of the Woods, Mille Lacs, and St. Louis counties. This was an increase of 61 leases from the 210 active leases two years prior. During the same period, lease acreage had increased by 18,000 acres, to total about 87,000 acres, from two years earlier. Another measure of mineral exploration is drilling footage. In FY 2008, drilling totaled 369,800 feet, which was about two and one-half times the drilling in FY 2007 (151,990 feet), and ten times the drilling footage of FY 2006 (36,386 feet).

The division is in the midst of issuing licenses for key transmission lines and oil and gas pipeline projects that cross state-owned lands and waters. Currently, five multi-year transcontinental oil and natural gas infrastructure projects are ongoing, and five major transmission line projects are being planned, all of which will cross significant areas of state land and public waters. These projects illustrate industry and government's incremental steps in addressing the current energy crisis as well as the department's response, as a major landowner in the state, to reducing energy costs, making more affordable energy available to citizens of the state.

Key Program Goals

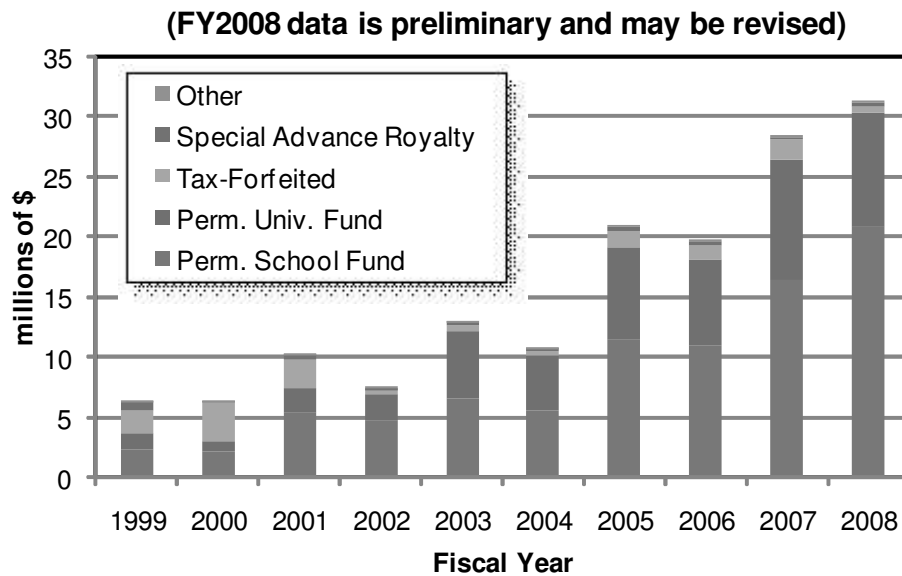
The mineral management program encompasses a state goal of providing for *growth in the gross state product* as outlined in *Minnesota Milestones I* (Indicator 38), which states that Minnesota will have sustainable, strong economic growth. Effective mineral development in the state underpins strong and sustainable economic growth, creating good jobs, economic prosperity, while providing environmental protection.

The program's real estate staff assists the department in implementing strategic land asset decisions, which embraces many other state and departmental goals. Acquisition of lands that support diverse plant communities and wildlife, parkland, and open space, reflect Minnesota Milestone goals 67, 68, and 69, respectively.

Key Program Measures

♦ Mineral Revenue

Rental and royalty revenue is a prime measure of the division's mineral management program. Mineral receipts continued to mark historical highs in FY 2007-08, with revenue of about \$30 million in each year. Both FY 2007 and FY 2008 revenue exceeded FY 2006 revenue by about 30%. FY 2009 revenue is projected to be similar to that of the last two fiscal years. Global iron ore demand and steel production are the drivers of domestic taconite production and subsequent mineral revenue. (See chart on following page.)



◆ **Real Estate Transactions**

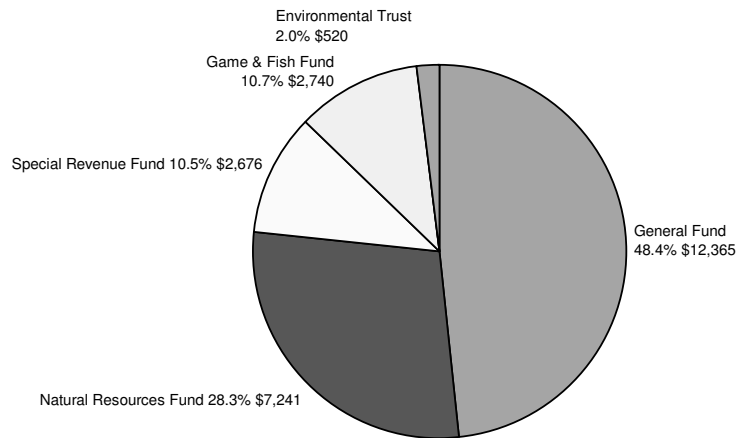
The following table provides a summary of land acquisitions, land sales, and land exchanges completed by the department in FY07-08.

		No.	Acres	Cost	Value
Land acquisition	Fee title	150	14,850	\$44,865,777	
	Easements	43	57,575	\$11,508,876	
	Total	194	72,425	\$56,374,653	
Land sales		64	1,088		\$1,938,498
Land exchanges	Relinquished	14	5,511		\$9,254,580
	Acquired	14	11,544		\$9,272,949

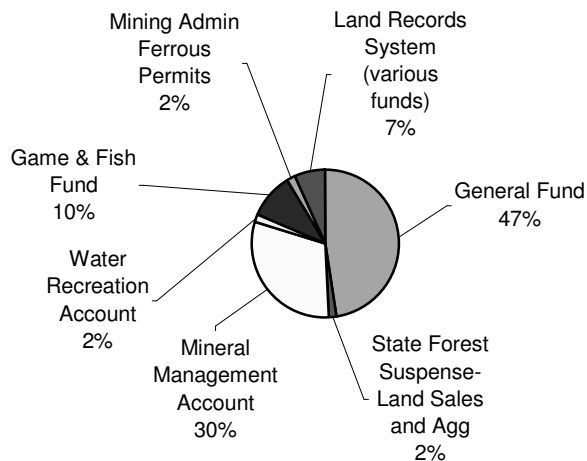
Program Funding

The operating budget for the division is provided by the following sources: the general fund, dedicated funds from the natural resources fund, the game & fish fund, the permanent school fund, and the special revenue fund. The general fund supports the division's real estate activities and the mine reclamation unit. The Minerals Management Account in the natural resources fund supports division work related to iron ore, taconite, and nonferrous and industrial minerals. The game & fish fund and the water recreation account in the natural resources fund provide for real estate services on game and fish lands and water recreation lands, respectively. The charts below broadly depict the divisions funding and expenditures by program responsibilities.

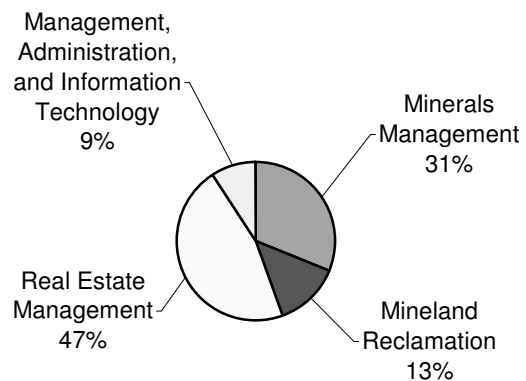
FY 2008-09 Land and Minerals Budgeted Expenditures \$25.5 Million (excluding PILT)



Lands and Minerals Funding



Lands and Minerals Operating Budget



During the 2008 session, the legislature created the Mine Permit Administration Account to provide for the costs of administering mine permits. The account is funded by fees charged to iron ore and taconite operations. The legislature requested a report of the costs of this program to be delivered during the 2009 session to determine the adequacy of the fee structure.

Funding for the final stages of re-engineering the department's Land Records System is also included in the program funding. Funds supporting the project include appropriations from the Water Recreation Account, the Snow Account, Forestry Management Investment Account, and the Game and Fish Fund.

Contact

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NATURAL RESOURCES DEPT

Program: LAND & MINERALS RESOURCE MGMT

Program Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	0	520	520	520	1,040
Technical Adjustments					
One-time Appropriations			(520)	(520)	(1,040)
Forecast Base	0	520	0	0	0
General					
Current Appropriation	6,633	5,805	5,805	5,805	11,610
Technical Adjustments					
Approved Transfer Between Appr			(75)	(75)	(150)
One-time Appropriations			(500)	(500)	(1,000)
Pt Contract Base Reduction			(2)	(2)	(4)
Forecast Base	6,633	5,805	5,228	5,228	10,456
Natural Resources					
Current Appropriation	3,551	3,647	3,647	3,647	7,294
Forecast Base	3,551	3,647	3,647	3,647	7,294
Game And Fish (operations)					
Current Appropriation	1,363	1,395	1,395	1,395	2,790
Technical Adjustments					
Approved Transfer Between Appr			(9)	(9)	(18)
Forecast Base	1,363	1,395	1,386	1,386	2,772
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	0	520	0	0	0
General	5,300	7,001	5,228	5,228	10,456
Natural Resources	2,704	4,494	3,647	3,647	7,294
Game And Fish (Operations)	919	1,821	1,386	1,386	2,772
Permanent School	80	320	200	200	400
Open Appropriations					
General	46	9	21,787	21,905	43,692
Natural Resources	11	20	20	20	40
Statutory Appropriations					
Natural Resources	0	20	2	2	4
Miscellaneous Special Revenue	1,637	969	773	773	1,546
Miscellaneous Agency	13	0	0	0	0
Gift	0	23	0	0	0
Permanent School	5	199	3	3	6
Total	10,715	15,396	33,046	33,164	66,210

NATURAL RESOURCES DEPT

Program: LAND & MINERALS RESOURCE MGMT

Program Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Expenditures by Category</u>					
Total Compensation	6,601	8,318	6,766	6,766	13,532
Other Operating Expenses	4,068	7,012	4,459	4,459	8,918
Capital Outlay & Real Property	0	57	34	34	68
Local Assistance	46	9	14	14	28
Transfers	0	0	21,773	21,891	43,664
Total	10,715	15,396	33,046	33,164	66,210
<u>Expenditures by Activity</u>					
Land & Minerals Resource Mgmt	10,715	15,396	33,046	33,164	66,210
Total	10,715	15,396	33,046	33,164	66,210
Full-Time Equivalents (FTE)	85.8	110.4	83.1	82.7	

Program Description

The purpose of the Water Resources Management Program is to protect the physical integrity of Minnesota's wetlands, lakes, rivers, and ground water resources. This program is the responsibility of the Department of Natural Resources (DNR) Division of Waters. The division cooperates with local units of government and the public to measure rainfall, lake levels, stream flow, and ground water levels; and also gathers and interprets water resource data to describe how human activities impact the hydrologic system and how negative impacts can be mitigated. The division balances resource protection with reasonable uses of water resources and adjacent lands in administering its programs. Statutory duties are found in M.S. 103A through 103I, with most contained in M.S. 103G.

Population Served

The Division of 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. The division provides grants, training, and technical assistance to local governments. The Division of Waters also 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 10,000 gallons a day or one million gallons per year.

Program at a Glance

- ◆ Regulate over 21,000 public waters basins and 69,200 miles of rivers and streams
- ◆ Permit and monitor about 7,000 large water users and 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
- ◆ Administer flood hazard mitigation grants totaling over \$230 million since 1997
- ◆ Assist 450 local governments to administer floodplain ordinances, and 250 local governments to administer shoreland ordinances
- ◆ Establish stream monitoring gages, delineate watersheds, and provide technical services related to drainage systems and shoreland stewardship to support the Clean Water Legacy Act

Services Provided

DNR's three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection, requires a fully integrated approach to conservation. Integrated resource management is DNR's strategy to share stewardship responsibility with citizens and partners as we manage for multiple interests. This program serves the DNR mission by maintaining 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 flood warning system that includes 38 automated stream gages and provides matching funds to support 30 stream flow monitoring gages operated by the U.S. Geological Survey;
- ◆ gathers, compiles, and interprets water level data from over 750 ground water level monitoring wells in partnership with soil and water conservation districts;
- ◆ expands the ground water level monitoring network to adequately assess changes in ground water levels due to water withdrawals and climatic trends;
- ◆ collects information on water use from approximately 7,000 water appropriation permit holders;
- ◆ regulates water withdrawals and approves water supply plans and conservation measures to assure sustainable natural resources for future generations;
- ◆ prepares County Geologic Atlases and Regional Ground Water Assessments in cooperation with the Minnesota Geological Survey and local government partners;
- ◆ prepares maps of ground water aquifers and surface water watersheds;
- ◆ provides assistance to decision-makers through technical analysis and modeling, including ordinary high water level determinations;
- ◆ administers grants for local flood hazard mitigation, dam repair or 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 occurring during periods of low water levels on public waters, permits withdrawals of water from surface and ground water sources, and constructs, operates and maintains public and private dams.

Historical Perspective

The Division of Waters statutory responsibilities to manage Minnesota's public waters and water supply through a state permit program dates back to 1937. In the 1960s, responsibilities were added to set minimum standards for local shoreland and floodplain zoning ordinances; in the 1970s, a statewide inventory of public waters basins and watercourses was added; and in the 1980s, flood hazard mitigation and dam safety grant programs were created. The 1989 Groundwater Act provided the Division of Waters responsibility for the County Atlas Program.

Also, recent societal trends are changing the nature of the state's natural resources and their contribution to Minnesota's quality of life. The Division of Waters works to address critical drivers of change, including:

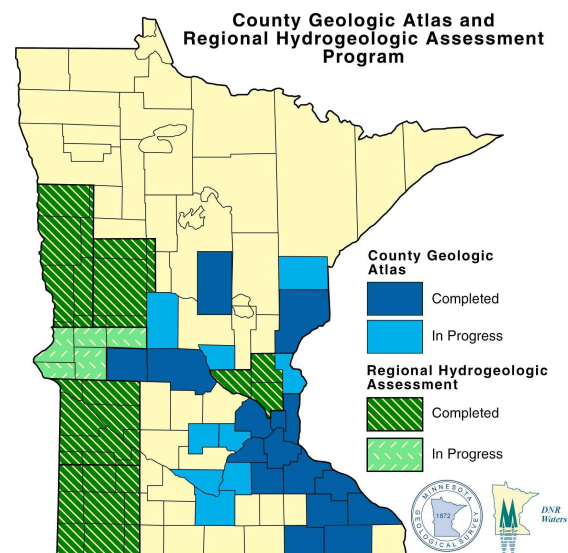
- ◆ **Development pressure and land use change:** The activity's programs are integral to managing changes from population growth and development. Through its floodplain, shoreland, wild and scenic rivers, and public waters permit programs protect state waters and provide information for long term management of Minnesota's water resources. Technical assistance and support are provided to local units of government that are responsible for implementation and administration of land use programs.
- ◆ **Climate change and demands for renewable energy:** The Division of Water's programs address energy and climate change issues by providing technical information for water supply studies, ground water monitoring, climatology, and by managing water use. State climatology office staff collects and maintains data that provide an historic perspective regarding climate trends, recent events, and current conditions.
- ◆ **Changes in outdoor recreation:** The division's programs also support outdoor recreation opportunities by providing water resource protection and lake and stream level data useful for recreational boating.

Key Program Goals

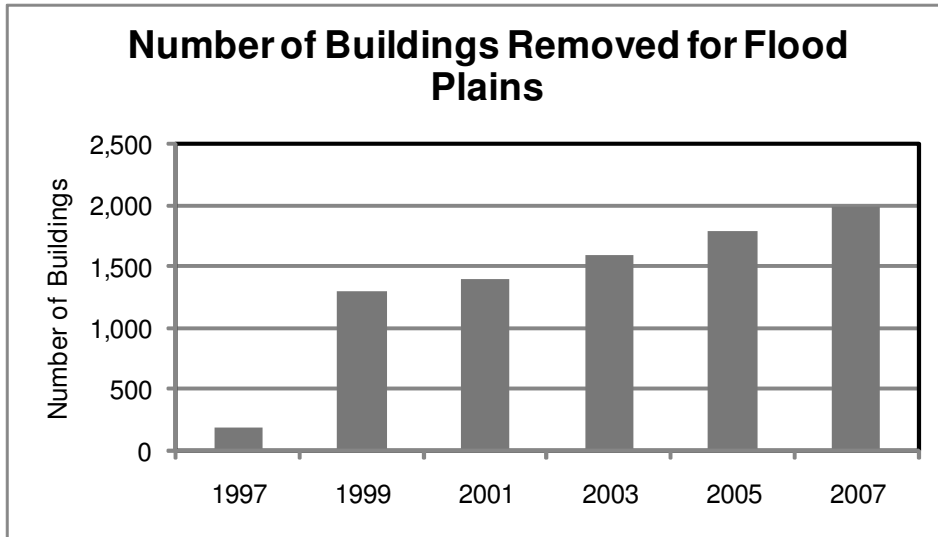
The program balances resource protection with reasonable uses of water resources and adjacent lands in administering its programs. This program contributes to the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html) by addressing priority resource issues relating to water use, county atlases, wells on state land, monitoring networks, flood hazard mitigation, and development of new shoreland standards. The Legislative-Citizen Commission on Minnesota Resources (LCCMR's) *Minnesota Statewide Conservation and Preservation Plan* (www.MnConservationPlan.net) identifies priorities that are principal responsibilities of the Division of Waters including shoreland protection, habitat protection, keeping water on the landscape (see M.S. 103A.205), and improving understanding of ground water resources.

Key Program Measures

- ◆ **County Geologic Atlases or Regional Hydro-geological Assessments are completed:** The Division of Waters, in partnership with the Minnesota Geological Survey (MGS), provides local governments with baseline hydro-geologic information to effectively plan for and manage their land and water resources. Information and technical assistance helps communities find reliable sources of water, and manage water and land use to sustain high quality water resources. Baseline hydro-geologic information is now available for areas that include 75% of the state's population and 37% of its land area. These data provide local officials, well drillers, consultants, and land owners a common framework for understanding the local ground water resource.



- ♦ **Homes and businesses are removed from flood plains to prevent flood damage:** Flooding is a natural part of river systems, but flood extremes harm people and property. Protecting healthy watersheds, removing structures from floodplains, and preparing for floods before they occur can reduce flood damages. The division's goal is to continue to remove structures from floodplains. Since 1987, DNR has provided funds to communities to build flood-control structures, define flood hazard areas, and buy and remove flood-prone buildings. In Austin, for example, DNR has spent \$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. Statewide, over 2,000 homes have been removed from the floodplain.



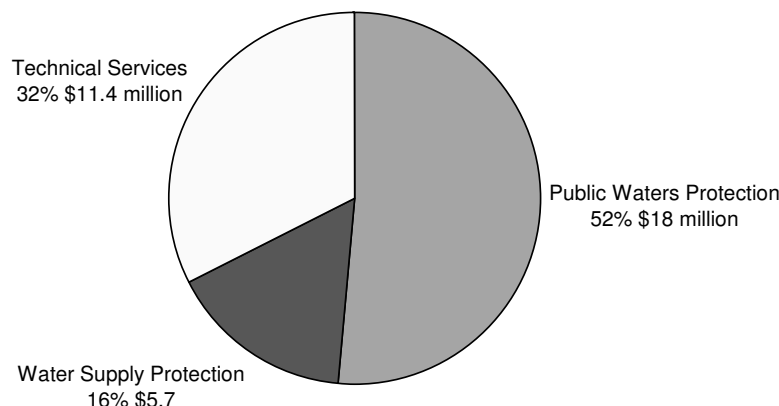
By removing homes from flood plains, the expense and inherent danger of fighting a flood is avoided.

Program Funding

The Division of Waters is funded primarily through general fund appropriations. A small portion (about 2%) of the operating budget comes from the natural resources fund.

Non-dedicated fees collected for permit applications and annual water use fees totaling approximately \$5 million a year are deposited in the general fund. A surcharge on summer water use was initiated in 2005 and brings in approximately \$750,000 in revenue annually. Current sources of federal grant income of about \$2 million a year 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.

FY2008-09 Water Resources Program Breakdown by Activity \$35.1 million



Contact

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For additional Division of Waters program information, visit mndnr.gov/waters/index.html.

NATURAL RESOURCES DEPT

Program: WATER RESOURCES MGMT

Program Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	0	894	894	894	1,788
Technical Adjustments					
One-time Appropriations			(894)	(894)	(1,788)
Forecast Base	0	894	0	0	0
General					
Current Appropriation	14,851	11,974	11,974	11,974	23,948
Technical Adjustments					
Approved Transfer Between Appr			(13)	(13)	(26)
Biennial Appropriations			125	125	250
Current Law Base Change			(22)	(22)	(44)
Pt Contract Base Reduction			(2)	(2)	(4)
Forecast Base	14,851	11,974	12,062	12,062	24,124
Natural Resources					
Current Appropriation	280	380	380	380	760
Technical Adjustments					
One-time Appropriations			(100)	(100)	(200)
Forecast Base	280	380	280	280	560
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	0	894	0	0	0
General	18,862	14,349	12,062	12,062	24,124
Natural Resources	230	430	280	280	560
Statutory Appropriations					
Natural Resources	0	79	40	40	80
Miscellaneous Special Revenue	215	348	234	234	468
Federal	1,758	2,085	2,878	2,876	5,754
Gift	8	6	6	6	12
Total	21,073	18,191	15,500	15,498	30,998
<u>Expenditures by Category</u>					
Total Compensation	9,534	11,091	10,042	9,944	19,986
Other Operating Expenses	3,004	4,547	2,981	2,966	5,947
Local Assistance	8,535	2,553	2,477	2,588	5,065
Total	21,073	18,191	15,500	15,498	30,998
<u>Expenditures by Activity</u>					
Water Resources Mgmt	21,073	18,191	15,500	15,498	30,998
Total	21,073	18,191	15,500	15,498	30,998
Full-Time Equivalents (FTE)	125.8	124.9	126.2	121.7	

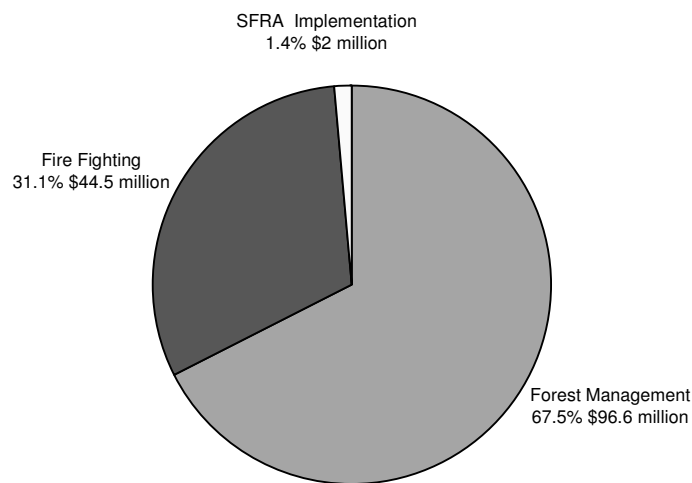
Program Description

The purpose of the Forest Management Program is to:

- ◆ manage forest lands in the state (including community forests) for multiple forest values, including quality timber, wildlife habitat, recreation, and aesthetics, over the long term;
- ◆ 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 Department of Natural Resources (DNR's) Division of Forestry.

FY2008-09 Forestry Program Breakdown by Activity
\$143.1 million



Budget Activities

This program includes the following budget activities:

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

Key Program Measures

DNR measures its progress in managing forest lands in many ways. The measures in these narratives demonstrate how we are accountable to Minnesota's citizens. See program activity sections for measures related to specific activities. For a complete set of performance measures and more detailed descriptions of each measure, please see the DNR's A Strategic Conservation Agenda, 2003–2007: Measuring Progress toward Mission (mndnr.gov/conservationagenda/index.html).

NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	2,000	0	0	0	0
Forecast Base	2,000	0	0	0	0
General					
Current Appropriation	24,680	25,011	25,011	25,011	50,022
Technical Adjustments					
Current Law Base Change			(500)	(500)	(1,000)
One-time Appropriations			(53)	(53)	(106)
Pt Contract Base Reduction			(6)	(6)	(12)
Forecast Base	24,680	25,011	24,452	24,452	48,904
Natural Resources					
Current Appropriation	19,483	18,293	18,293	18,293	36,586
Technical Adjustments					
One-time Appropriations			(1,100)	(1,100)	(2,200)
Forecast Base	19,483	18,293	17,193	17,193	34,386
Game And Fish (operations)					
Current Appropriation	257	264	264	264	528
Forecast Base	257	264	264	264	528
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	638	2,061	0	0	0
General	23,226	26,403	24,452	24,452	48,904
Natural Resources	15,849	17,201	17,193	17,193	34,386
Game And Fish (Operations)	230	291	264	264	528
Open Appropriations					
General	12,561	11,000	11,000	11,000	22,000
Natural Resources	58	63	63	63	126
Statutory Appropriations					
Natural Resources	1,671	1,794	1,531	1,531	3,062
Miscellaneous Special Revenue	9,317	10,450	9,461	9,461	18,922
Federal	3,642	7,850	7,358	7,413	14,771
Gift	7	28	28	28	56
Total	67,199	77,141	71,350	71,405	142,755
<u>Expenditures by Category</u>					
Total Compensation	34,253	38,082	38,510	38,555	77,065
Other Operating Expenses	27,608	30,885	27,462	27,491	54,953
Capital Outlay & Real Property	1,144	5,512	3,486	3,467	6,953
Payments To Individuals	1	2	2	2	4
Local Assistance	4,193	2,660	1,890	1,890	3,780
Total	67,199	77,141	71,350	71,405	142,755

NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Program Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Expenditures by Activity</u>					
Forest Management	44,013	53,829	48,971	49,026	97,997
Fire Fighting	22,243	21,763	21,060	21,060	42,120
Sustain Res Act Implementation	943	1,549	1,319	1,319	2,638
Total	67,199	77,141	71,350	71,405	142,755
<i>Full-Time Equivalents (FTE)</i>	534.8	510.1	538.8	536.0	

NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FOREST MANAGEMENT

Narrative

Activity Description

The Department of Natural Resources (DNR's) forest management activities sustain and enhance forest ecosystems; supply quality forest products and provide recreational opportunities to meet human needs (e.g., environmental, economic, and social); and provide income to the permanent school trust fund. The goals of this activity are to:

- ♦ provide a long-term, sustainable yield of forest resources (as defined in M.S. 89.001);
- ♦ manage school trust lands and fulfill fiduciary responsibilities to the permanent school trust; and
- ♦ improve the health and productivity of public and private forestlands.

Population Served

Forest management stakeholders include:

- ♦ non-industrial private forest landowners;
- ♦ forest industries;
- ♦ environmental groups;
- ♦ participants in outdoor recreation, including hunters and anglers;
- ♦ public school teachers, pupils and parents;
- ♦ loggers;
- ♦ communities;
- ♦ other state agencies and levels of government; and
- ♦ consulting foresters and other forestry professionals.

Activity at a Glance

- ♦ Manage 4.2 million acres of state-owned forest land
- ♦ Offer for sale 850,000–950,000 cords of wood each year
- ♦ Produce 8-10 million tree seedlings for planting on public and private lands
- ♦ Reforest 30,000 acres of state forest lands each year
- ♦ Provide technical and cost-share assistance serving 140,000 private forest landowners to promote sustainable management on 5.7 million acres of non-industrial private forestland
- ♦ Maintain certification that our management of forests is sustainable and our forest products are sustainably produced

Services Provided

The DNR's three-part mission to promote economic development, recreational use, and natural resources protection requires fully integrated resource management. The DNR manages for multiple values and shares stewardship responsibilities with citizens and partners. This program serves the DNR mission by sustaining healthy forest ecosystems capable of supplying high quality forest products and substantial income to the permanent school trust fund.

- ♦ managing of 4.2 million acres of state-owned forest lands, including:
 - ⇒ planning for and managing forest vegetation;
 - ⇒ providing opportunities to harvest forest products, including biomass;
 - ⇒ reforesting harvested areas and improving timber stands;
 - ⇒ conserving old growth, critical ecosystems and habitats, and riparian areas;
 - ⇒ maintaining over 2,000 miles of state forest roads for public recreational uses and access to state lands;
 - ⇒ supporting for outdoor recreation, including motorized and non-motorized activities;
 - ⇒ enforcing state forest rules and regulations; and
 - ⇒ maintaining forest health and minimizing the negative effects of invasive species.
- ♦ providing technical and cost-share assistance to non-industrial private forest landowners;
- ♦ providing technical and cost-share assistance to Minnesota communities for urban forests;
- ♦ 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;
- ♦ providing technical assistance to counties on land management approaches
- ♦ developing, monitoring, and evaluating new management approaches; and
- ♦ coordinating forestry related education programs in schools.

NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FOREST MANAGEMENT

Narrative

Historical Perspective

Since 1995, the amount of timber harvested in Minnesota has ranged from 3.5 to 4.1 million cords per year. About 20% of the harvested wood came from state-owned forestlands managed by the DNR. New DNR forest management plans outline the means to maintain desired acreages of various forest types; limit losses to decay and mortality; and improve the growth, quality and diversity of our forests while increasing harvests over the next seven to 10 years. As a result, DNR's contribution to state timber harvesting will increase and DNR's forestland will be more productive.

The DNR improves private forest management through the voluntary Forest Stewardship Program by providing professional natural resource management expertise and cost sharing (for tree planting and other actions) to private landowners. The DNR currently provides about 35% of the Forest Stewardship planning assistance. Recent changes to the Sustainable Forestry Incentives Act (M.S. 290C), which provides an incentive payment for landowners that follow a professionally prepared forest management plan, and the creation of a Managed Forestland property tax classification likely will increase the demand for forest management plan preparation and other assistance for private forestland owners.

Established in 1931, DNR Forest Tree Nurseries play a significant role in providing tree seedlings to private and public landowners for conservation purposes. In 1997, the legislature capped tree seedling production at DNR nurseries at 10 million seedlings per year to limit competition with private nurseries. The DNR will continue to cooperate with private nurseries to provide tree seedlings for sustaining Minnesota's forests.

Healthy, resilient, and productive forests are fundamental to meeting many goals, from high water quality and abundant wildlife and plant habitat to recreation and timber. Recent societal trends, however, are changing the nature of the state's forests and their contribution to Minnesota's quality of life. Since 1990, the area of forestland in the state has declined about four percent to 16.4 million acres as forestland was developed or used for pasture, farmland, or rights-of-way. Most of this loss occurred north of the 46th parallel, which runs through Hinckley, Minnesota.

- ◆ **Land ownership changes and development pressure:** Nearly one million acres of large, largely undeveloped private industrial tracts of Minnesota forests are at risk of being sold, divided into smaller parcels, and converted to non-forest uses. Given the recent and dramatic trends in industrial forest ownership, the DNR has joined forces with other state, federal and private partners under the banner of the Minnesota Forest Legacy Partnership and the Minnesota Forests for the Future Program to secure permanent, large-scale conservation easements to help maintain these large blocks of undeveloped forest land as unfragmented wildlife habitat, a sustainable source of timber for the state's forest industries, and a place for public outdoor recreation.
- ◆ **Changes in outdoor recreation:** Use of motorized recreational vehicles on state forestlands has grown substantially in recent years. In response to this growing demand and to limit the potential for negative effects on the state's forest ecosystems, the legislature directed the DNR to identify and designate motorized trail opportunities on state forestlands by the end of 2008. The Forest Management activity will continue to play a significant role in managing motorized recreation, including the ongoing maintenance and operation of designated motorized trails on state forestlands.
- ◆ **Demand for renewable forms of energy and climate change:** Forests and forest management activities help mitigate climate change and its effects. Substituting conservation-based energy sources for fossil fuels and maintaining highly productive forestlands reduces the amount of greenhouse gases that enter the atmosphere. Also, large connected forests are the corridors in which many of Minnesota's plants and wildlife species can migrate in response to climate change.

NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FOREST MANAGEMENT

Narrative

Key Activity Goals

Sustaining Minnesota's forest ecosystems in a healthy, resilient, and productive state is the best way to ensure that current and future generations enjoy a full range of forest benefits, a primary goal of the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html). The DNR's forest management efforts are designed to foster economic development within the forest products industry by providing a sustainable supply of raw materials; to encourage forest-based outdoor recreation by providing high quality opportunities and ready access; and to secure our forest resources by protecting large blocks of working forest from development and expanding sustainable practices as recommended by the Legislative-Citizen Commission on Minnesota Resources (LCCMR's) *Minnesota Statewide Conservation and Preservation Plan* (www.MnConservationPlan.net). The DNR supports the recommendations of the Minnesota Climate Change Advisory Group to protect and enhance the carbon sequestration benefits of forests by maintaining existing forests and adding new forests, increasing forest health and productivity, and reducing the risk of wildfire (<http://www.mnclimatechange.us/index.cfm>).

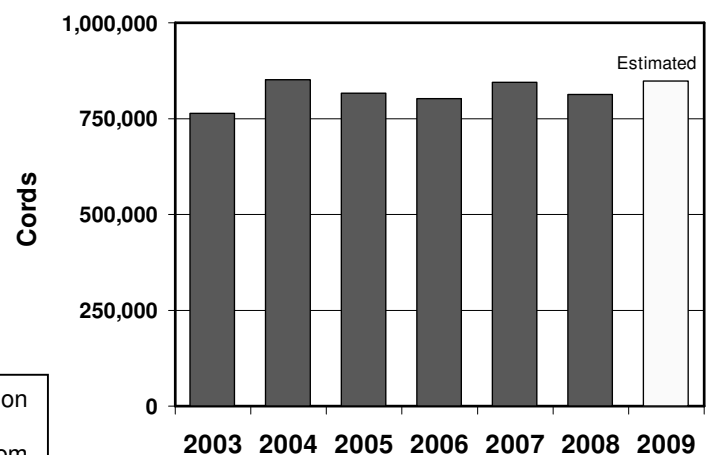
Key Activity Measures

- ◆ **DNR Timber Sales:** With 24% of the state's timberland, DNR is a significant source of raw materials for forest products industries and woody biomass for energy production. Harvesting is an essential management tool and also creates habitat for many kinds of wildlife. DNR integrates timber production from state lands with other goals such as maintaining wildlife population, water quality, and biodiversity, and providing recreational opportunities with guidance from citizens and the legislature.

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

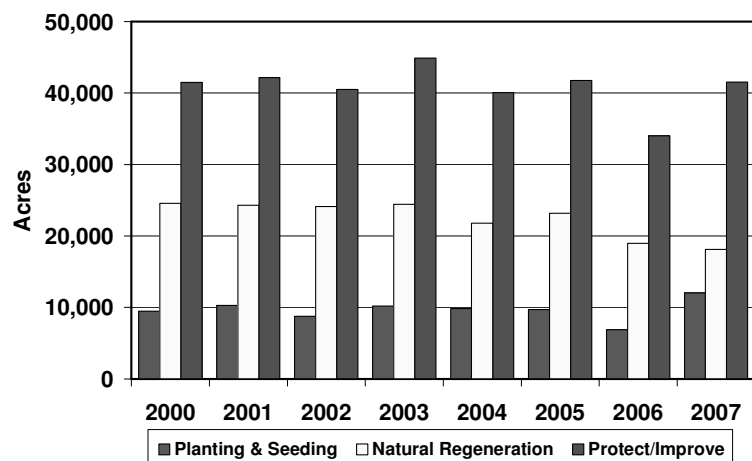
Target: Offer for sale about 850,000 cords of timber from DNR lands in FY 2009

Timber Offered for Sale on DNR Lands



- ◆ **State Land Reforestation:** The DNR is required by statute to restore harvested, damaged (i.e., by natural causes), or otherwise poorly stocked sites on state forestlands to a state of productivity. DNR reforests harvested sites by natural means (i.e., sprouting or natural seeding assisted by appropriate timber harvest design and site preparation), "artificial" means (i.e., tree planting, seeding, and site preparation), and by protecting trees from damaging agents and reducing competition from undesirable species (i.e., to help assure that young trees survive and grow).

State Land Reforestation Completed



Indicator: Acres of reforestation (natural and artificial) and protection/improvement completed on DNR lands

Target: Naturally reforest 22,000 acres, artificially reforest 10,000-12,000 acres, and protect or improve 40,000 acres on DNR lands in FY 2009

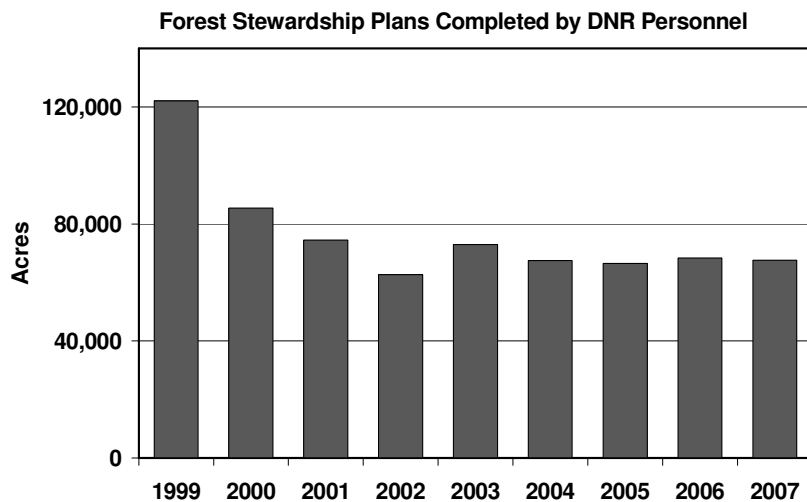
NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FOREST MANAGEMENT

Narrative

- ♦ **Cooperative Forest Management:** More than 140,000 individuals and organizations (excluding corporations and forest industry) own 40% of Minnesota's forestland. These forestlands provide more than 50% of the timber harvested in the state. To encourage retention and sustainable management of these forestlands despite increasing development pressure, the Forest Stewardship Program prepares sustainable management plans for non-industrial, private forest owners. These plans help guide tree planting, timber harvesting and other forest management activities.

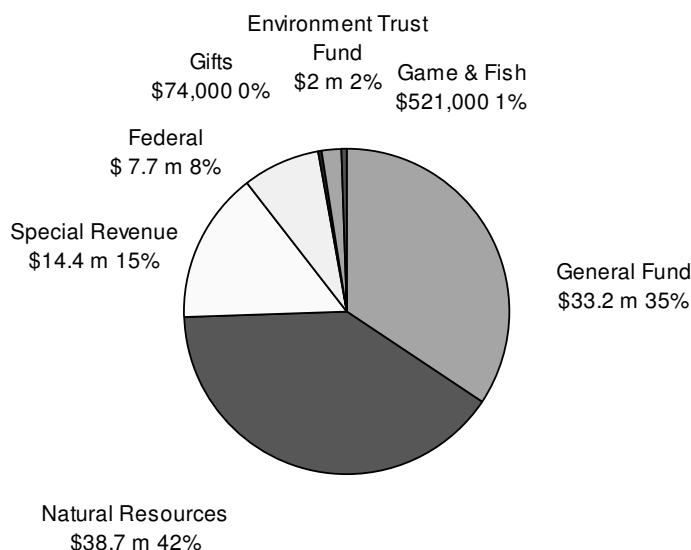


Indicator: Acres of private forestlands with stewardship plans
Target: Complete 125,000 acres of Forest Stewardship Plans in FY 2009 with 45,000 acres completed by DNR staff and the remainder by the private sector

Activity Funding

This activity receives 33.2% of its funding from general fund appropriations, 38.7% from the natural resources fund that includes Forest Management Investment Account, 15% from other special revenue accounts, and 7.7% from federal sources. About 53% of this activity's expenditures are salary-related, 38% are for other operating costs, and 9% are for local assistance grants.

FY 2008-2009 Forest Management Budgeted Expenditures \$96.6 million



NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FOREST MANAGEMENT

Narrative

Contact

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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/grants/forestmgmt/stewardship.html>

NATURAL RESOURCES DEPT
Program: FOREST MANAGEMENT
Activity: FOREST MANAGEMENT

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	2,000	0	0	0	0
Forecast Base	2,000	0	0	0	0
General					
Current Appropriation	16,443	16,764	16,764	16,764	33,528
Technical Adjustments					
Current Law Base Change			(500)	(500)	(1,000)
Pt Contract Base Reduction			(6)	(6)	(12)
Forecast Base	16,443	16,764	16,258	16,258	32,516
Natural Resources					
Current Appropriation	19,483	18,293	18,293	18,293	36,586
Technical Adjustments					
One-time Appropriations			(1,100)	(1,100)	(2,200)
Forecast Base	19,483	18,293	17,193	17,193	34,386
Game And Fish (operations)					
Current Appropriation	257	264	264	264	528
Forecast Base	257	264	264	264	528
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	638	2,061	0	0	0
General	15,268	17,877	16,258	16,258	32,516
Natural Resources	15,849	17,201	17,193	17,193	34,386
Game And Fish (Operations)	230	291	264	264	528
Open Appropriations					
Natural Resources	58	63	63	63	126
Statutory Appropriations					
Natural Resources	1,671	1,794	1,531	1,531	3,062
Miscellaneous Special Revenue	6,650	6,664	6,276	6,276	12,552
Federal	3,642	7,850	7,358	7,413	14,771
Gift	7	28	28	28	56
Total	44,013	53,829	48,971	49,026	97,997
<u>Expenditures by Category</u>					
Total Compensation	23,151	25,678	25,629	25,674	51,303
Other Operating Expenses	15,850	20,295	18,282	18,311	36,593
Capital Outlay & Real Property	1,134	5,512	3,486	3,467	6,953
Payments To Individuals	1	2	2	2	4
Local Assistance	3,877	2,342	1,572	1,572	3,144
Total	44,013	53,829	48,971	49,026	97,997
Full-Time Equivalents (FTE)	351.2	351.8	356.1	355.6	

NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FIRE FIGHTING

Narrative

Activity Description

The Department of Natural Resources (DNR) is charged with preventing and suppressing wildfires on 45.5 million acres of public and private land in Minnesota. This activity is the responsibility of the DNR's Division of Forestry. Activity goals include:

- ◆ providing wildfire protection to avoid loss of life;
- ◆ minimizing loss of property and natural resources;
- ◆ responding to fire and natural disaster emergencies in Minnesota and other states; and
- ◆ supporting the effective use of prescribed fire as a natural resource management tool.

Wildfire control efforts under state authority originated in the early 1900s after a series of devastating wildfires 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, the division worked with the legislature to assure an appropriate balance between direct and open appropriations.

Activity at a Glance

- ◆ protection of 45.5 million acres of land in Minnesota
- ◆ response to an average of 1,780 fires reported to the DNR each year that burn over 41,000 acres
- ◆ oversight of open burning statutes through the issuing of 60,000-70,000 burning permits each year
- ◆ coordination of wildfire response and resource sharing for wildfire suppression in Minnesota and for out-of-state reciprocal assistance via the Minnesota Interagency Fire Center
- ◆ response to wildfire emergencies outside of Minnesota with equipment and trained staff

Population Served

The population served by this activity include:

- ◆ Minnesota citizens, homeowners, landowners and businesses;
- ◆ Minnesota rural fire departments;
- ◆ other state, provincial, and federal agencies as partners in wildfire and other emergency response; and
- ◆ land and natural resources managers.

Services Provided

The DNR's three-part mission to promote economic development, recreational use, and natural resources protection requires fully integrated resource management. The DNR manages for multiple values and shares stewardship responsibility with citizens and partners. This program serves the DNR mission by protecting against the loss of life, property, and natural resources from wildfire and by enhancing the effectiveness of prescribed fire in natural resource management.

- ◆ *Pre-suppression* activities include:
 - ⇒ training firefighters and support personnel;
 - ⇒ developing and maintaining partnerships and mutual aid agreements with other fire protection agencies;
 - ⇒ operating the Minnesota Interagency Fire Center;
 - ⇒ participating in a national interagency fire equipment cache;
 - ⇒ ensuring that specialized heavy ground and aerial suppression equipment are available statewide;
 - ⇒ maintaining an emergency communications network that supports multi-agency response; and
 - ⇒ developing mobilization and dispatch plans.
- ◆ *Suppression* requires trained firefighters, support personnel, and aerial and ground-based equipment. Activities include:
 - ⇒ locating wildfires using aerial patrols, public reports, and lookout towers (i.e., detection);
 - ⇒ pre-positioning fire-fighting resources to shorten response times (i.e., initial attack); and
 - ⇒ controlling the spread of wildfires and minimizing the damage they cause.
- ◆ *Firewise Structures and Communities'* activities include:
 - ⇒ training and supporting homeowners, developers, and communities in practices that reduce the risk of wildfire (e.g., fuel reduction);

NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FIRE FIGHTING

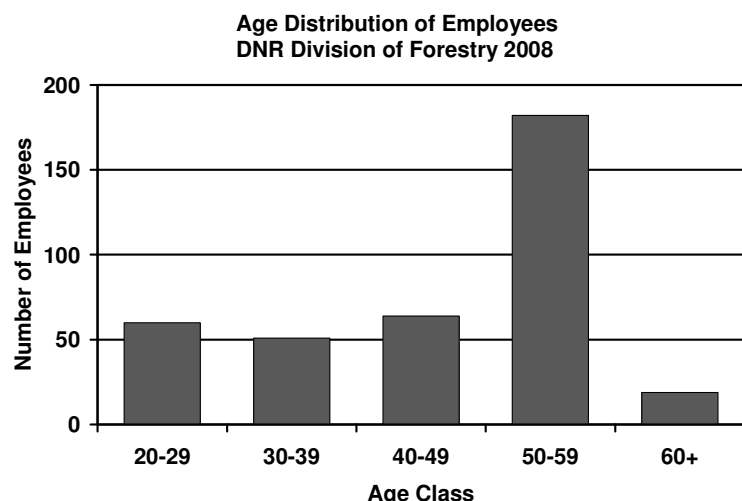
Narrative

- ⇒ incorporating Firewise principles into K-12 education (e.g., teaching modules for geography and computer science classes); and
- ⇒ increasing fire service communities' use of Geographic Information System technology to assess and respond to wildfire risks.
- ◆ *Prevention* activities include:
 - ⇒ educating children and adults (e.g., Smokey Bear, fire prevention week, school visits);
 - ⇒ regulating open burning (i.e., spring fire restrictions, issuing open burning permits, implementation of internet-based open burning permit system); and
 - ⇒ enforcing state wildfire and open burning laws (M.S. 88).
- ◆ *Emergency response* assistance includes:
 - ⇒ maintaining expertise and interagency qualifications in the National Incident Management System (NIMS); and
 - ⇒ providing assistance in the form of equipment, and NIMS-trained staff in support of other emergency response agencies.
- ◆ *Prescribed burning* helps prepare sites for reforestation; control insects, diseases, and invasive plants; improve wildlife habitat; maintain natural community types; reduce the risk and severity of wildfires; and provide valuable fire suppression training. Activities include:
 - ⇒ planning prescribed fires;
 - ⇒ conducting prescribed fires;
 - ⇒ monitoring and evaluating DNR's prescribed burns; and
 - ⇒ providing training to DNR staff, partner agencies, and organizations involved in prescribed burning.
- ◆ *Rural Community Fire Assistance* helps rural fire departments protect their communities from wildfires through cooperative agreements, training, grants, and contracts. Activities include:
 - ⇒ obtaining federal surplus equipment for local fire departments as part of the Federal Excess Property Program and the new Firefighter Property Program (FPP);
 - ⇒ distributing approximately \$450,000 of state and federal funds per year to small communities (pop. under 10,000) to organize, train, and equip their fire departments for wildfire suppression; and
 - ⇒ providing state surplus wildfire engines to rural fire departments that provide wildfire mutual aid.

Historical Perspective

Firefighting is arduous and hazardous work; heart attacks are the leading cause of wildland firefighter deaths. To maintain the states wildfire suppression capability despite DNR's aging work force and expansion of the wildland-urban interface, DNR will expand use of aircraft, local emergency firefighters, staff overtime, and resources from regional and national partner agencies.

Minnesota's strong reciprocal relationships with state, federal, and provincial partners in wildfire suppression are vital. Maintaining these relationships and sharing resources regionally and nationally will affect the division's other programs. The DNR has managed the increased wildfire threat from the 1999 windstorm in northeastern Minnesota and the expanding wildland-urban interface in part with CL-215 water scooping aircraft and by increasing reliance on partners (e.g., Minnesota National Guard, Superior National Forest, the Provinces of Ontario and Manitoba). In addition, as skilled personnel retire or restrict their physical activities and inexperienced personnel take their places, training must be accelerated.



NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FIRE FIGHTING

Narrative

In December 2005, the DNR completed the lease purchase of the two CL-215 aircraft. Use of these aircraft is expanding regionally and nationally, due to the reductions in the availability of large air tankers over the last two years. The department increased its reimbursement costs for use of aircraft to account for accelerated depreciation and increased maintenance costs.

Rural community fire departments have long been reliable partners. However, many rural fire departments are also having difficulty recruiting, training, and retaining personnel. This limits their ability to respond to fires independently in the wildland-urban interface.

Healthy, resilient, and productive forests are fundamental to meeting many goals: water quality, abundant wildlife and plant habitat, accessible recreation resources and sustainable supplies of timber. Recent societal trends, however, are changing the nature of the state's forests and their contribution to Minnesota's quality of life.

- ◆ **Climate change:** Higher temperatures and seasonal shifts in precipitation associated with climate change may increase the frequency and geographic extent of wildfire.
- ◆ **Land ownership changes and development pressure:** As Minnesota's population grows and urban development expands the wildland-urban interface, the demands associated with protecting citizens and their property from wildfire will increase substantially.

Key Activity Goals

Protecting the lives and property of citizens is the primary goal of this activity. Protecting forests from wildfire is also essential to sustaining the economies of rural communities, supplying biomass for renewable energy production, and maintaining habitat for Minnesota's native plants and animals.

- ◆ Forest product manufacturing is a significant contributor to Minnesota's economy. Rural economies in forested portions of the state rely on raw materials from forests to supply forest products industries and create jobs.
- ◆ Sustainably managed and protected forests can help satisfy increasing demands for renewable energy, help offset greenhouse gas emissions from fossil fuels, and sequester large amounts of greenhouse gases in trees and forest soils, key recommendations of the Minnesota Climate Change Advisory Group (<http://www.mnclimatechange.us/index.cfm>).
- ◆ Protecting older forests from wildfire and using prescribed burning to create and maintain healthy young forests helps maintain the habitats vital to self-sustaining populations of wildlife and plants while enhancing their carbon sequestration potential.

NATURAL RESOURCES DEPT

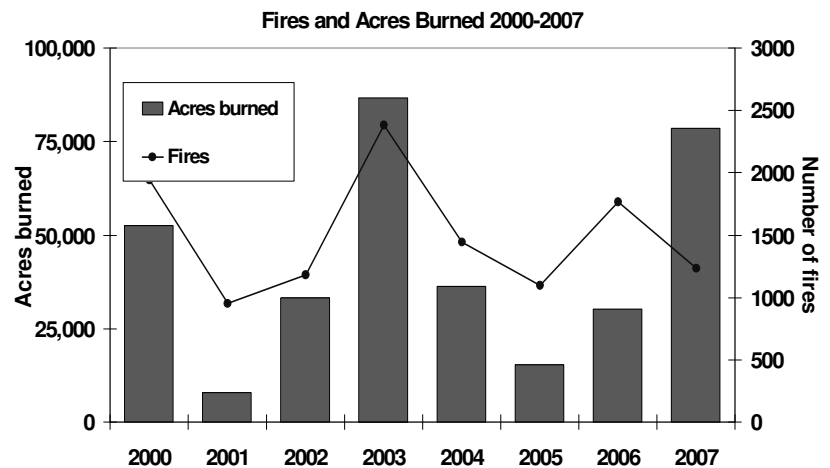
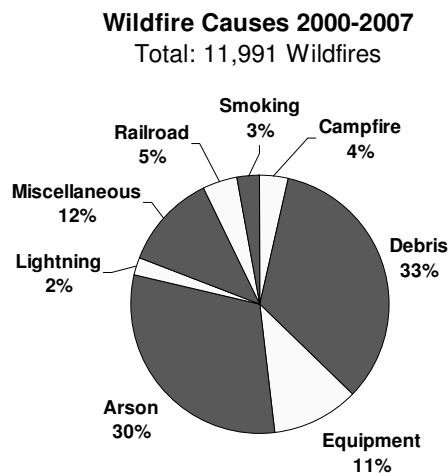
Program: FOREST MANAGEMENT

Activity: FIRE FIGHTING

Narrative

Key Activity Measures

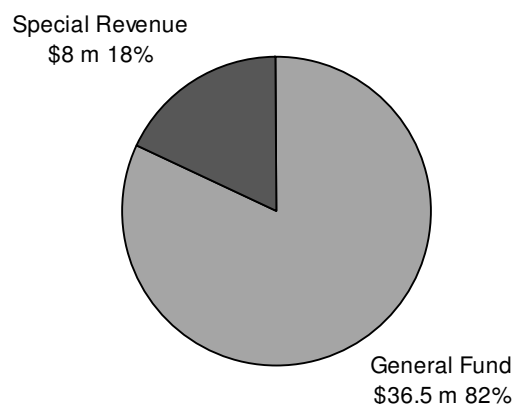
⇒ **Wildfire Protection:** M.S. 88 defines a wildfire as "a fire requiring suppression action, burning any forest, brush, grassland, cropland, or any other vegetative material." The charts below describe the causes, frequency, and size of fires suppressed by the DNR and/or reported to the DNR by other fire departments. Wildfire protection represents a significant workload for the department, but this workload is unpredictable from year to year, as illustrated in the graph below.



Activity Funding

The activity is funded primarily through General Fund appropriations. Of the activity's state expenditures, about 82% 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.

FY 2008-2009 Fire Fighting Budgeted Expenditures \$44.5 million



NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: FIRE FIGHTING

Narrative

Contact

For additional information, please contact:

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To learn more about this activity, please visit the following websites:

- ◆ Fire management in the DNR at http://www.dnr.state.mn.us/forestry/fire_management.html
- ◆ Wildfires in Minnesota at <http://www.dnr.state.mn.us/forestry/fire/index.html>
- ◆ Protecting your home from wildfire at <http://www.dnr.state.mn.us/firewise/homerisk.html>
- ◆ Wildfire prevention materials for educators at <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
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	7,217	7,217	7,217	7,217	14,434
Forecast Base	7,217	7,217	7,217	7,217	14,434
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	7,015	7,419	7,217	7,217	14,434
Open Appropriations					
General	12,561	11,000	11,000	11,000	22,000
Statutory Appropriations					
Miscellaneous Special Revenue	2,667	3,344	2,843	2,843	5,686
Total	22,243	21,763	21,060	21,060	42,120
<u>Expenditures by Category</u>					
Total Compensation	10,634	11,912	12,389	12,389	24,778
Other Operating Expenses	11,527	9,739	8,559	8,559	17,118
Capital Outlay & Real Property	10	0	0	0	0
Local Assistance	72	112	112	112	224
Total	22,243	21,763	21,060	21,060	42,120
Full-Time Equivalents (FTE)	178.2	151.8	178.7	176.4	

NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: SUSTAIN RES ACT IMPLEMENTATION

Narrative

Activity Description

This activity implements provisions of the Sustainable Forest Resources Act (SFRA), M.S. 89A, for promoting sustainable management and protection of Minnesota's forest resources. Through the SFRA, the legislature created the Minnesota Forest Resources Council (MFRC) as a forum of forest stakeholders for solving problems in forest management and protection collaboratively. The MFRC's primary mission is to advise the governor and federal, state, and local governments on forest policy and practices. The MFRC's initiatives address continuing conflicts between economic, ecological and social values associated with forests by focusing on site-based forest resource practices and landscape-level planning and coordination.

Population Served

Forests occupy one-third of Minnesota and provide a variety of benefits vital to many Minnesota communities, their economies and the natural environment. All Minnesotans, both urban and rural, benefit from forestland's contributions to 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.

Services Provided

DNR's three-part mission to promote economic development, recreational use, and natural resources protection requires fully integrated resource management. The DNR manages for multiple values and shares stewardship responsibility with citizens and partners. This program serves the DNR mission by helping to sustain the environmental, recreational and economic values of forests. The MFRC'S key programs focus on: a) providing policy advice to the governor, legislature and public management agencies; b) developing and promoting science-based best management practices; c) coordinating multi-owner, landscape-level forest resource planning and management; d) assessing the implementation and effectiveness of guidelines; e) assessing current trends and conditions of forest resources; f) supporting relevant forest research; and g) evaluating citizen concerns regarding timber harvesting and forest management practices via the Citizens Concern Registration Program.

Historical Perspective

Large increases in timber harvesting beginning in the 1970s led to intense conflict over forest management in Minnesota in the late 1980s. In response, the Minnesota Environmental Quality Board commissioned a Generic Environmental Impact Statement (GEIS) on Timber Harvesting and Forest Management in 1989. The GEIS evaluated the effects that expanded timber harvesting might have on the state's forest resources and suggested strategies to mitigate potential adverse impacts. In 1995, the Minnesota legislature passed the 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 MFRC (M.S. 89A.03), and mandated it to develop and oversee programs to address impacts of timber harvesting and forest management.

Key Activity Goals

The *Statewide Conservation and Preservation Plan* (www.MnConservationPlan.net) recommends promoting sustainable forest practices by building on the accomplishments of the Minnesota Forest Resources Council. The MFRC's voluntary Timber Harvesting and Forest Management Guidelines and periodic reports on their use have been instrumental in protecting many forest values and in demonstrating to stakeholders the sustainability of forest management practices. The DNR has adopted these guidelines for use in all its timber sale operations.

Activity at a Glance

- ◆ Addresses complex forest management issues through collaborative problem solving with the MFRC. The MFRC's 17 members represent a broad spectrum of interests in Minnesota's forests
- ◆ Oversees implementation and monitoring of comprehensive site-level forest management guidelines for sustainable harvest of Minnesota's timber
- ◆ Coordinates long-term forest management across all ownerships in six landscape using common goals
- ◆ Monitors timber-harvesting activity across the state
- ◆ Guides the sustainable management and use of resources that are vitally important to the state's \$6.9 billion forest industry (2006 data) and \$9 billion tourism industry

NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

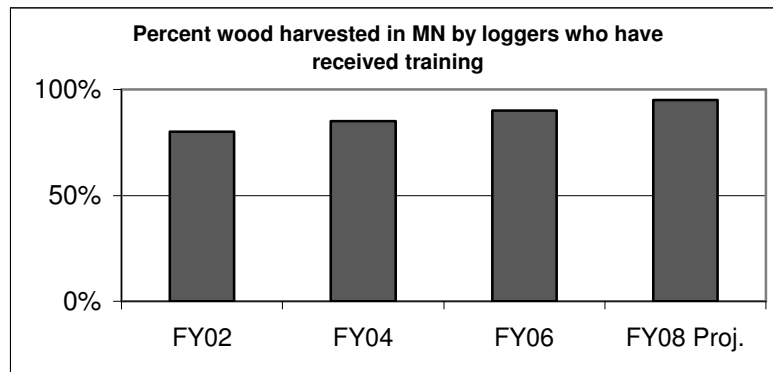
Activity: SUSTAIN RES ACT IMPLEMENTATION

Narrative

Continuing the support for monitoring effective implementation of the guidelines and coordinating management among forestland owners is essential for sustaining working forests in Minnesota.

Key Activity 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.

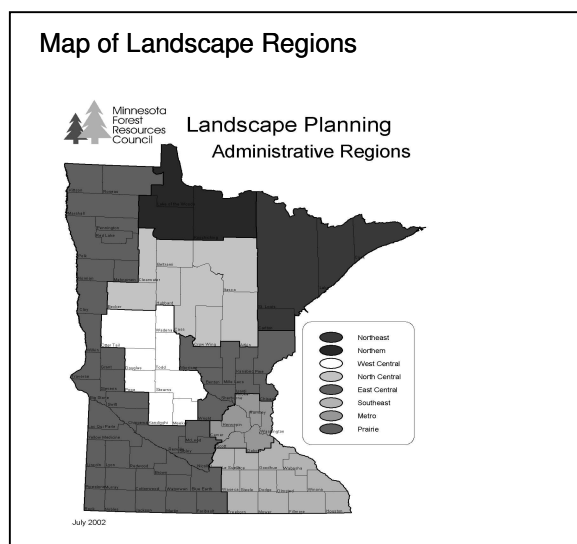


Indicator: Percent of wood harvested by loggers who have received guideline training.

Target: Trained loggers harvest over 95% of Minnesota's wood.

Additional Target: Promote the use guidelines for sustainable removal of woody biomass from forests and brushlands for energy and monitor their use in forest management activities. These guidelines, the first in the U.S., were published in January 2008.

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



Indicator: Progress toward the goals of MFRC Landscape plans.

Target: Commitment of resources and coordination among the participating land managers to management actions that further long-term goals.

- ◆ **Forestland Conservation Policy Assessment and Recommendations:** The MFRC assesses policy approaches needed to conserve private forestland in response to unprecedented ownership change, parcelization and development.

Target: Assess trends in forestland parcelization and development in major forest regions, evaluate policy approaches available to address these trends, and make recommendations to the legislature on the most cost-effective approaches.

NATURAL RESOURCES DEPT

Program: FOREST MANAGEMENT

Activity: SUSTAIN RES ACT IMPLEMENTATION

Narrative

Activity Funding

This activity is funded by a \$2 million general fund appropriation with additional project-specific funds from the Blandin Foundation (\$100,000) and Iron Range Resources and Rehabilitation Board (\$50,000). Additional private funds are being pursued.

Contact

For additional information, please contact:

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To learn more about the Minnesota Forest Resources Council and its programs, please visit <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>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	1,020	1,030	1,030	1,030	2,060
Technical Adjustments					
One-time Appropriations			(53)	(53)	(106)
Forecast Base	1,020	1,030	977	977	1,954
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	943	1,107	977	977	1,954
Statutory Appropriations					
Miscellaneous Special Revenue	0	442	342	342	684
Total	943	1,549	1,319	1,319	2,638
<u>Expenditures by Category</u>					
Total Compensation	468	492	492	492	984
Other Operating Expenses	231	851	621	621	1,242
Local Assistance	244	206	206	206	412
Total	943	1,549	1,319	1,319	2,638
Full-Time Equivalents (FTE)	5.4	6.5	4.0	4.0	

Program Description

The purpose of the Parks and Recreation Management Program is to provide a state park system that preserves and manages Minnesota's scenic, natural, and cultural resources for current and future generations while providing appropriate recreational and educational opportunities for the public (M.S. 85 and M.S. 86A). This program also manages state forest campgrounds and day use areas. This program is the responsibility of the Department of Natural Resources (DNR's) Division of Parks and Recreation.

State parks serve as a gateway for connecting people with the outdoors. The Minnesota State Legislature has established the Minnesota State Park System, which contain some of the state's most spectacular scenic, natural, and cultural resources. Minnesota was the second state in the U.S. to recognize the importance of a state park system when it established Itasca State Park in 1891. This was done to ensure that citizens would have places in perpetuity to experience nature at its best, learn about the importance of the natural world, and have a safe and fun outdoor recreational experience.

Program at a Glance

- ◆ 74 state park and recreation areas and eight state waysides totaling 226,831 acres
- ◆ 54 state forest campground and day use areas
- ◆ 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 more than 1,600 buildings
- ◆ over eight million recorded visits and \$15.68 million in annual revenue generated

Population Served

All citizens and visitors to Minnesota benefit directly or indirectly from a high quality state park system. In any given year, about 1.3 million Minnesotans participate in state park activities. They make up more than eight million recorded visits to state parks and state recreation areas. In addition, the DNR's state park system benefits visitors, communities, the economy, and the environment. The state park system provides safe, healthy recreation opportunities to the public, as well as places to learn about and enjoy a natural environment, relax, and escape the stresses of modern day life. Communities located near parks gain a sense of community pride, a better understanding of their natural environment, a greater appreciation for what makes their community a special place to live and work, and increased local business activities that support park operations. Economic benefits are generated by increased employment opportunities that strengthen economic vitality within communities. Environmental benefits include a protected and restored natural landscape that supports clean water and provides habitat for a significant number of rare native plant and animal species.

Services Provided

DNR's three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection, requires a fully integrated approach to conservation. Integrated resource management has been the DNR's strategy to share stewardship responsibility with citizens and partners as we manage for multiple interests. The Division of Parks and Recreation serves the mission of the DNR through three major program areas comprised of a variety of activities, which in combination provide gateway experiences to connect people with the great outdoors.

Park Operations – This program activity provides for policy development and compliance, customer service, park maintenance, equipment management, interdisciplinary activities, local government contacts, budget management, law enforcement and emergency response, public relations, and personnel management.

- ◆ **Resource Management** – This activity provides direction and technical expertise for the department in protecting, restoring and managing natural and cultural resources on state park lands.
- ◆ **Visitor Services** – This activity provides for a range of recreational opportunities and services for park visitors that includes a variety of trails, day use facilities, and overnight accommodations.

- ◆ **Interpretive Services and Conservation Education** – This activity provides information, interpretive services and environmental education for park visitors, communities, and schools to increase their understanding and appreciation of natural and cultural resources, learn outdoor skills, examine environmental issues, and provides for enhanced recreational opportunities.

Park Development and Real Estate – This program activity is responsible for all capital improvements, determining infrastructure needs, securing funds from the legislature, designing and building park structures and facilities, complying with the Americans with Disabilities Act (ADA), rehabilitation and maintenance of facilities, and completing acquisition and real estate transactions.

- ◆ **Land Acquisition** – This activity provides all the services necessary to evaluate statutory boundaries, determine legal boundary descriptions, acquire, transfer or dispose of land, and maintain land records for the division.
- ◆ **Archaeology** – This activity conducts archaeological investigations and interpretations of all state park sites and projects as required by state and federal law.
- ◆ **Emergency Maintenance** – This activity provides immediate help in the event of natural and man-made disasters such as floods, storms, forest fires, and accidents.

Public Affairs, Information Technology, and Planning – This program activity manages all public affairs, completes comprehensive and strategic park and recreation area planning, completes environmental review, develops marketing plans, produces a variety of brochures, and manages information technology.

- ◆ **Marketing** – This activity creates, communicates and delivers value to customers, and manages customer relationships in ways that benefit stakeholders and supports organizational goals. As a part of this, marketing provides research and development (R&D) for products and assesses consumer trends to aid in organizational planning.
- ◆ **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.
- ◆ **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.
- ◆ **Planning** – the planning activity develops the division strategic plan, comprehensive master plans and plan amendments, and performs environmental review, park research, surveys, and prepares special reports and projects.

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. In 1895, Interstate Park (Minnesota/Wisconsin) became the first interstate park in the country. Since that time, the system has grown to include 74 state parks and recreation areas, 54 state forest campgrounds and day use recreation areas, and eight state waysides. The most significant growth in the state park system occurred through a series of punctuated state park additions: in 1937, when 10 parks were added across the state; 20 years later, in 1957, five more parks were added to the system, including four along the North Shore; and in 1963, when another 11 parks were added to the park system. The most recent addition occurred in 2008, with the addition of Lake Vermilion State Park.

Recent societal trends are changing the nature of the state's natural resources and their contribution to Minnesota's quality of life. DNR Parks and Recreation works to address critical drivers of change, including:

- ◆ **Changes in Outdoor Participation:** Given recent changes in outdoor recreation participation, there is a concerted effort to increase public engagement in the outdoors by providing new, gateway experiences to Minnesota's great outdoors. Hundreds of programs and activities are provided to build outdoor recreation skills, enhance stewardship of the environment, and support enjoyable outdoor recreation opportunities. The use of technology is becoming increasingly important in supporting the delivery of these services – enhanced websites, geocaching, touch screens for interactive information and education, and WiFi accessibility at Itasca State Park are examples of how the department is striving to meet these new needs. There is also an increased focus on the recruitment of youth and non-traditional users of the state park system. Focus group, visitor and household survey results are guiding efforts to meet the changing expectations of user groups, such as providing more outdoor amenities, rental equipment, virtual tours, and gathering places.
- ◆ **Growing Demands Related to Renewable Energy and Climate Change:** Climate change may impact the department's ability to restore native plant and animal communities and to protect rare, threatened and endangered species. Shorter winters and less reliable snowfall may mean reduced opportunities for winter activities like skiing and snowmobiling, but also possibly longer seasons for camping and other warm weather activities. State parks offer close to home recreation for all Minnesotans – state parks are distributed across the state such that there is a state park located within 50 miles of almost every Minnesotan. Park facilities are being made more energy efficient as well, from small things like replacing incandescent light bulbs with compact fluorescents to efforts such as providing electric cars for use by state park maintenance staff and the addition of a wind turbine and geothermal energy at Camden State Park's remodeled office.
- ◆ **Landscape Changes and Loss of Open Space:** State parks are referred to as the "Windows of Minnesota" because of the protection and restoration of original landscapes throughout the state. Resource management efforts continue to protect and manage species in greatest need for conservation. State parks also demonstrate to the public best management practices for shorelines and landscapes, control of invasive species, and contribute to Clean Water Legacy efforts. State parks will be increasingly valued in the future because of the natural landscape that people seek for physical, mental, and spiritual renewal.

Key Program Goals

Key program goals can be found in the *Minnesota State Parks Strategic Plan 2006-2011* (mndnr.gov/parks_recreation/sp_strategic_plan.pdf) and include the following:

- ◆ protect and restore the natural and cultural resources of the state;
- ◆ increase participation and engagement in the state park system and maintain high visitor satisfaction among visitors to the system; and
- ◆ provide interpretive programs that enhance park visitor experiences and encourage stewardship of natural resources.

This program also addresses the leading habitat protection recommendation contained in the LCCMR's *Minnesota Statewide Conservation and Preservation Plan* (www.MnConservationPlan.net), which is to "Protect Priority Land Habitat." The plan specifically recommends continued support for ongoing programs such as acquisition of 54,000 acres of private land within the statutory boundaries of state parks. Acquisition of these lands should remain a high priority because they reduce fragmentation and add to the concept of maintaining large ecosystems in the state.

The Parks and Recreation Management Program also supports Minnesota's outdoor recreation policy plan, *Adapting to Change: Minnesota's 2008-2012 State Comprehensive Outdoor Recreation Plan* (mndnr.gov/aboutdnr/reports/scorp/index.html), which establishes a goal of increasing participation in outdoor recreation by all Minnesotans and visitors. This program supports the following four strategies of the plan:

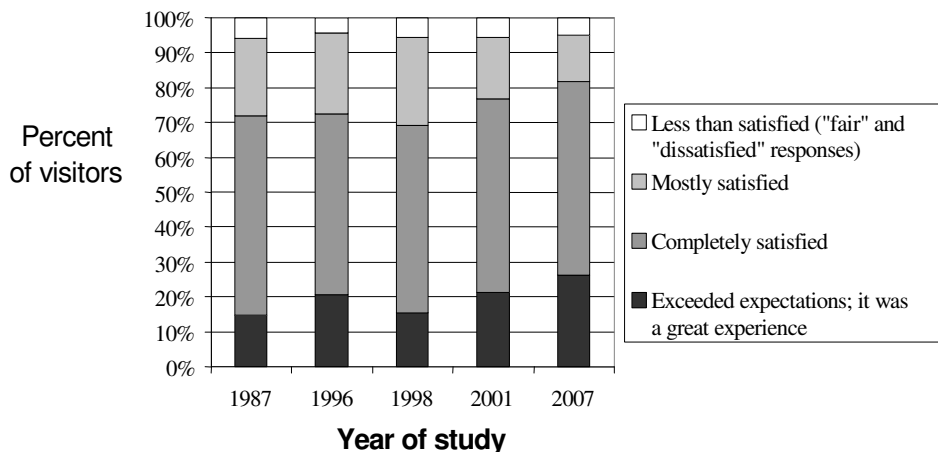
- ◆ acquire, protect, and restore Minnesota's natural resource base, on which outdoor recreation depends;
- ◆ develop and maintain a sustainable and resilient outdoor recreation infrastructure;
- ◆ promote increased outdoor recreation participation through targeted programming and outreach; and
- ◆ evaluate and understand the outdoor recreation needs of Minnesotans and the ability of Minnesota's natural resources to support those needs.

Key Program Measures

The DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html) includes several management principles that are intended to guide the work of the department and describes program efforts to achieve customer service, resource management, cultural and historic preservation, and interpretive service goals within the state park system. State park staff use a range of performance measures to assess its progress in managing parklands and facilities to achieve sustainable management objectives and to provide safe, high-quality recreation services for all citizens.

- ◆ **Visitor Satisfaction:** State parks are an integral part of Minnesota's high quality of life. In 2007, the DNR and the University of Minnesota conducted a joint visitor satisfaction survey. Last year, customer satisfaction was at its highest level.

Satisfaction with visit to a MN state park

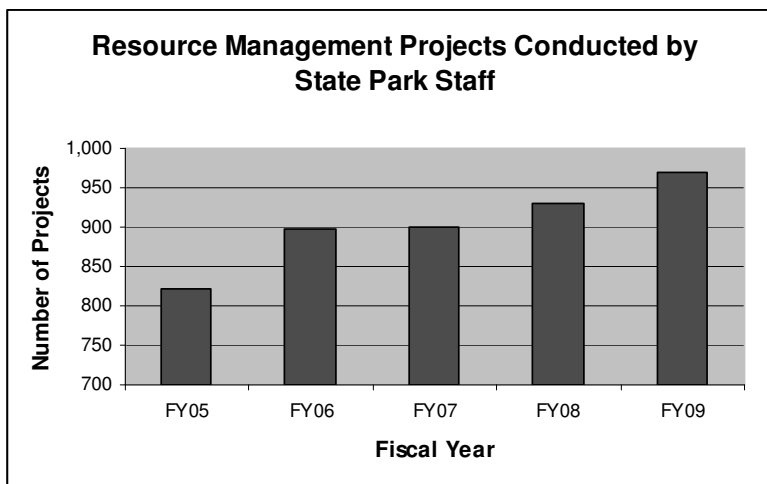


Indicator: Percent satisfied with a visit to Minnesota state parks

Target: Maintain a 95% or higher satisfaction rating

- ◆ **Resource Management:** State park staff protects, manage, and restore pre-settlement natural features, plants, and animals. Over 280 federal or state endangered or threatened or species or species of special concern occur in old growth forest, and they also support more than 80 types of important native plant communities. Prescribed fire, control of invasive plant species, reconstruction of native plant communities, repair of visitor impacts and other types of active management are required to insure that important natural features on state park lands are maintained.

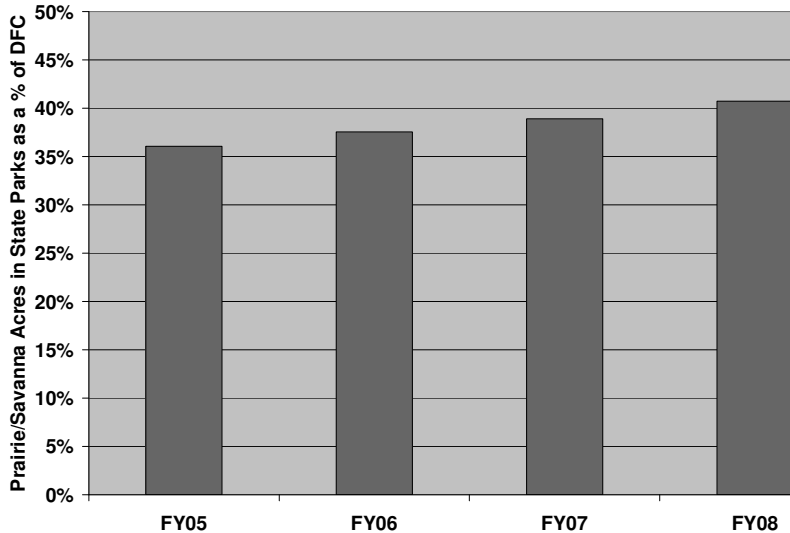
⇒ **Resource management projects conducted by state park staff:** State park staff has committed approximately 34,000 to 42,000 hours annually to accomplish these resource management projects.



Indicator: Number of resource management projects conducted annually by park staff.

Target: Conduct 970 resource management projects in state parks – an average of over 12 projects per park for FY 2009.

- ⇒ **Prairie/savanna restoration in state parks:** State parks currently contain 11,478 acres of remnant or restored prairie or savanna. A unit-by-unit analysis by state parks resource specialists showed that there is approximately 16,706 acres yet to be restored. Based on this evaluation, the desired future condition for prairie and savanna in state parks is a total of 28,184 acres in 43 state park units.



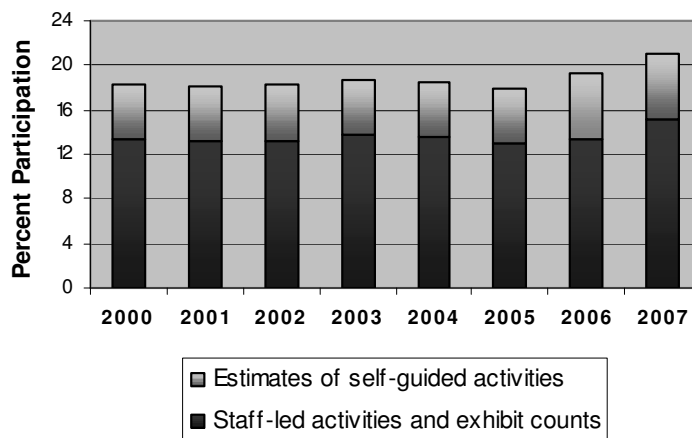
Indicator: Acres of prairie or savanna (remnant & restored) as percent of the desired future condition (DFC) for prairie/savanna in state parks.

Target: Plant an additional 460 acres of prairie or savanna in FY 2009, bringing the total in state parks to 11,938 acres.

- ◆ **State Parks Historic Features:** DNR has the statutory responsibility to protect historic properties listed on the National and State Registers. Of the 1,600 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:** Education services in state parks reach 1.5 million visitors annually. State park staff 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.

Percent Participation in Parks Education and Interpretive Activities



Indicator: Percent participation in parks education and interpretive activities.

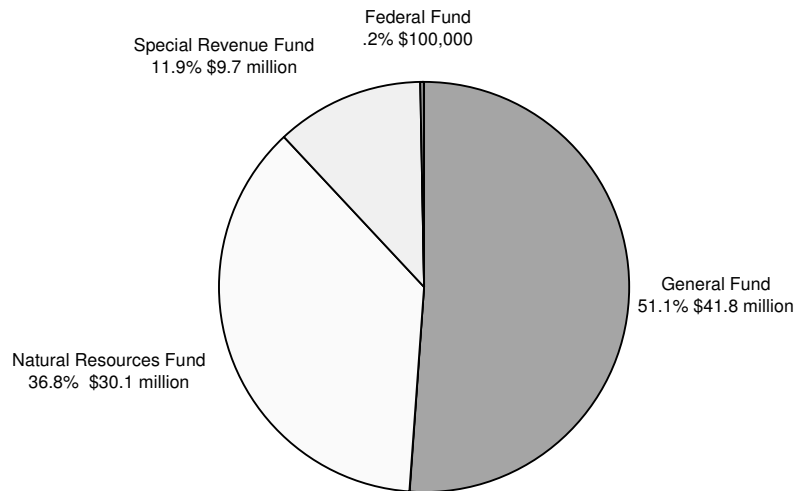
Target: Maintain at least 18 percent participation level of park visitors in outdoor education and interpretive opportunities.

It is anticipated that total education program attendance will increase in calendar year 2008 by 5-10% due to new conservation education funding for interpretive interns and seasonal naturalists and the addition of Sesquicentennial of Statehood events.

Program Funding

State parks generated a total of \$15.68 million in FY 2008. General Fund revenue totaled \$1.07 million in FY 2008. The dedicated account collected \$9.7 million of the revenue total in FY 2008. This was a slight decrease from FY 2007 due to the closing of revenue operating facilities at Whitewater State Park due to the flood in August 2007.

**FY 2008-09 Parks and Recreation Budgeted Expenditures
\$81.7 Million**



Contact

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Or visit the DNR's website at mndnr.gov/parks_recreation/index.html.

NATURAL RESOURCES DEPT

Program: PARKS & RECREATION MGMT

Program Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	20,733	21,063	21,063	21,063	42,126
Technical Adjustments					
Pt Contract Base Reduction			(1)	(1)	(2)
Forecast Base	20,733	21,063	21,062	21,062	42,124
Natural Resources					
Current Appropriation	14,631	15,256	15,256	15,256	30,512
Forecast Base	14,631	15,256	15,256	15,256	30,512
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	7	0	0	0	0
General	20,321	21,441	21,062	21,062	42,124
Natural Resources	14,484	15,636	15,256	15,256	30,512
Open Appropriations					
Natural Resources	73	110	110	110	220
Statutory Appropriations					
Natural Resources	0	2	2	2	4
Miscellaneous Special Revenue	5,626	6,061	5,741	5,741	11,482
Federal	166	106	102	102	204
Gift	149	338	120	120	240
Total	40,826	43,694	42,393	42,393	84,786
<u>Expenditures by Category</u>					
Total Compensation	25,207	26,799	27,032	27,032	54,064
Other Operating Expenses	14,901	16,451	15,361	15,361	30,722
Capital Outlay & Real Property	698	394	0	0	0
Local Assistance	10	50	0	0	0
Other Financial Transactions	10	0	0	0	0
Total	40,826	43,694	42,393	42,393	84,786
<u>Expenditures by Activity</u>					
Parks & Recreation Mgmt	40,826	43,694	42,393	42,393	84,786
Total	40,826	43,694	42,393	42,393	84,786
Full-Time Equivalents (FTE)	434.3	432.9	410.5	409.7	

Program Description

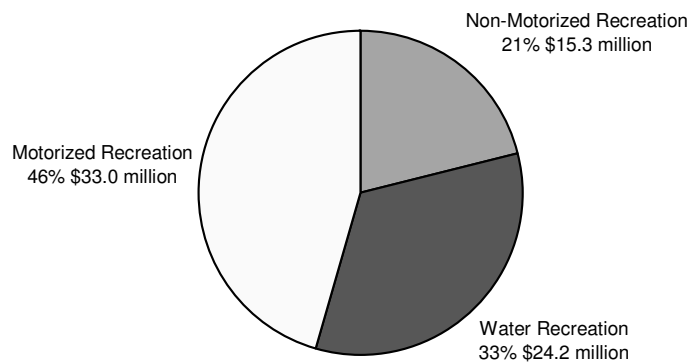
The purpose of the Trails and Waterways Management Program is to provide outdoor recreation opportunities that connect people to natural resources through a system of trails and water recreation facilities. This program is the responsibility of the Department of Natural Resources (DNR's) Division of Trails and Waterways.

Budget Activities

This program includes the following budget activities:

- ◆ Non-motorized Recreation
- ◆ Water Recreation
- ◆ Motorized Recreation

FY2008-09 Trails and Waterways Program Breakdown by Activity
\$72.5 million



Key Program Measures

The DNR uses a range of performance measures to assess its programs in managing trails and waterways opportunities and services. See activity sections for specific measures related to program activities. 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* (mndnr.gov/conservationagenda/index.html).

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	2,538	2,518	2,518	2,518	5,036
Technical Adjustments					
Approved Transfer Between Appr			(23)	(23)	(46)
One-time Appropriations			(350)	(350)	(700)
Forecast Base	2,538	2,518	2,145	2,145	4,290
Natural Resources					
Current Appropriation	25,600	26,865	26,865	26,865	53,730
Technical Adjustments					
One-time Appropriations			(800)	(800)	(1,600)
Forecast Base	25,600	26,865	26,065	26,065	52,130
Game And Fish (operations)					
Current Appropriation	2,119	2,194	2,194	2,194	4,388
Forecast Base	2,119	2,194	2,194	2,194	4,388
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	915	1,869	0	0	0
General	2,103	2,833	2,145	2,145	4,290
Minnesota Resources	104	113	0	0	0
Natural Resources	24,780	30,116	26,065	26,065	52,130
Game And Fish (Operations)	1,262	3,051	2,194	2,194	4,388
Open Appropriations					
Natural Resources	311	611	360	360	720
Statutory Appropriations					
Natural Resources	245	718	438	438	876
Miscellaneous Special Revenue	61	156	70	70	140
Federal	2,882	4,290	4,308	4,276	8,584
Gift	34	96	40	40	80
Total	32,697	43,853	35,620	35,588	71,208
<u>Expenditures by Category</u>					
Total Compensation	10,230	10,856	10,857	10,857	21,714
Other Operating Expenses	7,582	9,845	7,952	7,952	15,904
Capital Outlay & Real Property	2,861	6,896	3,219	3,219	6,438
Local Assistance	12,024	16,246	13,583	13,551	27,134
Transfers	0	10	9	9	18
Total	32,697	43,853	35,620	35,588	71,208

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Program Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Expenditures by Activity</u>					
T&W - Non-Motorized Recreation	6,211	9,509	6,458	6,458	12,916
T&W - Water Recreation	10,999	14,831	12,746	12,714	25,460
T&W - Motorized Recreation	15,487	19,513	16,416	16,416	32,832
Total	32,697	43,853	35,620	35,588	71,208
<i>Full-Time Equivalents (FTE)</i>	146.9	156.0	151.6	152.0	

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - NON-MOTORIZED RECREATION

Narrative

Activity Description

This activity provides trail recreation for state residents and tourists. It supports the Department of Natural Resources (DNR's) non-motorized trail-related activities, primarily on state trails and within state forests. This activity is the responsibility of the DNR's Division of Trails and Waterways.

Population Served

The users served by this activity include:

- ◆ Bicyclists and mountain bicyclists
- ◆ Hikers, walkers, and joggers
- ◆ In-line skaters
- ◆ Horseback riders
- ◆ Cross-country skiers
- ◆ Hunters and anglers
- ◆ Bird-watchers and other wildlife watchers

Activity at a Glance

- ◆ Developed 1,249 miles of state trails
- ◆ Completed 554 miles of paved state trails
- ◆ 98 additional miles of state trails are projected to be paved by the end of FY 2011
- ◆ Managed the following trails in state forests:
 - 390 miles for hiking
 - 275 miles for equestrian use
 - 250 miles for mountain biking
 - 170 miles for cross-country skiing
- ◆ Cleaned over 500 miles of shoreline annually through the Adopt-A-River Program

Services Provided

The DNR's three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection, requires a fully integrated approach to conservation. Integrated resource management is the DNR's strategy to share stewardship responsibility with citizens and partners as we manage for multiple interests. This program serves the DNR mission by providing safe, healthy outdoor recreation opportunities.

The services provided by this activity include:

- ◆ operation and maintenance of state trails and state forest trails;
- ◆ acquisition and development of state trails;
- ◆ trail planning and user surveys;
- ◆ volunteer river cleanup opportunities through the Adopt-a-River program;
- ◆ development and distribution of public information materials (e.g., maps, brochures, website, etc.); and
- ◆ financial assistance through the Cooperative Trails Grant Program (local trail connections, regional trails, and national recreation trail grants [SAFETEA-LU]).

Historical Perspective

This activity addresses these major trends facing the DNR as follows:

- ◆ **Changes in outdoor recreation participation:** In recent years, the activity level of non-motorized recreation has remained relatively steady, or even declined in some cases. The DNR's state trails are an important "gateway" for the public to connect with natural resources. State trails are located in, or connect to, the majority of larger cities within Minnesota, providing close-to-home recreational opportunities to a diverse, and increasingly urban, population. In addition, outdoor recreation studies are being conducted to determine the type and quantity of recreation activities on public forestlands as well as the characteristics, experiences, and opinions of visitors to the Foot Hills, Land O'Lakes, and Finland forest areas.
- ◆ **Growing demands related to renewable energy and climate change:** The Division of Trails and Waterways is implementing energy efficiency measures and demonstrating renewable energy technologies in its facilities, such as the use of solar panels in facility development. The division will encourage opportunities to help address the need to reduce transportation petroleum consumption. By working with communities through the local and regional grant program, trails can provide a connection between residential areas and

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - NON-MOTORIZED RECREATION

Narrative

schools, shopping areas, and other areas of community interest, offering alternative transportation opportunities.

- ♦ **Landscape changes from population growth and development:** State trails provide natural corridors within changing and developing landscapes, aiding in the conservation of natural areas and promoting nature landscape connections between neighborhoods, communities, and cities. The use of best management practices on trails, such as through restoration of native plant communities, water retention, or control of invasive species, demonstrates the importance of protecting and managing natural areas within an extensive trail system for the use and enjoyment of all Minnesotans.

Key Activity Goals

Minnesotans and out-of-state visitors have access to the outdoors through a network of trails that accommodate outdoor recreational activities such as biking, hiking, walking, skiing, in-line skating, and horseback riding. Year-around recreation opportunities help support Minnesota's quality of life and its regional economies. Developing and sustaining a diverse trail system helps the DNR meet the needs of a variety of trail user populations.

The State Trail Program will continue to acquire and develop authorized state trails as directed by available funding and continue to maintain or restore native vegetation along state trail rights-of-ways through native plantings, prescribed burns, and actively controlling invasive species. This program supports the recommendations of the Minnesota Climate Change Advisory Group to expand transit, bicycle, and pedestrian infrastructure (<http://www.mnclimatechange.us/index.cfm>).

Key Activity Measures

Currently, there are 1,249 miles of state trails providing recreation opportunities for hikers, bicyclists, in-line skaters, horseback riders, and cross-country skiers, as authorized by M.S. 84.029, M.S. 85.015 and M.S. 86A.04. In 2001, management responsibility of state forest trails was transferred from the DNR Division of Forestry to the Division of Trails and Waterways. 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.

DNR works with local trail associations, trail user groups, and communities to plan, acquire, develop, and manage the entire state trail system. Not all trails accommodate every use; 554 miles are paved, of which 475 miles are asphalt and 79 miles are surfaced with crushed aggregate, and designed to accommodate bicycle use. For detailed descriptions of the following measures, see the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html).

Indicator: Adopt-a-River Program, number of clean-ups reported and miles of shoreline cleaned.

Target: 180 cleanups reported and 525 miles of shoreline cleaned annually by the end of FY 2009.

	FY2004	FY2005	FY2006	FY 2007	FY 2008*	FY 2009*
Clean-ups Reported	148	147	171	160	170	170
Miles Cleaned	484	446	517	505	510	525
Tons of garbage	125	70	82	62	82	N/A
Volunteer Hours	4,519	2,744	4,807	3,467	3,200	3,300

*Projected figures

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

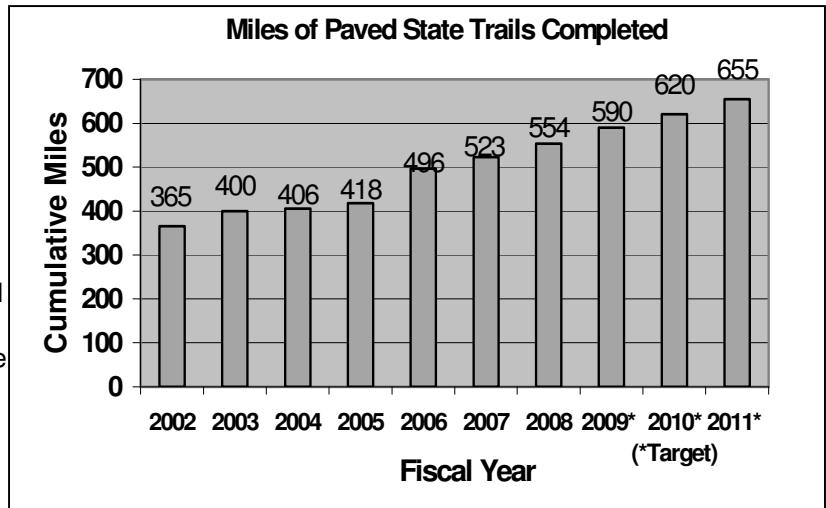
Activity: T&W - NON-MOTORIZED RECREATION

Narrative

Indicator: Miles of paved trail completed and open to the public for bicycle use.

Target: Develop 98 miles of new paved trail by the end of FY 2011:

- ◆ 30 miles of Paul Bunyan State Trail
- ◆ 9 miles of Cuyuna Lakes State Trail
- ◆ 15 miles of Gitchi Gami State Trail
- ◆ 11 miles of Root River State Trail
- ◆ 5 miles of Blufflands State Trail
- ◆ 4 miles of the Goodhue Pioneer State Trail
- ◆ 3 miles of the Mill Towns State Trail
- ◆ 10 miles of the Great River Ridge State Trail
- ◆ 4 miles of the Shooting Star State Trail
- ◆ 5 miles of Casey Jones State Trail
- ◆ 2 miles of the Blazing Star State Trail



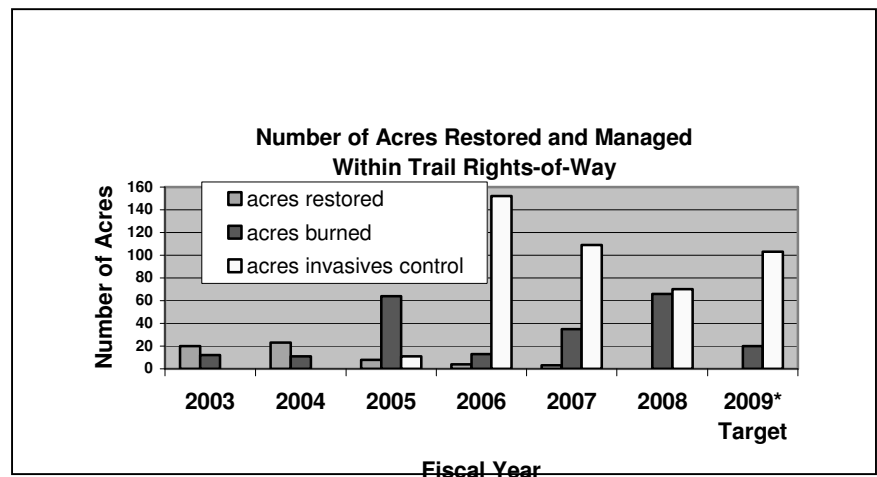
Indicator: Miles of Grant-In-Aid (GIA) Cross-Country Ski Trails.

Target: Administer the Grant-In-Aid program consisting of 700 miles of ski trails statewide so as to sustain its integrity. The program is made up of 40 trail systems maintained and groomed by local clubs and communities.

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

Target: Restoration work projected for FY 2009:

- ◆ 3 acres prairie restoration
- ◆ 103 acres invasive species control
- ◆ 20 acre prescribed burn



NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

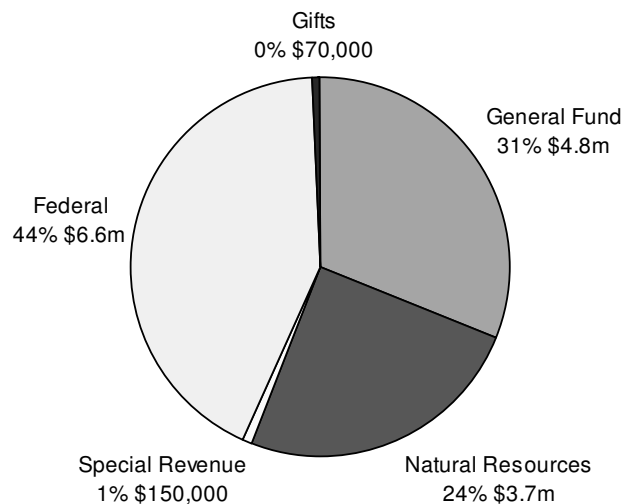
Activity: T&W - NON-MOTORIZED RECREATION

Narrative

Activity Funding

This activity is funded primarily through federal funds, general fund appropriations, and the natural resources fund (Cross-Country Ski Account, Horse Trail Account (Horse passes), and Lottery-in Lieu of sales tax), with additional funding from the environment and natural resources trust fund, and capital bonding.

FY 2008-09 Non-Motorized Recreation Budgeted Expenditures \$15.3 million



Contact

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Additional information can be obtained on the DNR website at mndnr.gov/trails_waterways/index.html.

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - NON-MOTORIZED RECREATION

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	2,463	2,443	2,443	2,443	4,886
Technical Adjustments					
Approved Transfer Between Appr			(23)	(23)	(46)
One-time Appropriations			(350)	(350)	(700)
Forecast Base	2,463	2,443	2,070	2,070	4,140
Natural Resources					
Current Appropriation	1,415	1,415	1,415	1,415	2,830
Forecast Base	1,415	1,415	1,415	1,415	2,830
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	915	1,869	0	0	0
General	2,103	2,683	2,070	2,070	4,140
Minnesota Resources	104	113	0	0	0
Natural Resources	1,200	1,635	1,415	1,415	2,830
Statutory Appropriations					
Natural Resources	209	504	392	392	784
Miscellaneous Special Revenue	37	86	64	64	128
Federal	1,620	2,546	2,500	2,500	5,000
Gift	23	73	17	17	34
Total	6,211	9,509	6,458	6,458	12,916
<u>Expenditures by Category</u>					
Total Compensation	1,666	1,804	1,805	1,805	3,610
Other Operating Expenses	1,236	1,972	1,164	1,164	2,328
Capital Outlay & Real Property	1,012	1,861	21	21	42
Local Assistance	2,297	3,872	3,468	3,468	6,936
Total	6,211	9,509	6,458	6,458	12,916
Full-Time Equivalents (FTE)	23.2	25.2	24.3	24.3	

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - WATER RECREATION

Narrative

Activity Description

The purpose of the Water 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. Small craft harbors (M.S. 86A20-24) on Lake Superior provide access for trailered boats and a protected harbor, which provides small craft refuge from sudden storms.

Activity at a Glance

- ♦ Minnesota ranks first in the nation for number of boats per capita (one boat for every six people)
- ♦ Minnesota ranks third in the nation for total boats registered (866,000)

Population Served

All Minnesotans and out-of-state visitors who boat, canoe, kayak or fish or those who wish to access Minnesota's lakes and rivers.

Services Provided

The Department of Natural Resources (DNR's) three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection, requires a fully integrated approach to conservation. Integrated resource management is the DNR's strategy to share stewardship responsibility with citizens and partners as we manage for multiple interests. This program serves the DNR mission by providing the public with water-based recreational boating and fishing opportunities and services.

Major responsibilities of the activity:

- ♦ **Boat Access Sites:** The 3,000 boat access sites contain a boat launch ramp, a parking lot, an entrance road, and amenities such as toilets, docks, security lights, and information kiosks. When building or upgrading access sites, the DNR looks for partnerships where funding for construction is provided by the department and operation and maintenance of the facility is provided by the local community. More than 1500 sites are owned and operated by the DNR and the remainder are owned and operated by local governments. The DNR also provides maps, information guides, and website information.
- ♦ **Water Trails:** The DNR manages more than 4,000 miles of canoe, boating routes, and "water trails" on 30 rivers throughout the state. In addition, the Lake Superior Water Trail is managed for kayaking and stretches along the entire 155 miles of Minnesota's North Shore. Facilities on the designated canoe and boating routes include primitive campsites, rest areas, portage trails, and launch sites. Services include river cleanup, obstruction 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. Currently, there are 525 water trail access sites on Minnesota rivers, 60% of which are operated by the DNR and 40% of which were developed in cooperation with local governments.
- ♦ **Lake Superior Small Craft Harbors:** Implementation of the North Shore Harbors Plan, and subsequent legislation establishing safe harbors, began in 1999. There are 10 harbors or protected accesses identified in the Lake Superior water access plan where the DNR is either an owner or partner with a local community. The McQuade Small Craft Harbor and access was completed in the summer 2008. State funds have been appropriated which partially fund an additional harbor at Two Harbors that is in the planning and design phase. 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. The DNR is working with local groups and communities to plan or improve future small craft harbors and protected accesses.

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - WATER RECREATION

Narrative

Historical Perspective

Minnesota ranks third in the nation for total boats registered (866,000) and first in the nation in the number of boats per capita (one boat for every six people). Overall boat registrations have increased about 30% over the last 20 years, and kayak registrations have increased 68% over the last five years. The amount or quantity of boating use has been relatively stable over time despite this increase in boat registrations.

Public access is becoming a greater asset that serves all lake interests, including lakeshore owners and commercial boating-related interests. Minnesota boating studies indicate that public access is serving a broader boating-activity market and is no longer aligned with the single activity of fishing. Boating equipment is also trending to larger, more powerful, and more substantial watercraft, causing many small, private accesses to be inadequate or unusable.

The DNR provides additional facilities, programs and services to meet the changing demands and needs of the public. The DNR has a long tradition of involving state and federal agencies through partnerships, cooperation and collaboration on various projects and site developments as well as fostering public stewardship to help manage resources. Through these relationships, the Division of Trails and Waterways provides leadership to others to recognize the needs, adapt to new and changing trends, and meet the water recreation demands of the public all while striving to meet its current mission, *"to provide and maintain free, safe and convenient access to public waters for recreation, while protecting and enhancing the natural resources through facility design, program management and public education."*

Recent trends are changing the nature of Minnesota's natural resources and their contribution to the quality of life in the state. The Division of Trails and Waterways is responding with innovative approaches to address changes in outdoor recreation participation, growing demands related to renewable energy and climate change, and landscape changes from population growth and development.

Developing and sustaining high-quality public water access sites ensures Minnesota's long-standing tradition of enjoying the state's water resources. The Division of Trails and Waterways recognizes the need for more sustainable practices in the design and maintenance of its water recreation facilities. New and renewed facilities will have a greater emphasis on storm water infiltration, shoreline protection, native vegetation and other best management practices. The Division of Trails and Waterways is implementing energy efficiency measures and demonstrating renewable energy technologies in its facilities. For example, the McQuade Road Small Craft Harbor on Lake Superior near Duluth includes a three-acre harbor where small craft can seek protection from storms, three protected ramps for boat launching, a kayak launching area, and adjustable docks. The facility is located in a park-like setting with walkways and fishing structures on top of the breakwater, and pedestrian access. State-of-the-art renewable energy technology is being utilized at this small craft harbor. Solar collector panels on site will provide two kilowatts of power for the facility, with excess power fed back and sold to the local power grid.

Key Activity Goals

Minnesotans and tourists have access to the outdoors through a network of access to lakes and rivers that accommodate outdoor recreational activities such as boating, canoeing, kayaking, and fishing. Year-around recreation opportunities support Minnesota's high quality of life and its regional economies.

The program also helps address several of the habitat protection recommendations contained in the Legislative-Citizen Commission on Minnesota Resources (LCCMR's) *Minnesota Statewide Conservation and Preservation Plan* (www.MnConservationPlan.net) including:

- ◆ Protect critical shorelands of streams and lakes; and
- ◆ Improve access to outdoor recreation.

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - WATER RECREATION

Narrative

Key Activity Measures

◆ Acquisition, development and renewal of boat access sites

Indicator: Number of Boat Access Sites.

Target: DNR anticipates constructing 8 new water access sites and renewing 15 boat access sites, including shore land restoration in FY 2010-11.

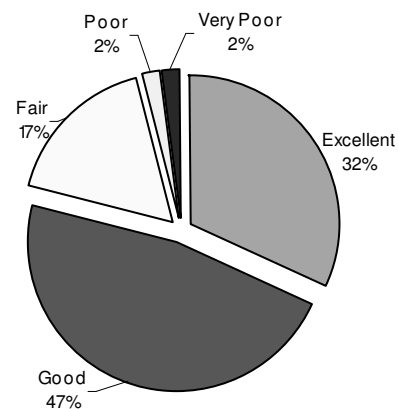
Fiscal Years	Number of DNR Sites
2002-03	1,560
2004-05	1,570
2006-07	1,585
2008-09	1,595
2010-11	1,603 (Target)

◆ Boater satisfaction levels

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.

Target: Maintain at least a 75% satisfaction level of "excellent" and "good".

MN Boater Satisfaction Levels of Public Access Facilities



Source: Central MN Boating Study, 2001

Activity Funding

Funding for this budget activity is from multiple sources, including appropriations from the Water Recreation Fund, which has two revenue sources: unrefunded highway gas tax attributed to motorboat use and watercraft registration fees. The Division of Trails and Waterways also receives federal Wallop/Breaux funds for boat access from the following two sources:

- ◆ 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
- ◆ the Boat Safety Account administered by the United States Coast Guard (50% match). State Bond funds and Federal Water Recreation Development Act funds have also been appropriated for acquisition and development.

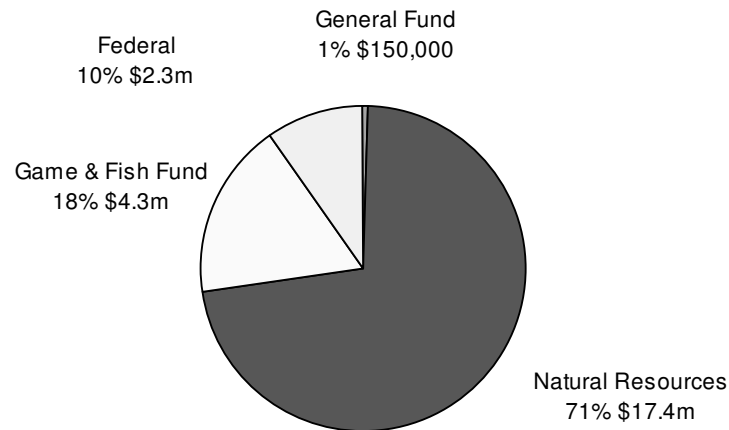
NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - WATER RECREATION

Narrative

FY 2008-09 Water Recreation Budgeted Expenditures \$24.2 million



Contact

For additional information, please contact:

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Additional information can be obtained on the DNR website at mndnr.gov/trails_waterways/index.html.

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - WATER RECREATION

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	75	75	75	75	150
Forecast Base	75	75	75	75	150
Natural Resources					
Current Appropriation	8,533	8,413	8,413	8,413	16,826
Forecast Base	8,533	8,413	8,413	8,413	16,826
Game And Fish (operations)					
Current Appropriation	2,119	2,194	2,194	2,194	4,388
Forecast Base	2,119	2,194	2,194	2,194	4,388
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	0	150	75	75	150
Natural Resources	8,247	9,398	8,413	8,413	16,826
Game And Fish (Operations)	1,262	3,051	2,194	2,194	4,388
Open Appropriations					
Natural Resources	157	181	181	181	362
Statutory Appropriations					
Natural Resources	36	214	46	46	92
Miscellaneous Special Revenue	24	70	6	6	12
Federal	1,262	1,744	1,808	1,776	3,584
Gift	11	23	23	23	46
Total	10,999	14,831	12,746	12,714	25,460
<u>Expenditures by Category</u>					
Total Compensation	4,434	4,962	4,962	4,962	9,924
Other Operating Expenses	4,447	4,828	4,040	4,040	8,080
Capital Outlay & Real Property	1,449	4,559	3,198	3,198	6,396
Local Assistance	669	482	546	514	1,060
Total	10,999	14,831	12,746	12,714	25,460
Full-Time Equivalents (FTE)	66.5	69.9	68.6	68.6	

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - MOTORIZED RECREATION

Narrative

Activity Description

This activity, funded through the dedicated accounts within the natural resources fund, provides motorized trail 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

- ◆ 287 grants to local units of government
- ◆ 251,000 registered snowmobiles
- ◆ 264,000 registered All-Terrain Vehicles (ATVs)

Population Served

This activity provides services to trails users who contribute to dedicated accounts through registration fees and un-refunded gas tax. The recreational vehicles used by trail riders include:

- ◆ Snowmobiles;
- ◆ All-Terrain Vehicles (ATV);
- ◆ Off-Highway Motorcycles (OHM); and
- ◆ Off-Road Vehicles (ORV)

Services Provided

The Department of Natural Resources (DNR's) three-part mission, based on the interrelated values of economic development, recreational use, and natural resource protection, requires a fully integrated approach to conservation. Integrated resource management is DNR's strategy to share stewardship responsibility with citizens and partners as we manage for multiple interests. This program serves the DNR mission by working with citizens and partners to accomplish the following tasks and services:

- ◆ maintenance and operations of trails;
- ◆ evaluation and designation Off Highway Vehicle (OHV) trails in state forests (includes ATV, OHM and ORV);
- ◆ maintenance and monitoring of trails in state forests;
- ◆ operation of Iron Range OHV recreation areas;
- ◆ distribution of grants to local units of government;
- ◆ development and distribution of public information materials (e.g., maps, brochures, interpretive information, GIS information, etc.); and
- ◆ administration of dedicated account activities.

Historical Perspective

OHV use has been steadily increasing in recent years in contrast to other recreational activities that have been holding steady or dropping slightly in recent years. By completing and implementing the forest reclassification road and trail designation plans, this program will help meet those increasing demands. Information gathered through trail monitoring and forest user studies will help determine how the public is using state forests now and what the DNR needs to do to meet needs in the future.

Pursuing permanent easements for motorized trails, especially in landscapes that are facing development pressures, will help protect the ability for the public to continue this form of recreation while adding to the diversity of outdoor recreation opportunities. Without this effort, important trail segments and trail systems would be lost every year.

This activity addresses major trends facing the DNR, including:

- ◆ **Changes in outdoor recreation participation:** Outdoor recreation studies are being conducted to determine the type and quantity of recreation activities on public forestlands in the Foot Hills, Land O'Lakes, and Finland forest areas, as well as the characteristics, experiences, and opinions of visitors to these areas.

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - MOTORIZED RECREATION

Narrative

Key Activity Goals

Minnesotans and out-of-state visitors have access to the outdoors through a network of trails that accommodate outdoor recreational activities such as snowmobiling, ATV and OHM, and ORV riding. Motorized recreation opportunities support Minnesota's quality of life and its regional economies. Developing and sustaining a diverse trail system ensures DNR meets the needs of tourists and residents alike. Monitoring and maintaining the newly implemented trail systems in state forests will be important in assessing the sustainability of the trails, while also balancing the needs of trail users (forest recreation) and resource management.

Key Activity Measures

- ◆ DNR develops and maintains trails to meet the growing demand for motorized recreational trails.

Indicator: Total Miles of Department of Natural Resources Trails.

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
DNR-Snowmobile only	2,135	2,135	2,135	2,135	2,135	2,135
DNR-ATV/OHM only		134	140	362	687	715
DNR-Trail-ATV only	263	155	160	250	180	180
DNR-Trail-Off-Hwy	192	161	161	81	116	116
Motorcycle only						
DNR-Trail-Off Road	11	11	11	22	11	11
Vehicle only						

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

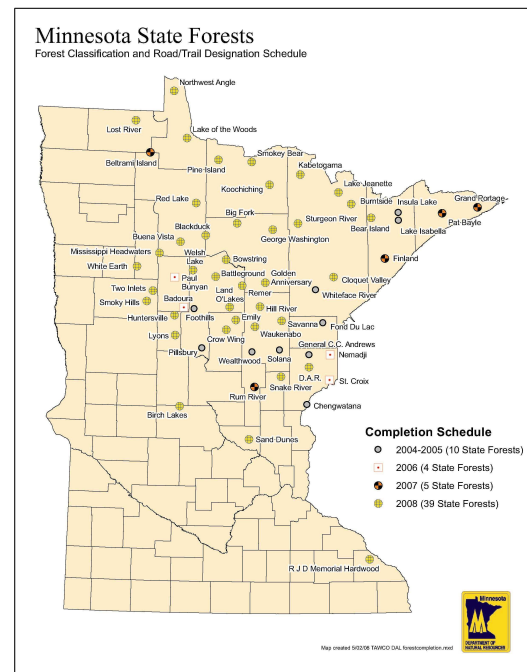
Indicator: Total Miles of Grant-In-Aid (GIA) Trails.

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
GIA-Snowmobile	18,200	18,250	18,300	19,500	19,550	19,550
GIA-All Terrain Vehicle	525	601	631	821	925	1,000
GIA-Off-Hwy Motorcycle	113	119	125	127	130	160
GIA-Off Road Vehicle	0	0	0	8	8	8

- ◆ DNR provides a sustainable system of trails and a quality experience for all users of the forest.

Indicator: Managed motorized use in state forests.

Target: Continue with maintenance and monitoring of the implemented systems. Reassess the recreational trail demand in each state forest.



NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

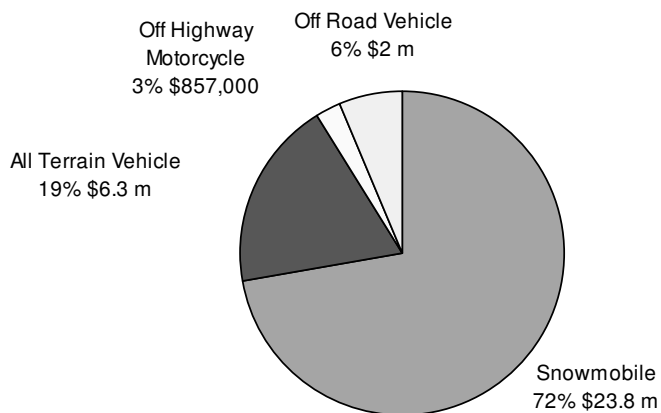
Activity: T&W - MOTORIZED RECREATION

Narrative

Activity Funding

This activity is funded primarily through dedicated revenues from the Natural Resources Fund. Revenues generated for the Off-Highway Motorcycle, Off-Road Vehicle, All-Terrain Vehicle, and Snowmobile Safety and Enforcement Funds come from vehicle registrations, permits, and unrefunded gas tax. Unrefunded gas taxes are those tax dollars attributed to fuel consumed while operating off public roads, including use on public land and trails. Capital bonding is also used for facility development.

FY 2008-2009 Motorized Recreation Budgeted Expenditures \$33 million



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Additional information can be obtained on the DNR website at mndnr.gov/trails_waterways/index.html.

NATURAL RESOURCES DEPT

Program: TRAILS & WATERWAYS MGMT

Activity: T&W - MOTORIZED RECREATION

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Natural Resources					
Current Appropriation	15,652	17,037	17,037	17,037	34,074
Technical Adjustments					
One-time Appropriations			(800)	(800)	(1,600)
Forecast Base	15,652	17,037	16,237	16,237	32,474
<u>Expenditures by Fund</u>					
Direct Appropriations					
Natural Resources	15,333	19,083	16,237	16,237	32,474
Open Appropriations					
Natural Resources	154	430	179	179	358
Total	15,487	19,513	16,416	16,416	32,832
<u>Expenditures by Category</u>					
Total Compensation	4,130	4,090	4,090	4,090	8,180
Other Operating Expenses	1,899	3,045	2,748	2,748	5,496
Capital Outlay & Real Property	400	476	0	0	0
Local Assistance	9,058	11,892	9,569	9,569	19,138
Transfers	0	10	9	9	18
Total	15,487	19,513	16,416	16,416	32,832
Full-Time Equivalents (FTE)	57.2	60.9	58.7	59.1	

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 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 in 1998 as Constitutional Amendment 13, Section 12 by more than 77 percent of voters in the general election.

Program at a Glance

- ◆ Serves 1.4 million licensed anglers (plus 600,000 anglers not required to be licensed), 578,000 licensed hunters and trappers, and 2.1 million wildlife watchers
- ◆ Generates \$3.5 billion in annual expenditures in Minnesota from fishing, hunting, wildlife watching, and trapping
- ◆ Manages fisheries in 5,400 fishing lakes and 16,000 miles of fishable streams and rivers in Minnesota
- ◆ Manages over 50 wildlife game species in Minnesota

Central management of the Fish and Wildlife Division is coordinated through four sections: 1) Fisheries management; 2) Wildlife management; 3) Outreach; and 4) Licensing, volunteer programs, and financial management. Field programs are delivered through Fisheries Management and Wildlife Management activities in regional offices, area offices, and hatcheries. (See activity narratives for additional information).

- ◆ **Fisheries Management:** This section develops, directs, and manages statewide fisheries population and habitat programs; monitors progress so that programs are continuously adapted and improved to meet changing resource conditions and societal needs; implements department and division programs and policies in the field; provides financial, human resource, administrative, and policy support to division field staff; and directs hatchery operations and acquisition and management of aquatic management areas (AMAs).
- ◆ **Wildlife Management:** This section develops, directs, and manages statewide wildlife population and habitat programs; monitors progress so that programs are continuously adapted and improved to meet changing resource conditions and societal needs; implements department and division programs and policies in the field; provides financial, human resources, administrative, and policy support to division field staff; and directs the acquisition and management of wildlife management areas (WMAs).
- ◆ **Outreach:** This section oversees education, communications, and hunting and angling recruitment and retention programs. The section includes MinnAqua (aquatic education), hunter recruitment and retention, Southeast Asian outreach and other minority outreach efforts, mentoring programs, the Becoming an Outdoors Woman program, and coordinates communications (e.g. hunting and fishing regulation booklets, press releases, and media relations).
- ◆ **Licensing, Volunteer Programs, and Financial Management:** This section manages the License Center, volunteer programs, division budgets, revenues, business functions, grants, fleet and facilities.

Population Served

Outdoor recreation opportunities promote personal health and benefit Minnesota's economy through expenditures made to participate in these opportunities. Primary stakeholders of the Fish and Wildlife Management Program include anglers and fishing-related businesses, hunters, trappers, and wildlife viewers and photographers.

Services Provided

DNR's three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection, requires a fully integrated approach to conservation. Integrated resource management is DNR's strategy to share stewardship responsibility with citizens and partners as we manage for multiple interests. Fish and wildlife habitats are valued for their natural quality, the recreational opportunities they provide, and the economic benefits derived from the use and development of these opportunities. This program serves the DNR mission by managing fish and wildlife populations, conserving fish and wildlife habitats,

responding to fish and wildlife disease and habitat challenges, and providing economic benefits at local and statewide levels.

Historical Perspective

Societal trends have the ability to either enhance or threaten fish and wildlife habitat and populations, as well as recreational access to the outdoors.

- ◆ **Changes in outdoor recreation participation:** As the population becomes increasingly urban, more diverse, and older, the department is seeking new ways to encourage participation in traditional forms of natural resource-based recreation such as hunting, fishing, trapping, and other wildlife-related forms of recreation. Through increased outreach, mentoring, and marketing efforts, such as National Archery in the Schools, Becoming an Outdoors Woman, Fishing in the Neighborhood, and youth mentoring programs, the DNR is addressing the trend of declining participation in outdoor recreation by working to retain existing and recruit new anglers, hunters, and other outdoor enthusiasts.
- ◆ **Growing demands related to renewable energy and climate change:** There is growing social and economic interest in increasing the energy efficiency of operations and promoting the use of conservation-based energy sources and renewable energy technologies, as well as increasing efforts to mitigate and adapt to climate change and its effects. The DNR is taking innovative approaches to manage important fish and wildlife habitat on both public and private lands needed to support healthy populations, while simultaneously providing opportunities for development of alternative energy sources. For example, implementation of a pilot project to harvest biomass on WMAs serves to meet multiple departmental objectives, including improved resource management, enhanced recreational opportunities, and economic development. One of the primary purposes of this program is to manage fish and wildlife populations and their habitat for the long-term health and resilience of these populations and the systems that support them. Fish and Wildlife Management staff are modifying their research, monitoring, and planning efforts in order to improve the resiliency of fish and wildlife populations and their associated habitats to adapt to climate change and its effects.
- ◆ **Landscape changes from growth and development:** As the state's population increases, and development associated with this population growth spreads, Minnesota's natural landscape changes, with increasing demands on the state's more limited and fragile natural resources. Sustainable use of natural resources requires a balance between resource protection, recreation, and economic development. Resource managers and citizens are challenged to craft innovative approaches that support the sustainable use and enjoyment of Minnesota's natural resources. Fish and Wildlife Management staff are developing programs that work to achieve this balance, through such efforts as the Shoreland Restoration Program, fish culture and stocking, fish species workshops, the Working Lands Initiative, private lands technical guidance, and the Shallow Lakes Program, which form collaborative partnerships to balance restoration and protection of natural resources while fostering economic development.

Key Program Goals

The mission and goal of the Fish and Wildlife Management Program is to *"work with the people of Minnesota to conserve aquatic and terrestrial habitat, to manage fish and wildlife populations and habitat, to provide fisheries and wildlife related recreation, and to preserve Minnesota's outdoor heritage."* Supporting the overall DNR mission, this program focuses on the management and conservation of fish and wildlife habitats and populations. These efforts generate a wide variety of ecological and economic benefits as well as providing extensive public opportunities to hunt, fish, trap, and appreciate these fish and wildlife resources throughout the state.

The Fish and Wildlife Management Program is a critical component of statewide efforts to support Minnesota's fish and wildlife. The DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html) has illustrated several high profile fish and wildlife activities supported by the program. Also, the Legislative-Citizen Commission on Minnesota Resources (LCCMR's) *Minnesota Statewide Conservation and Preservation Plan* (www.MnConservationPlan.net) identifies critically important fish and wildlife habitat protection and restoration focus areas that are either being currently supported through existing activities or is interested in building or developing new capacities. The Fish and Wildlife

Management Program supports and will continue to be the primary provider of comprehensive habitat and population management services throughout the state. This program also supports the recommendations of the Minnesota Climate Change Advisory Group to protect and enhance the carbon sequestration benefits of public and private lands by protecting and managing state lands and providing technical assistance, cost-share, and other incentives to private landowners, promoting conservation-based energy sources, and investing in climate data and analysis (<http://www.mnclimatechange.us/index.cfm>).

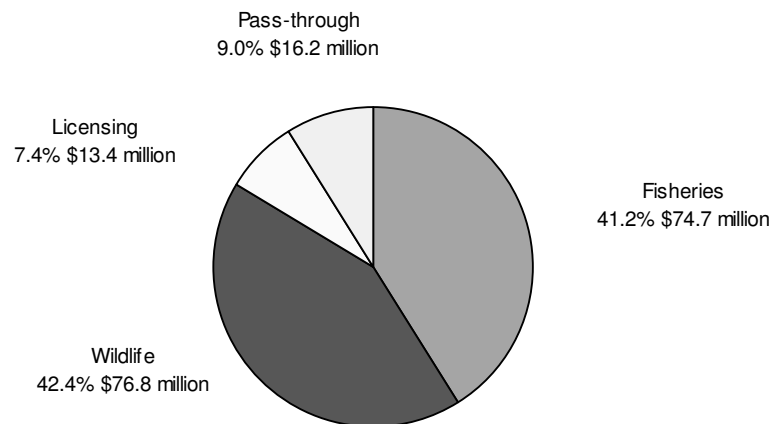
Key Program Measures

The Division of Fish and Wildlife uses a range of performance measures to assess its progress towards the management, protection, use, understanding, and enjoyment of Minnesota's fish and wildlife resources. See activity sections for specific examples of fish, wildlife, and licensing measures. For a comprehensive set of performance measures and more detailed descriptions of each measure, please see the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html).

Program Funding

The program funding for the Division of Fish and Wildlife is split into four distinct activities: Fisheries, Wildlife Licensing, and pass- through treaty payments (see chart below).

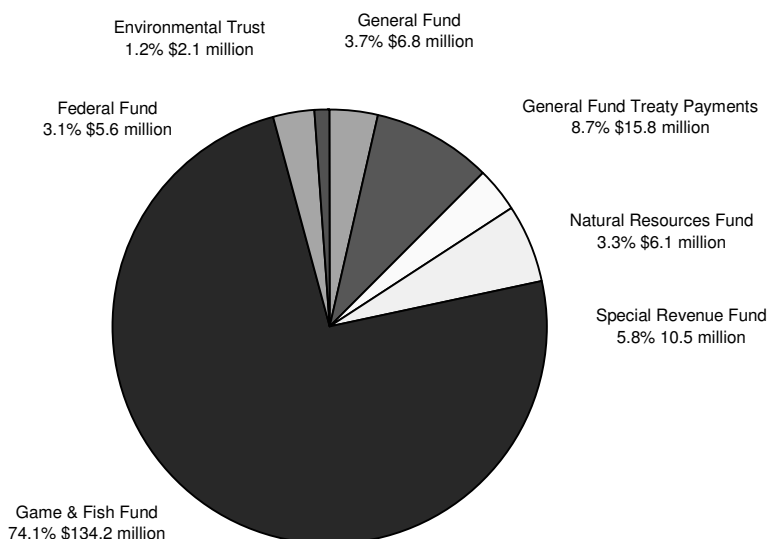
FY 2008-09 Fish and Wildlife Budget
\$181.1 million



Approximately 74% of the overall operating funding for the division is from the Game and Fish Fund. The Budget Oversight Committee (BOC), a group of 45 citizens, may change the current and future management of the Game and Fish Fund. The BOC found that fishing-related revenue does not fully support fishing-related activity. Counter to this, hunting-related revenues are outpacing hunting-related activity. The DNR intends to manage this issue through biennial budgeting, fee modifications, funding portfolio management, policy initiatives and long term monitoring.

The remainder of funding comes from a variety of funding sources including the environmental trust fund, general fund, natural resources fund (Water Recreation, All-Terrain Vehicle, Off Highway Vehicle, and Snowmobile), federal funds, gifts, and RIM Critical Habitat Match. A pie chart showing the distribution by funding source is below.

**FY 2008-09 Fish & Wildlife Budgeted Expenditures
\$181.1 Million**



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General information on the Division of Fish and Wildlife can be found on the Department of Natural Resources web site at mndnr.gov/fishwildlife/index.html. A wide variety of general and technical publications are also available.

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	0	984	984	984	1,968
Technical Adjustments					
One-time Appropriations			(984)	(984)	(1,968)
Forecast Base	0	984	0	0	0
General					
Current Appropriation	3,459	3,052	3,052	3,052	6,104
Technical Adjustments					
Approved Transfer Between Appr			(35)	(35)	(70)
Current Law Base Change			(71)	(71)	(142)
One-time Appropriations			(175)	(175)	(350)
Pt Contract Base Reduction			(1)	(1)	(2)
Forecast Base	3,459	3,052	2,770	2,770	5,540
Natural Resources					
Current Appropriation	1,876	1,876	1,876	1,876	3,752
Forecast Base	1,876	1,876	1,876	1,876	3,752
Game And Fish (operations)					
Current Appropriation	61,979	63,964	63,964	63,964	127,928
Technical Adjustments					
Current Law Base Change			48	(102)	(54)
One-time Appropriations			(674)	(674)	(1,348)
Forecast Base	61,979	63,964	63,338	63,188	126,526
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	593	1,844	0	0	0
General	3,283	3,080	2,770	2,770	5,540
Natural Resources	1,608	2,144	1,876	1,876	3,752
Game And Fish (Operations)	58,235	67,680	63,338	63,188	126,526
Open Appropriations					
General	8,143	7,903	7,664	7,510	15,174
Game And Fish (Operations)	831	1,033	1,030	1,030	2,060
Statutory Appropriations					
General	270	0	0	0	0
Natural Resources	1,151	2,071	1,202	1,202	2,404
Miscellaneous Special Revenue	1,006	2,058	1,483	1,483	2,966
Game And Fish (Operations)	3,711	4,212	3,256	3,256	6,512
Federal	1,034	3,853	4,086	4,161	8,247
Reinvest In Minnesota	2,129	3,437	2,301	2,301	4,602
Gift	240	416	269	269	538
Total	82,234	99,731	89,275	89,046	178,321

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Program Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Expenditures by Category</u>					
Total Compensation	42,582	45,216	44,846	44,846	89,692
Other Operating Expenses	31,762	42,331	34,726	34,497	69,223
Capital Outlay & Real Property	3,879	6,997	4,859	4,859	9,718
Local Assistance	4,011	5,184	4,844	4,844	9,688
Transfers	0	3	0	0	0
Total	82,234	99,731	89,275	89,046	178,321
<u>Expenditures by Activity</u>					
Fish Management	42,948	47,655	44,586	44,357	88,943
Wildlife Management	33,019	43,744	37,931	37,931	75,862
Licensing	6,267	8,332	6,758	6,758	13,516
Total	82,234	99,731	89,275	89,046	178,321
Full-Time Equivalents (FTE)	636.3	622.3	638.4	636.8	

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: FISH MANAGEMENT

Narrative

Activity Description

The Fisheries Management Activity protects, maintains, and enhances Minnesota's fishery resources and aquatic communities for recreational, ecological, and economic benefits to the state. The Department of Natural Resources (DNR) is the sole entity responsible for managing the state's public fisheries resources. In addition, state agencies, such as Agriculture, Health, Pollution Control, and the Board of Water and Soil Resources have responsibility for environmental regulation and management of resources that impact water quality and aquatic habitat. Local units of government also have regulatory authority that impacts aquatic resources.

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

Fisheries Management supports the DNR's three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection. This activity serves the DNR mission by managing fish populations, conserving fish habitats, responding to fish disease and habitat challenges, and providing economic benefits at local and statewide levels.

Activity at a Glance

- ◆ influences recreational and commercial fisheries and aquatic habitat on approximately 5,400 lakes and 16,000 miles of fishable streams and rivers
- ◆ manages and supports the harvest of about 30 million pounds of fish annually
- ◆ serves 1.4 million licensed anglers and 600,000 non-licensed anglers, 1,700 commercial fisheries operators, and over 2,000 resort and ancillary tourist businesses (Minnesota was ranked 4th in the nation for both total number of anglers and angling days in 2006)
- ◆ generates about \$2.7 billion each year in direct expenditures to the state's economy (Minnesota was ranked 1st in the nation for economic retail contributions from freshwater anglers, and 3rd nationally for overall angler expenditures in 2006)
- ◆ supports Minnesota as an angling destination for nonresidents (Minnesota was ranked 4th nationally in 2006 for nonresident angler expenditures and 3rd in the nation for number of nonresident anglers)

- ◆ **Fish Population and Aquatic Habitat Monitoring:** Primary goals or outcomes for population and habitat monitoring include: 1) collecting and distributing knowledge about fish populations, aquatic ecosystems and management techniques; 2) improving information about individual lake and stream management; and 3) expanding knowledge about angler attitudes, actions, and satisfaction levels.
- ◆ **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 require 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 staff collaborates with the public, commercial, and governmental organizations on fish and aquatic habitat management efforts. With the strong 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 to fully appreciate and enjoy fish and wildlife resources. Aquatic education to stakeholders through the school systems, events, and training are provided through the MinnAqua aquatic education program. Fisheries staff also supports angling recruitment and retention and marketing efforts. The Fishing in the Neighborhood program, the Southeast Asian outreach program, the Becoming an Outdoors Woman initiative, and mentoring programs are all efforts aimed at increasing angling participation.

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: FISH MANAGEMENT

Narrative

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. The state has worked with stakeholders to develop and implement an aggressive walleye stocking program to provide the best possible fishing in lakes where natural reproduction is not adequate to sustain a healthy fish population. 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. The department has taken steps to address these species of concern through statewide and lake/stream specific fishing regulation changes.

Angling participation rates on a national level have been declining. Minnesota angling rates have declined as well, but at a slower rate than the national rate. This trend has significant implications for Minnesota's economy. According to the *2006 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation* (USFWS 2006), angler-related expenditures in Minnesota amount to \$2.7 billion each year. The DNR manages natural resources and initiates programs to retain existing and recruit new anglers. Maintaining Minnesota's reputation for providing excellent fishing opportunities and an outstanding quality of life is a critical focus of this activity.

Key Activity Goals

Supporting the overall DNR mission, this activity focuses on the management and conservation of fish habitats and populations. These efforts generate a wide variety of ecological and economic benefits as well as extensive public opportunities to fish and appreciate aquatic resources throughout the state. Broad goals for the Fisheries Management Activity include:

- ◆ To make recreational fishing as good as it can be in the state of Minnesota for the present and future.
- ◆ To conserve, maintain, enhance, or rehabilitate Minnesota's aquatic resources to serve environmental, recreational, and economic purposes.
- ◆ To foster an ethic of natural resource stewardship.

The Fish Management Activity is a critical component of the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (<http://www.dnr.state.mn.us/conservationagenda/index.html>) as illustrated by several high profile fish and aquatic resource activities. The Legislative-Citizen Commission on Minnesota Resources (LCCMR) *Minnesota Statewide Conservation and Preservation Plan* (<http://environment.umn.edu/scpp/>) identifies critically important fish and aquatic habitat protection and restoration focus areas for which the Fish Management Activity has existing efforts or desires expanded or new capacities. The Fish Management Activity supports and will continue to be the primary provider of comprehensive aquatic habitat and fish population management services throughout the state. This activity also supports Minnesota Climate Change Advisory Group priority AFW-2: Land Use Management Approaches for Protection and Enrichment of Soil Carbon (<http://www.mnclimatechange.us/index.cfm>).

Key Activity Measures

In reference to mission, the primary measures for the Fisheries 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;
- ◆ public knowledgeable of the fisheries resource and the ecology, conservation, and ethics of fishing; and
- ◆ numbers of returning and newly recruited anglers as measured by license sales.

NATURAL RESOURCES DEPT

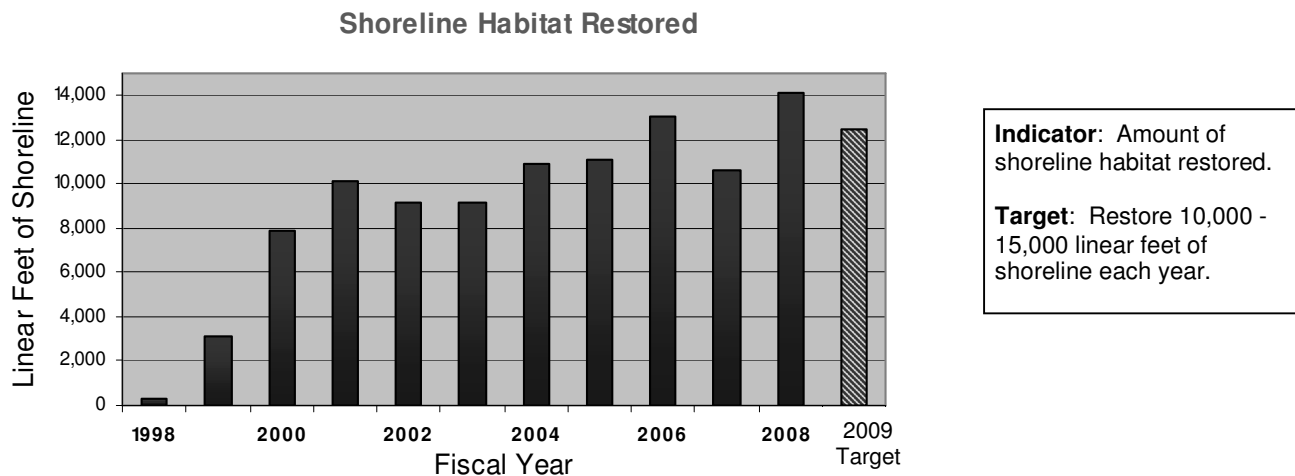
Program: FISH & WILDLIFE MANAGEMENT

Activity: FISH MANAGEMENT

Narrative

The following measures illustrate several program activities and their conservation results. For a more complete set of performance measures and more detailed descriptions of each measure, please see the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html).

- ◆ **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. The DNR works with partners to manage and restore shoreline habitat.



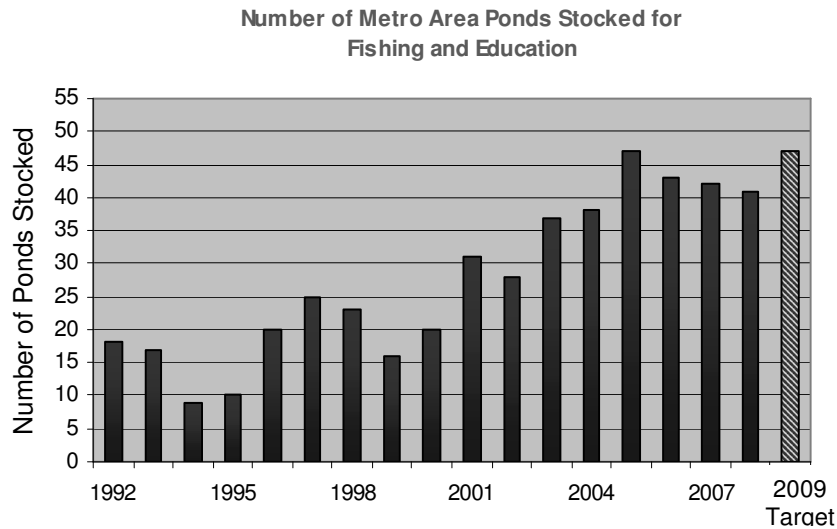
- ◆ **Walleye Stocking:** Walleye fishing is an integral part of Minnesota's outdoor fishing heritage. (Minnesota has a 29% participation rate in fishing—the second highest in the nation behind the state of Alaska.) The DNR protects and improves walleye habitat, regulates catch, and stocks walleye in approximately 900 lakes where natural reproduction is lacking. Each lake has its own fisheries management objectives, such as stocking targets. To achieve individual lake stocking targets, the DNR stocks mosquito size fry and produces fingerlings (four to six inch walleyes) in natural rearing ponds.
- ◆ **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. One in six Minnesotans owns a boat, and many water bodies lack shorefishing facilities. There is a 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.

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: FISH MANAGEMENT

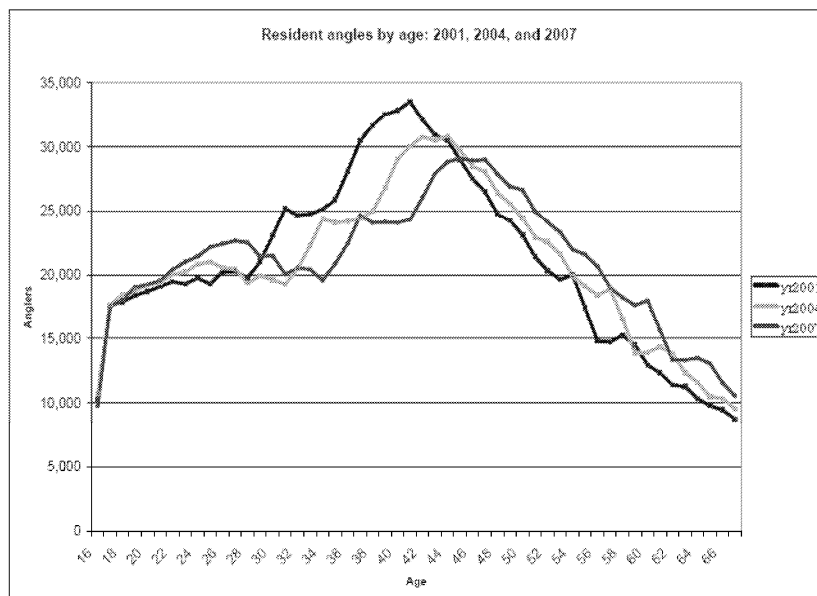
Narrative



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

Target: Stock 45 to 50 ponds, primarily with bluegill and crappie each year

- ◆ **Number of Anglers:** This graph depicts total number of resident anglers by age over a six-year time period.



Activity Funding

The Fish Management Activity generates revenue from the sale of fishing licenses and from federal reimbursement under the Sport Fishing Restoration Act. The United States Fish and Wildlife Service Federal Aid program, commonly referred to as the Dingle-Johnson Act, manages the distribution of revenues derived from federal excise taxes on fishing equipment to state fish and wildlife agencies through grants. In FY 2008-09, the grants under this program will generate over \$18 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.

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: FISH MANAGEMENT

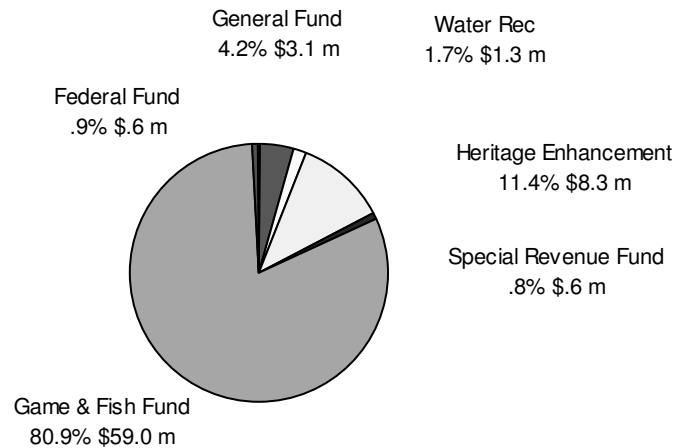
Narrative

The direct operating budget for FY 2008-09 includes the following sources of funds: Game and Fish 80.9%; Heritage Enhancement 11.4%; General 4.2%; Water Recreation 1.7%; and 1.7% Federal and Special Revenue.

FY 2008-2009 Fisheries Operating Budget

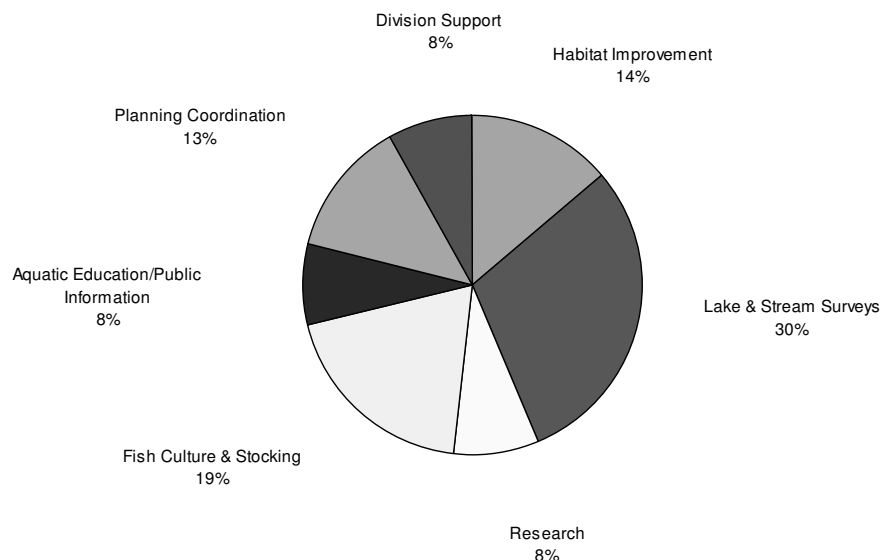
\$72.9 million

(Does not include Environmental Trust Funding)



Fisheries expenditures are divided into seven activities; Planning, Division Support, Habitat Improvement, Lake and Stream Surveys, Fish Culture and Stocking, and Information/Education. A breakdown of FY 2007 activity expenditures are shown below:

FY 2007 Fish Management Activity



NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: FISH MANAGEMENT

Narrative

The following websites offer additional information on the fish management activity.

- ◆ The DNR Fishing information page provides selected game fish information, news releases, and reports (mndnr.gov/fishing/index.html).
- ◆ The "Lake Finder" provides management information about specific lakes. It also provides information about stocking, fish consumption advice, and water quality (mndnr.gov/lakefind/index.html).
- ◆ General information about the Fish Management Activity and local area fisheries office news is also provided through the DNR website (mndnr.gov/fisheries/index.html).

Contact

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Fisheries Management Section
Division of Fish and Wildlife
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NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: FISH MANAGEMENT

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	0	850	850	850	1,700
Technical Adjustments					
One-time Appropriations			(850)	(850)	(1,700)
Forecast Base	0	850	0	0	0
General					
Current Appropriation	1,721	1,412	1,412	1,412	2,824
Technical Adjustments					
Approved Transfer Between Appr			(19)	(19)	(38)
One-time Appropriations			(175)	(175)	(350)
Forecast Base	1,721	1,412	1,218	1,218	2,436
Natural Resources					
Current Appropriation	626	626	626	626	1,252
Forecast Base	626	626	626	626	1,252
Game And Fish (operations)					
Current Appropriation	32,113	33,293	33,293	33,293	66,586
Technical Adjustments					
Current Law Base Change			48	(102)	(54)
One-time Appropriations			(374)	(374)	(748)
Forecast Base	32,113	33,293	32,967	32,817	65,784
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	353	1,449	0	0	0
General	1,717	1,337	1,218	1,218	2,436
Natural Resources	587	665	626	626	1,252
Game And Fish (Operations)	31,088	34,358	32,967	32,817	65,784
Open Appropriations					
General	7,953	7,700	7,461	7,307	14,768
Game And Fish (Operations)	831	1,033	1,030	1,030	2,060
Statutory Appropriations					
Natural Resources	1	29	0	0	0
Miscellaneous Special Revenue	234	474	276	276	552
Federal	104	355	900	975	1,875
Reinvest In Minnesota	1	0	0	0	0
Gift	79	255	108	108	216
Total	42,948	47,655	44,586	44,357	88,943
<u>Expenditures by Category</u>					
Total Compensation	23,815	25,148	24,771	24,771	49,542
Other Operating Expenses	18,280	21,552	18,976	18,747	37,723
Capital Outlay & Real Property	297	283	15	15	30
Local Assistance	556	669	824	824	1,648
Transfers	0	3	0	0	0
Total	42,948	47,655	44,586	44,357	88,943
Full-Time Equivalents (FTE)	359.3	349.9	370.2	368.9	

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: WILDLIFE MANAGEMENT

Narrative

Activity Description

The Wildlife Management Activity provides management, protection, use, understanding, and enjoyment of the state's wildlife. The Department of Natural Resources (DNR) is the primary authority responsible for wildlife population management and harvest regulation, providing healthy wildlife populations for hunting and viewing activities, and 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, state, federal, and local government, nonprofit organizations, and citizens.

Activity at a Glance

- ◆ Serves 578,000 hunters and trappers and 2.1 million wildlife watchers (Minnesota ranked 7th in the nation for the number of hunters and trappers, and 14th in the nation for the number of wildlife viewers and photographers in 2006)
- ◆ Manages 1,429 wildlife management areas (WMAs) for optimal wildlife habitat, encompassing over 1.277 million acres
- ◆ Manages over 50 big game, small game, waterfowl, migratory bird, and furbearer species through regulated harvest

Population Served

The Wildlife Management Activity touches a broad section of the public. With nearly 600,000 hunters and trappers, and 2.1 million wildlife watchers, this activity has a large client-base and serves to meet the needs of the public through the services provided by this activity.

Services Provided

DNR's three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection, requires a fully integrated approach to conservation. Wildlife habitats are valued for their natural qualities, the recreational opportunities they provide, and the economic benefits derived from the use of these opportunities. According to the *2006 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation*, hunting and trapping generates \$494 million and wildlife watching generates \$698 million for Minnesota's economy. Minnesota was ranked 12th nationally for retail sales related to hunting in 2006.

This program serves the DNR mission by managing wildlife populations, conserving wildlife habitats, responding to wildlife disease and habitat challenges, and providing economic benefits at both local and statewide levels. This program serves the DNR mission through:

- ◆ **Wildlife habitat acquisition and development:** This program acquires and manages an extensive system of 1,429 Wildlife Management Areas (WMA) totaling more than 1.277 million acres. A citizen's advisory committee recommended an accelerated goal of acquiring 210,500 acres of new WMA lands within the next 10 years, based on an analysis of current and future needs for wildlife habitat, wildlife population management, and hunter access ("Report on the Wildlife Management Area Land Acquisition Program, December 2002"). Wildlife managers and private lands specialists provide technical assistance to land owners and land managers to improve wildlife habitat on private lands.
- ◆ **Inventorying, monitoring, and conducting applied research on the state's wildlife populations and habitats:** Basic population inventory, monitoring, and research is essential to responsible management of populations. This includes the management of quota systems, setting hunting seasons, and investigating applied population and habitat management needs. Natural resource and habitat assessments using geographical information system technology provide historical and current data on wildlife habitat and land use patterns critical for evaluating, recommending and planning habitat protection and enhancement efforts.
- ◆ **Wildlife population management:** The department provides for wildlife resource-related recreation and manages hunting and trapping seasons for over 50 game species, which provide over 8.4 million days of recreation annually. Goals and outcomes for population management include: 1) establishing and maintaining sustainable regulated wildlife harvest seasons; 2) providing technical assistance and cost sharing to resolve

NATURAL RESOURCES DEPT

Program: **FISH & WILDLIFE MANAGEMENT**

Activity: **WILDLIFE MANAGEMENT**

Narrative

wildlife-human conflicts; and 3) restoring and enhancing certain wildlife populations through trapping and relocation.

- ◆ **Shallow lake management:** Permanent wetlands and shallow lakes provide critical spring and fall migration habitat for waterfowl. The quality of this habitat has declined markedly due to shoreline development, drainage, excessive runoff, sedimentation and invasive plant and fish species. Active shallow wildlife and wild rice lake management is an important component of department's Long Range Duck Recovery Plan. (See <http://www.dnr.state.mn.us/input/mgmtplans/mnduck/index.html>).
- ◆ **Monitoring and managing wildlife health:** Wildlife populations are faced with a number of animal health issues including Chronic Wasting Disease, Bovine TB, and avian influenza. Monitoring animal health will allow the department to appropriately respond should disease threaten animal populations or human health.
- ◆ **Providing for public information and hunter and trapper retention:** DNR provides public information and education about wildlife and their habitats through publications, mass media, the department web site, and personal presentations by wildlife managers. The long-term retention and recruitment of hunters and trappers is vital for future support of wildlife management programs.

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 DNR also maintains programs to manage populations and address wildlife damage and nuisance problems.

Key Activity Goals

Goals for the Wildlife Management Activity include:

- ◆ high quality and abundant hunting, trapping, and wildlife recreation opportunities
- ◆ healthy and productive wildlife populations and habitats managed on a sustainable basis
- ◆ leadership in resource stewardship
- ◆ effective partnerships with citizens to manage wildlife resources.

Supporting the overall DNR mission, this program focuses on the management and conservation of wildlife habitats and populations. These efforts generate a wide variety of ecological and economic benefits as well as extensive public opportunities to hunt, trap, and appreciate these wildlife resources throughout the state.

The Wildlife Management Activity is a critical component of the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html) as illustrated by several high profile wildlife activities. The Legislative-Citizen Commission on Minnesota Resources (LCCMR's) *Minnesota Statewide Conservation and Preservation Plan* (www.MnConservationPlan.net) identifies critically important wildlife habitat protection and restoration focus areas for which the Wildlife Management Activity has existing activities or desires expanded or new capacities. The Wildlife Management Activity supports and will continue to be the primary provider of comprehensive habitat and population management services throughout the state. This activity also supports the Minnesota Climate Change Advisory Group priority on Land Use Management Approaches for Protection and Enrichment of Soil Carbon (<http://www.mnclimatechange.us/index.cfm>).

Key Activity Measures

In reference to the mission, the primary measures for the Wildlife Management Activity are:

- ◆ wildlife habitat capable of supporting wildlife populations and hunting and trapping recreation as measured by the acres of WMAs protected;
- ◆ wildlife population abundance and health measured by population surveys and assessment programs;

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: WILDLIFE MANAGEMENT

Narrative

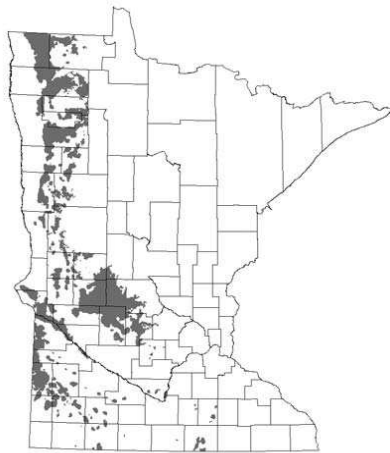
- ◆ sustainable hunter and trapper harvest to meet demand as measured by harvest and hunter satisfaction surveys; and
- ◆ quality shallow lake habitat as measured by fall migratory waterfowl surveys.

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*.

- ◆ **Prairie Wetland Complexes:** Prairie wetland complexes – restored or native grasslands mixed with a range of wetland types and sizes – are important for many species, including waterfowl, shorebirds, amphibians, pheasants, and deer. DNR will need to restore and protect an additional 2 million acres of prairie wetlands and grasslands while maintaining the existing habitat base to meet long-term sustainability goals.

Indicator: Number of acres of prairie wetlands and grasslands protected annually.

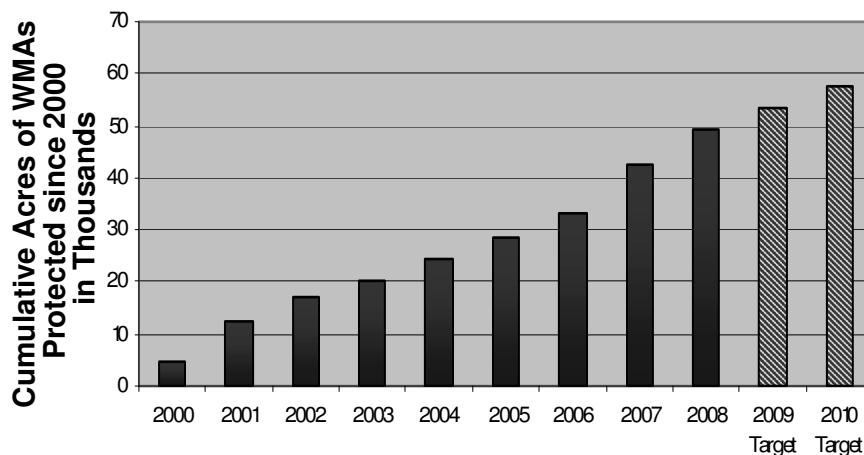
Target: Increase the number of high-quality prairie wetland complexes through the restoration and protection of a total of 40,000 wetland and grassland acres by all partners each year.



The map shading represents areas with the best opportunities for restoring and protection prairie wetland grassland complexes based on existing habitat.

- ◆ **Wildlife Management Areas:** The DNR manages 1,429 public wildlife areas covering over 1.277 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 FY 2005, stakeholders recommended the DNR acquire 21,000 acres per year for the next 10 years, and then acquire 12,250 acres per 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.

Acres Protected in Wildlife Management Areas



Indicator: Number of acres protected in Wildlife Management Areas

Target: Acquire 4,000 WMA acres per year in FY2009–2010. After FY 2005, stakeholders recommended DNR acquire 21,000 acres/year for the next 10 years

NATURAL RESOURCES DEPT

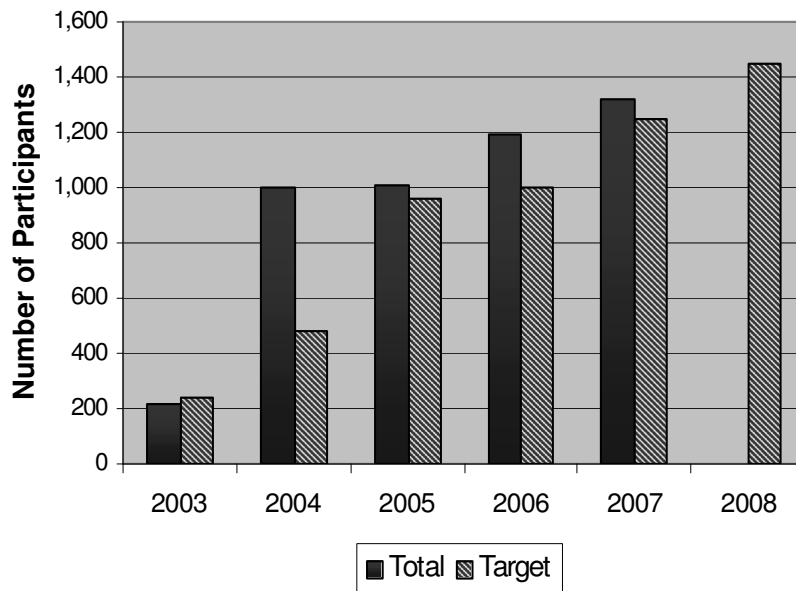
Program: FISH & WILDLIFE MANAGEMENT

Activity: WILDLIFE MANAGEMENT

Narrative

- ♦ **Hunter Recruitment:** 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; initiated special youth hunts; and is working with hunting organizations to provide educational and introductory experiences.

DNR Special Youth Hunt Participation

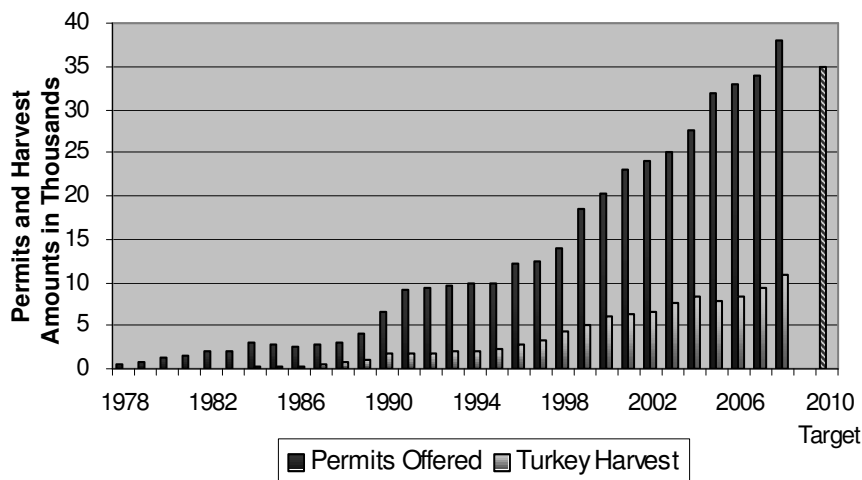


Indicator: Youth hunter participation and hunter satisfaction as measured by surveys

Target: Maintain youth hunter participation as measured by license sales and increase special youth hunts in the future.

- ♦ **Wild turkey hunting opportunities:** As wild turkeys increase their numbers and range, so do hunting opportunities. The DNR sets permits to ensure healthy turkey populations and quality hunting experiences.

Wild Turkey Hunting Opportunities



Indicators: Number of wild turkey hunting permits offered and harvest levels

Target: Offer 35,000 permits in 2010. The DNR offered 37,992 permits in 2008 and exceeded this target.

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: WILDLIFE MANAGEMENT

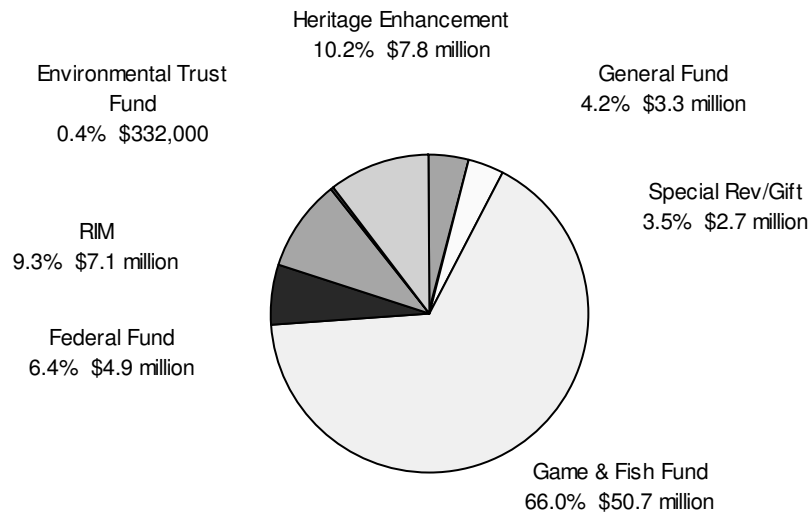
Narrative

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 United States Fish and Wildlife Service Federal Aid program, commonly referred to as the Pittman-Robertson (PR) Act, manages the distribution of revenues derived from federal excise taxes on hunting equipment to state fish and wildlife agencies through grants. In FY 2008-09, these federal grants will generate almost \$30 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: the Game and Fish Fund (66%); Heritage Enhancement funds (10.2%); RIM Match accounts (9.3%); Special Revenue (3.5%); General Fund (4.2%); and Federal (6.4%).

**FY 2008-09 Wildlife Operating Budget
\$76.8 million**



NATURAL RESOURCES DEPT

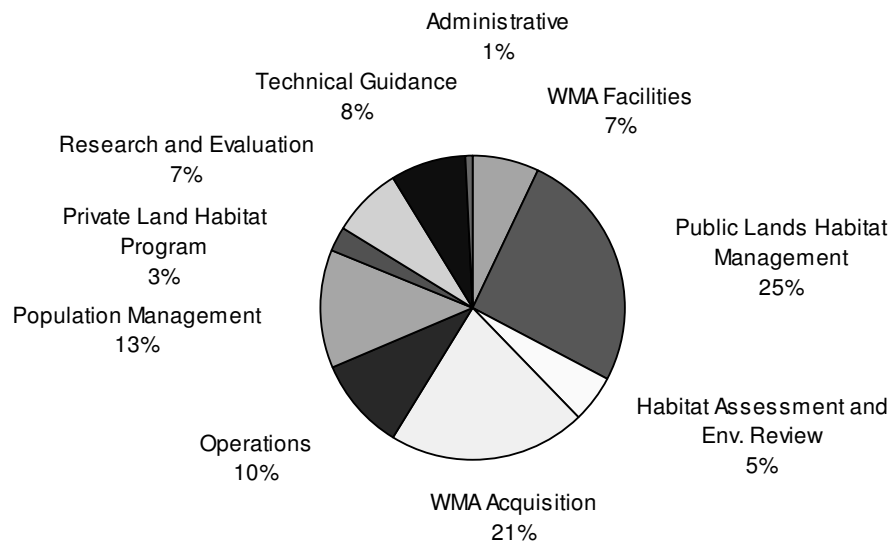
Program: FISH & WILDLIFE MANAGEMENT

Activity: WILDLIFE MANAGEMENT

Narrative

Wildlife expenditures are divided into 10 activities. A breakdown of FY 2007 activity expenditures are shown below:

FY 2007 Wildlife Management Activity Expenditures



Contact

For additional information, please contact:

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General information on Wildlife programs can be found on the Department of Natural Resources website mndnr.gov. A wide variety of general and technical publications are also available.

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: WILDLIFE MANAGEMENT

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	0	134	134	134	268
Technical Adjustments					
One-time Appropriations			(134)	(134)	(268)
Forecast Base	0	134	0	0	0
General					
Current Appropriation	1,689	1,640	1,640	1,640	3,280
Technical Adjustments					
Approved Transfer Between Appr			(16)	(16)	(32)
Current Law Base Change			(71)	(71)	(142)
Pt Contract Base Reduction			(1)	(1)	(2)
Forecast Base	1,689	1,640	1,552	1,552	3,104
Game And Fish (operations)					
Current Appropriation	28,528	29,482	29,482	29,482	58,964
Technical Adjustments					
One-time Appropriations			(300)	(300)	(600)
Forecast Base	28,528	29,482	29,182	29,182	58,364
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	240	395	0	0	0
General	1,517	1,743	1,552	1,552	3,104
Game And Fish (Operations)	26,390	31,812	29,182	29,182	58,364
Open Appropriations					
General	190	203	203	203	406
Statutory Appropriations					
General	270	0	0	0	0
Natural Resources	252	87	1	1	2
Miscellaneous Special Revenue	401	1,174	1,067	1,067	2,134
Game And Fish (Operations)	550	1,310	354	354	708
Federal	920	3,422	3,110	3,110	6,220
Reinvest In Minnesota	2,128	3,437	2,301	2,301	4,602
Gift	161	161	161	161	322
Total	33,019	43,744	37,931	37,931	75,862
<u>Expenditures by Category</u>					
Total Compensation	17,416	18,413	18,420	18,420	36,840
Other Operating Expenses	8,566	14,102	10,647	10,647	21,294
Capital Outlay & Real Property	3,582	6,714	4,844	4,844	9,688
Local Assistance	3,455	4,515	4,020	4,020	8,040
Total	33,019	43,744	37,931	37,931	75,862
Full-Time Equivalents (FTE)	253.0	247.4	247.3	247.2	

NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: LICENSING

Narrative

Activity Description

The License Center manages the issuance of game, fish and commercial licenses, registration and titling of watercraft, and registrations of All-Terrain Vehicles (ATVs), Off-Highway Vehicles (OHVs), and Off-Highway Motorcycles (OHMs), and snowmobiles through an electronic licensing system 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

Licensing supports the DNR's three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection. Easy access to licenses is provided to outdoors enthusiasts. Most agent sites have retail sales of outdoor sporting equipment at a given location, which is often near the activity or resource base, whether that activity is hunting, hiking, or fishing.

The DNR License Center is responsible for the development, implementation, and maintenance of the statewide Electronic Licensing System (ELS). Hunting and fishing licenses can be purchased at any of the 1,700 ELS agent locations, by phone, or online. The License Center responsibilities also include commercial licenses (i.e. minnow dealers, game farms, shooting preserves) and the lottery system for issuing controlled hunt permits (i.e. turkey, antlerless deer, bear, moose, and elk).

The License Center issues all watercraft registration and titles and the registration of snowmobiles, ATVs, OHMs, and Off-Road Vehicles (ORVs) through web-based ELS.

A walk-in service counter provides service to customers for all types of license, registration and titling transactions. Other services include the statewide distribution of a variety of DNR-related materials (e.g. hunting regulations, fishing regulations, waterfowl supplements, boating guides, snowmobile regulations and OHV regulations).

Historical Perspective

The License Center's duties have changed dramatically over the past decade, 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. The department, other state agencies, the legislature, and the general public utilize this information. In addition, the ELS system accelerates the collection of revenues from license, registration, and title sales.

Purchase of licenses can be made 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. ELS 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, and 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. The DNR is currently in the design phase of enhanced technology that will benefit customer services, create operational efficiencies, and utilize new technologies.

Activity at a Glance

- ♦ manage transactions and collect revenues from 2.9 million DNR game and fish licenses as well as 1.4 million boat/vehicle registrations and watercraft titles
- ♦ manage 1,700 point-of-sale hunting and fishing license agents and 173 registration and titling agents
- ♦ collect \$63 million in receipts annually
- ♦ answer over 100,000 questions via telephone each year

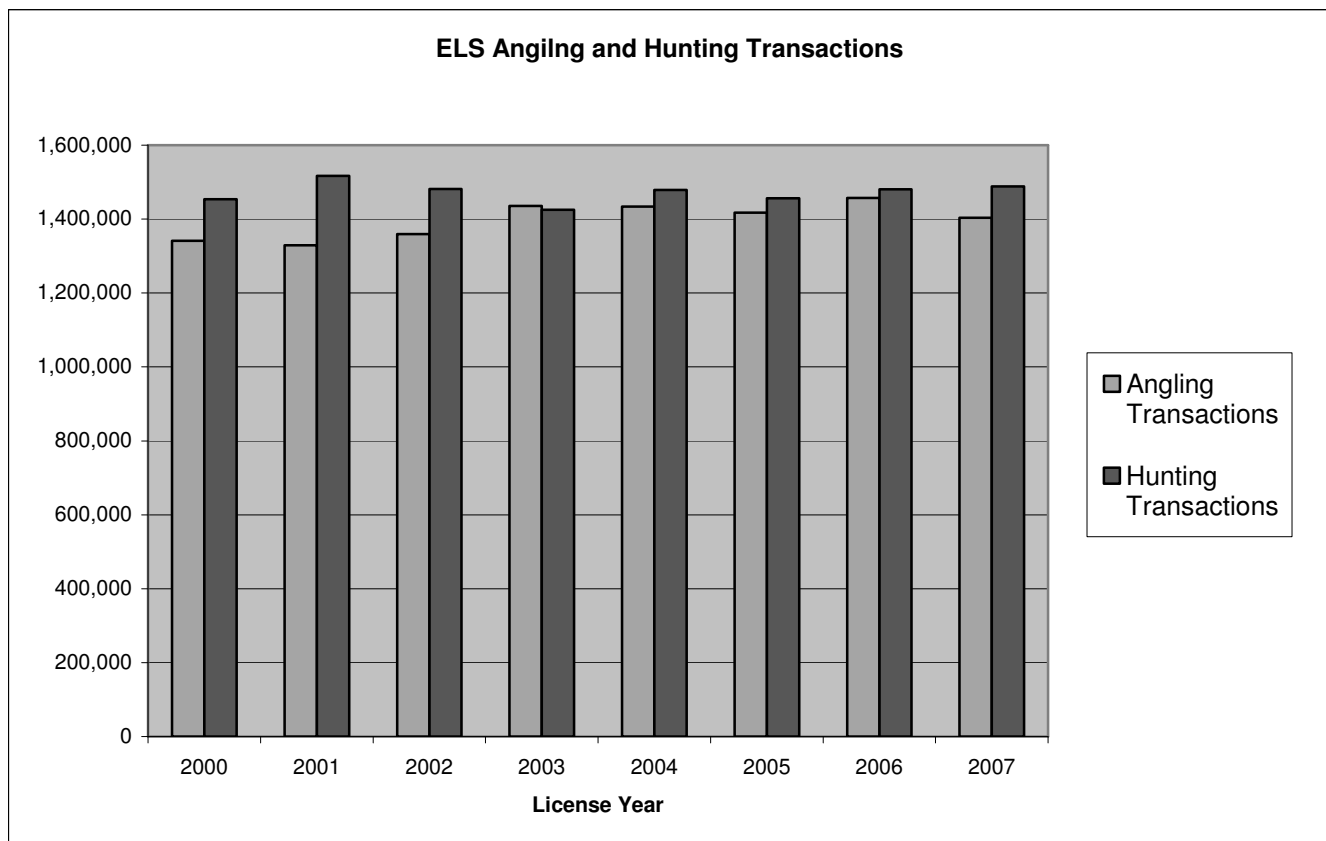
Key Activity Goals

Supporting the overall DNR mission, this Licensing Activity focuses on providing outdoor recreation opportunities. Licensing Activity goals include:

- ♦ providing license services to license vendors and the public in an efficient and cost effective manner. License vendors will provide accurate regulation information to customers purchasing licenses.
- ♦ using ELS data as appropriate for analysis of resource management, existing programs, and recreational trends.

Key Activity 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. Customer 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.



NATURAL RESOURCES DEPT

Program: **FISH & WILDLIFE MANAGEMENT**

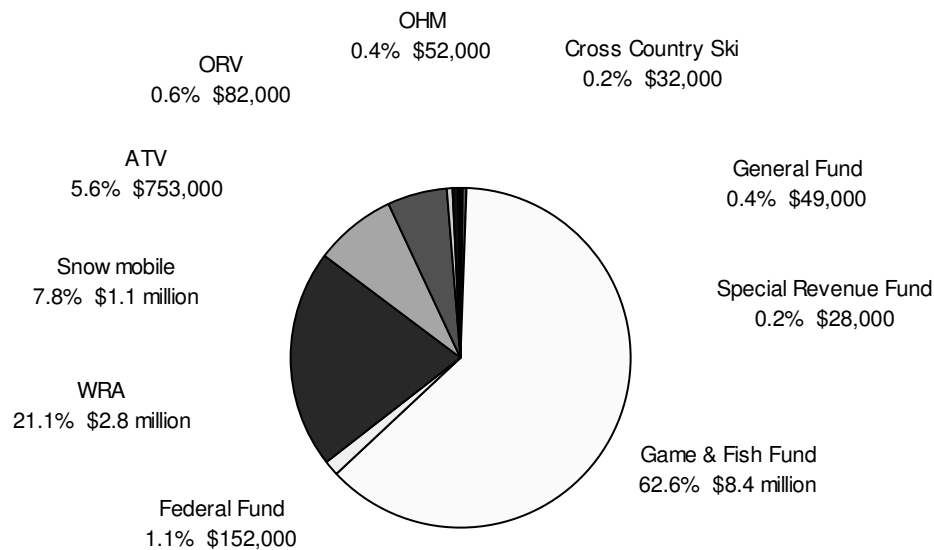
Activity: **LICENSING**

Narrative

Activity Funding

The operating budget for FY 2008-09 includes the following sources of funds: Game and FISH FUND 62.6%; Water Recreation 21.1%; Snowmobile 7.8%; ATV 5.6%; all other 2.9%.

FY 2008-09 Licensing Operating Budget \$13.4 million



NATURAL RESOURCES DEPT

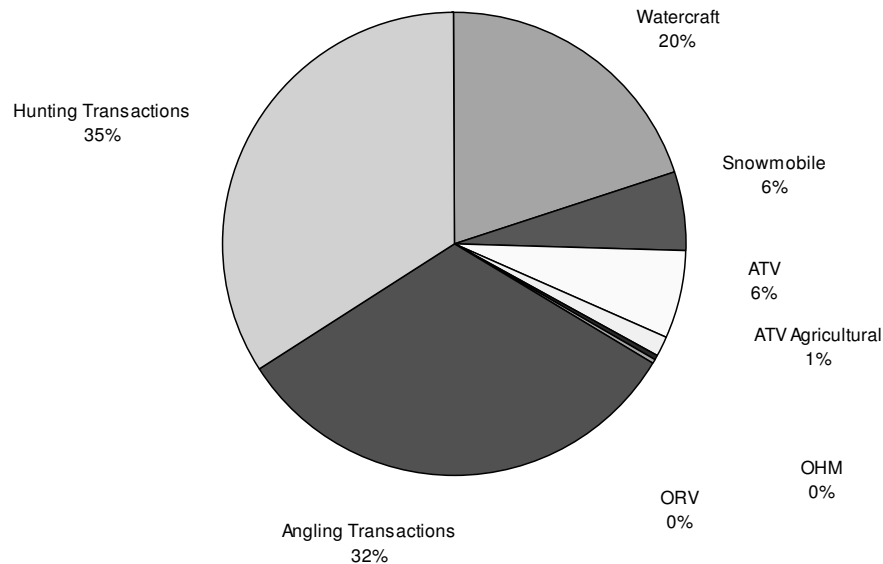
Program: FISH & WILDLIFE MANAGEMENT

Activity: LICENSING

Narrative

Licensing expenditures are summarized into 8 activities. A breakdown of FY 2007 activity expenditures are shown below:

FY 2007 License Center Activity



Contact

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NATURAL RESOURCES DEPT

Program: FISH & WILDLIFE MANAGEMENT

Activity: LICENSING

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	49	0	0	0	0
Forecast Base	49	0	0	0	0
Natural Resources					
Current Appropriation	1,250	1,250	1,250	1,250	2,500
Forecast Base	1,250	1,250	1,250	1,250	2,500
Game And Fish (operations)					
Current Appropriation	1,338	1,189	1,189	1,189	2,378
Forecast Base	1,338	1,189	1,189	1,189	2,378
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	49	0	0	0	0
Natural Resources	1,021	1,479	1,250	1,250	2,500
Game And Fish (Operations)	757	1,510	1,189	1,189	2,378
Statutory Appropriations					
Natural Resources	898	1,955	1,201	1,201	2,402
Miscellaneous Special Revenue	371	410	140	140	280
Game And Fish (Operations)	3,161	2,902	2,902	2,902	5,804
Federal	10	76	76	76	152
Total	6,267	8,332	6,758	6,758	13,516
<u>Expenditures by Category</u>					
Total Compensation	1,351	1,655	1,655	1,655	3,310
Other Operating Expenses	4,916	6,677	5,103	5,103	10,206
Total	6,267	8,332	6,758	6,758	13,516
Full-Time Equivalents (FTE)	24.0	25.0	20.9	20.7	

Program Description

The purpose of the Ecological Resources 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 Resources.

Natural resource agencies have a long tradition of managing fish and wildlife resources that have economic value for recreational hunting and fishing. 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 non-native species, and the need to restore degraded 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 Resources addresses these important resource issues with 20 different programs concentrated in four key areas: 1) nongame and rare resources; 2) lakes and rivers; 3) ecosystem health; and 4) integrated conservation information.

Program at a Glance

- ◆ survey Minnesota counties for rare biological resources
- ◆ maintain almost 35,000 data records of rare resources
- ◆ provide 22,000 hours/yr of technical ecological assistance to private developers, local governments, and other agencies
- ◆ prevent 1.5 million boaters from spreading invasive species
- ◆ manage 146 scientific and natural areas and 86 native prairie bank conservation easements
- ◆ assist in protecting river systems and in the ecological restoration of degraded rivers statewide

Population Served

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

Services Provided

The work of Ecological Resources is fundamental to DNR's three-part conservation mission based on interrelated values of natural resources protection, economic development, and recreational use. Ecological Resources professionals collect, manage, interpret, and deliver ecological information on Minnesota's natural systems and resources to inform wise resource decisions, land use planning, and economic development in ways that sustain quality of life. The division plays an instrumental role in protecting and restoring native plant and wildlife communities; in managing invasive species; in assessing and monitoring water quality of the state's lakes, rivers, and streams; and in managing the state's system of natural areas that harbor Minnesota's rarest natural features. By working with a variety of partners, Ecological Resources accomplishes this by providing five key services:

- ◆ **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, native prairie habitat enhancement on private lands, supporting wildlife and nature outdoor recreation opportunities, minimizing the impact of invasive species, and restoring shoreland habitat and rivers. Grants to local units of government and lake associations help them manage and control the impacts of Eurasian watermilfoil and curly-leaf pondweed on public waters. Grants to shoreland owners help them restore habitat at the waters edge. Grants to other DNR disciplines accelerate management of terrestrial invasive species. Shoreland and river restoration work contributes to improved water quality.
- ◆ **Delivering technical assistance:** Ecological Resources provides ecological products, programs, data, and environmental review services to decision makers, resource managers, and educators. Delivering sound, credible information to resource users is critical to the productive decision-making efforts of landowners, business leaders, resource agencies, and local public officials. Several division programs are focused on data interpretation and delivery, technical assistance, community outreach, and education.
- ◆ **Collecting ecological data:** Collecting and interpreting ecological information requires specialized expertise to understand how ecosystems work to provide essential services. Division professionals have ecological expertise in Minnesota's natural communities (such as forests, wetlands, and rivers); the state's flora and

fauna; and how systems respond to change. 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 Division of Ecological Resources' information is the Natural Heritage Information System, which includes over 20 databases that store data on rare features such as state-listed plants and animals and natural plant communities.
- ◆ **Regulating activities that impact native plant and wildlife communities.** Program staff manage permit programs designed to protect aquatic plants, control invasive species, protect endangered species, and provide for the safe operation of lake aeration systems.

Historical Perspective

The history of the Division of Ecological Resources 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. Beginning in the 1980s, a series of program changes and additions gave shape to a newly expanded division with authorities in a variety of new areas including invasive species, endangered species, wetland mitigation, nongame wildlife, scientific and natural areas, native plants and plant communities, and restoration of degraded grassland and river habitats. A more recent addition of responsibility and authority is the environmental review unit, which analyzes potential impacts associated with development projects.

Key Program Goals

"Protect Priority Land Habitats" with an emphasis on rare land features and sites of biodiversity significance is the number one habitat recommendation in the Legislative-Citizen Commission on Minnesota Resources (LCCMR's) *Minnesota Statewide Conservation and Preservation Plan* (www.MnConservationPlan.net). Ecological Resources provides the information and expertise on rare features and biodiversity on which conservation planning and land management decisions are based. The division also plays an instrumental role in other critical habitat areas identified for protection and restoration, including shorelands, wetlands, aquatic habitat of lakes and streams, connecting corridors, and forests. Ecological Resources produces effective tools and training to better understand and evaluate complex interactions across landscape and watershed scales (Habitat Recommendations #12 - #13). The division contributes to the plan's Energy Recommendations by providing expertise on alternative energy and climate change issues. The DNR supports the recommendations of the Minnesota Climate Change Advisory Group to protect or restore northern peatlands and other wetlands to prevent releases of GHGs and fire and to allow existing peatlands to continue to sequester carbon (<http://www.mnclimatechange.us/index.cfm>).

Recent societal trends are changing the nature of the state's natural resources and their contribution to the Minnesota quality of life. Ecological Resources is responding with innovative and collaborative approaches to address three critical drivers of change:

- ◆ **Changes in Outdoor Recreation Participation:** An elevated interest in addressing a broader range of natural resource issues has been coupled with 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 1.95 million in 2006 – an increase of 50% in 10 years (USFWS 2006). Total expenditures related to wildlife watching by Minnesota residents were \$579 million. 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. Through partnerships and creative programming, Ecological Resources is expanding wildlife tourism efforts and targeting outreach to nontraditional audiences.
- ◆ **Renewable Energy and Climate Change:** As the state seeks renewable energy alternatives and ways to address climate change, Ecological Resources scientists and planners are providing expertise in native prairie seed production and bio-energy projects for native prairie management, participating in department efforts on wind energy and carbon markets and in developing guidelines for prairie restoration and woody biomass harvest, identifying critical natural areas and habitats to detect climate change impact, and conducting a pilot project that links ecological restoration with supplying woody biomass for District Energy in

St. Paul. Environmental review services are being modified and accelerated to support economic development in ways that conserve Minnesota's natural resources.

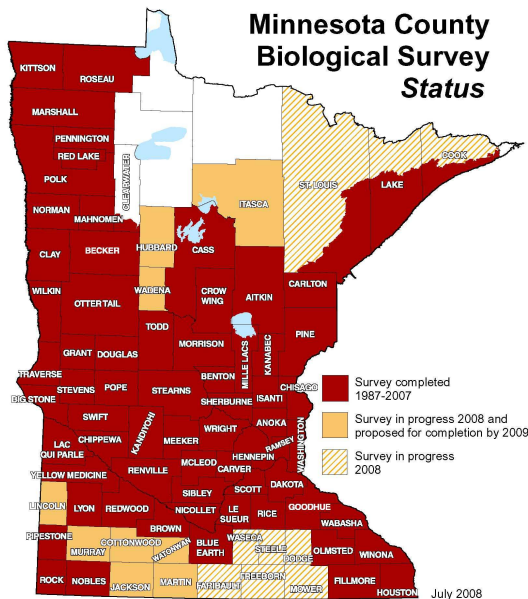
- ◆ **Landscape Changes from Population Growth and Development:** With increasing human population and associated development come increasing demands on Minnesota's natural systems. In the face of landscape changes, Ecological Resources must manage and sustain a system of natural areas to safeguard Minnesota's rarest natural treasures into the future. Ecological Resources provides information on critical habitats and rare features to help prioritize conservation efforts. The program also offers technical and financial assistance to help address threats to these habitats. Inventory and monitoring characterizes changes occurring across Minnesota's landscape and allows us to assess the rate of change and its consequences. Ecological Resources participates in implementing Minnesota's Clean Water Legacy program through monitoring and assessing water quality and developing and implementing total maximum daily load studies. Ecological Resources also manages the department's environmental review program, which reviews development projects and makes recommendations to avoid, minimize, or mitigate environmental impacts.

Key Program Measures

Ecological Resources 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* (mndnr.gov/conservationagenda/index.html).

◆ Nongame and Rare Resources

Minnesota County Biological Survey: An important goal for DNR is to ensure that all landowners have the information they need to manage natural resources. The Minnesota County Biological Survey (MCBS) helps meet that goal by providing baseline information about unique natural areas and rare features, and the tools needed to help sustain them. The MCBS is a systematic survey of the state's native plant communities, rare species locations, and potential natural areas. Survey information is made available in various formats, including maps, publications, electronic data files, and through technical assistance. Surveys have been completed in 65 of Minnesota's 87 counties and are underway in 18 other counties.



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

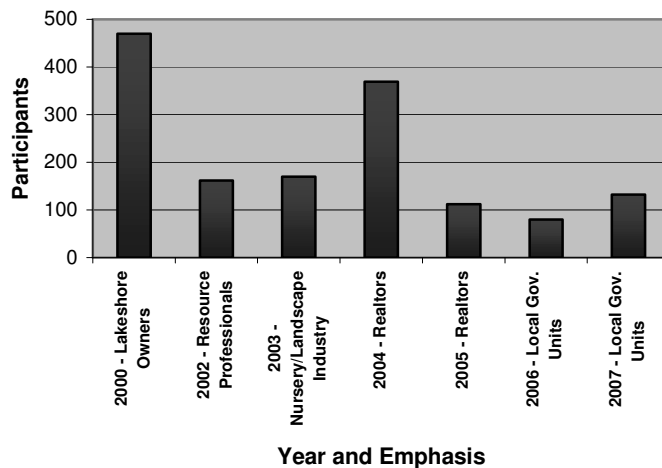
Target: Complete surveys for all counties by 2018.

♦ Lakes and Rivers

Ecological Resources has broad responsibilities to help sustainably manage the state's water resources, including lakes, rivers, streams, and wetlands. A critical habitat experiencing intense development pressure is our shorelands.

Shoreline Habitat Conservation: Ecological Resources produces educational materials and management tools on protecting and restoring shoreline habitat. A series of shoreline management workshops have been conducted to reach shoreland owners, nursery and landscape industry professionals, resource managers, realtors and developers, and local units of government.

Education Workshop Participants

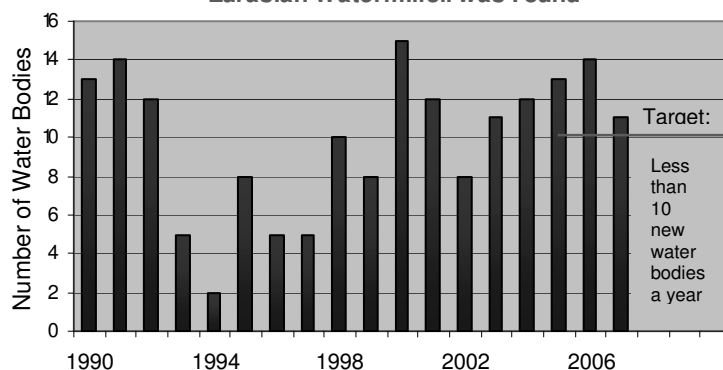


Indicator: Number of shoreline workshop participants.

♦ Ecosystem Health

Eurasian watermilfoil is a non-native invasive aquatic 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.

Number of Additional MN Water Bodies Where Eurasian Watermilfoil was Found



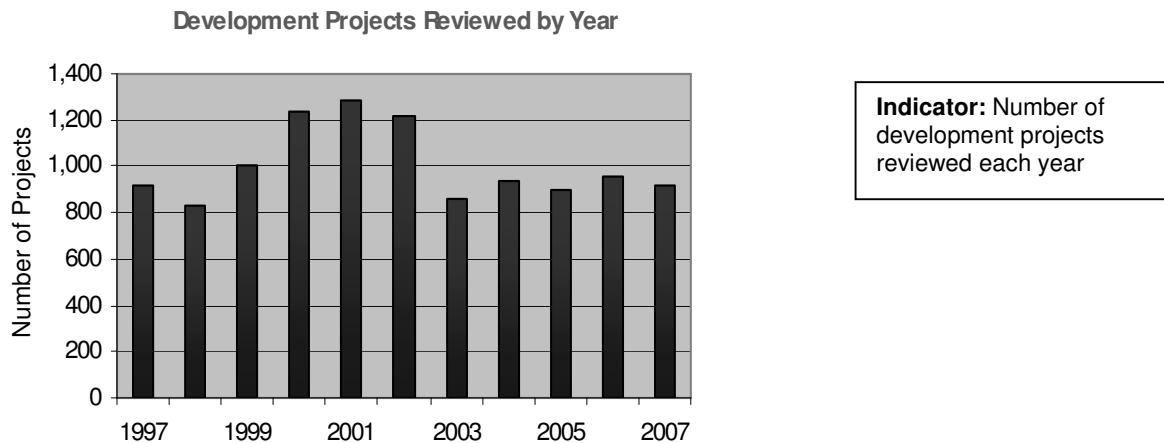
Indicator: Number of water bodies with new infestations of Eurasian watermilfoil

Target: Limit the rate of spread of Eurasian watermilfoil to no more than 10 new water bodies per year

♦ Integrated Conservation Information

Environmental Review is the process by which the DNR, other agencies, and the public assess the effects on the environment from proposed human activities. It is a key function of environmental agencies and is required by state and federal laws. Ecological Resources manages the department's environmental review responsibilities.

Between 900 and 1,000 land development projects are proposed each year. In total, these projects annually convert thousands of acres of natural habitats such as woodlands, grasslands, and wetlands into developed landscapes. Environmental Review supports the department's three-part conservation mission by helping projects be more successful in achieving economic viability and natural resource protection. This process ensures that projects will develop in such a way as to avoid or mitigate environmental impacts.

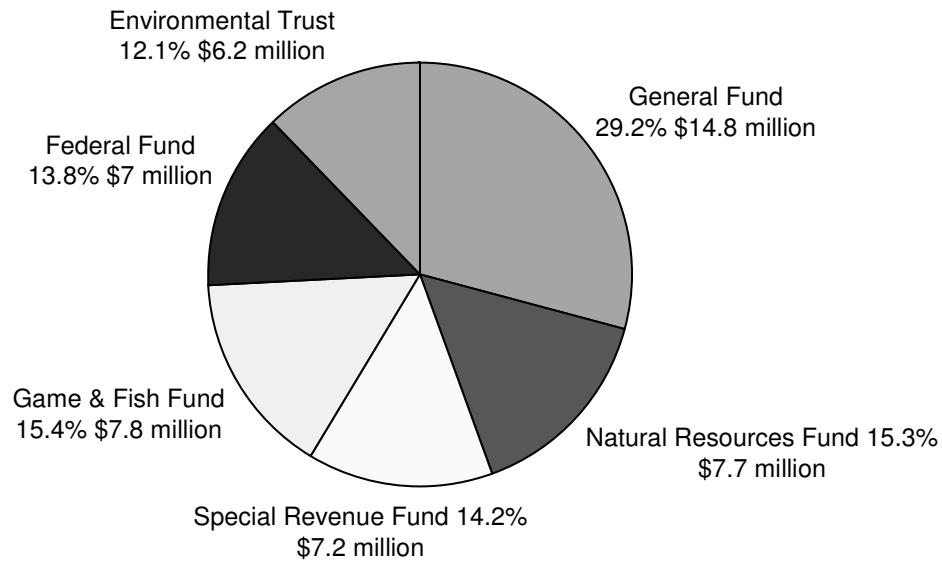


Program Funding

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.

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 and boat licenses), Invasive Species Account (surcharge on boat licenses and non-resident fishing 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.

**FY2008-09 Ecological Resources Budgeted Expenditures
\$50.7 Million**



Contact

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General information about the division and its diverse program services is available on the DNR website (mndnr/eco). Annual reports are available that summarize the division's expenditures from the Game and Fish Fund and activities with the Aquatic Plant Management and Invasive Species programs. These can be obtained by calling (651) 259-5100.

NATURAL RESOURCES DEPT

Program: ECOLOGICAL RESOURCES

Program Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	2,020	3,590	3,590	3,590	7,180
Technical Adjustments					
One-time Appropriations			(3,590)	(3,590)	(7,180)
Forecast Base	2,020	3,590	0	0	0
General					
Current Appropriation	8,367	6,531	6,531	6,531	13,062
Technical Adjustments					
Pt Contract Base Reduction			(1)	(1)	(2)
Forecast Base	8,367	6,531	6,530	6,530	13,060
Natural Resources					
Current Appropriation	3,696	3,994	3,994	3,994	7,988
Forecast Base	3,696	3,994	3,994	3,994	7,988
Game And Fish (operations)					
Current Appropriation	3,882	3,951	3,951	3,951	7,902
Forecast Base	3,882	3,951	3,951	3,951	7,902
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	1,288	5,124	0	0	0
General	6,371	8,925	6,530	6,530	13,060
Natural Resources	2,997	4,693	3,994	3,994	7,988
Game And Fish (Operations)	3,379	4,454	3,951	3,951	7,902
Open Appropriations					
Natural Resources	4	3	3	3	6
Statutory Appropriations					
Natural Resources	1	15	4	4	8
Miscellaneous Special Revenue	2,331	1,348	2,705	2,705	5,410
Federal	2,234	2,841	2,698	2,329	5,027
Remediation Fund	1,504	1,190	496	147	643
Reinvest In Minnesota	1,109	2,673	2,673	2,673	5,346
Gift	39	51	51	51	102
Total	21,257	31,317	23,105	22,387	45,492
<u>Expenditures by Category</u>					
Total Compensation	10,170	13,568	11,323	11,191	22,514
Other Operating Expenses	6,977	12,953	9,854	9,673	19,527
Capital Outlay & Real Property	250	1,964	14	8	22
Local Assistance	3,860	2,832	1,914	1,515	3,429
Total	21,257	31,317	23,105	22,387	45,492
<u>Expenditures by Activity</u>					
Ecological Resources	21,257	31,317	23,105	22,387	45,492
Total	21,257	31,317	23,105	22,387	45,492
<u>Full-Time Equivalents (FTE)</u>					
	163.3	196.5	160.8	157.7	

Program Description

The purpose of the Natural Resource Laws and Rules Program (Enforcement) 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 (DNR's) Division of Enforcement.

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

- ◆ hunting and fishing seasons, methods of taking wild animals, and 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
- ◆ education safety training and hunter education for youth and adults.

Population Served

The Division of Enforcement serves our citizens by safeguarding the public through education and enforcement efforts for 866,971 registered boaters, 1,487,996 licensed hunters, 1,403,357 licensed anglers, 263,640 All-Terrain Vehicles (ATV), 16,312 Off-Highway Motorcycles (OHM), 7,250 Off-Road Vehicles (ORV), 244,432 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 division provides services to the state through the use of 151 community-based conservation officers and specially trained officers assigned for support. Services currently provided through the division are:

- ◆ Special Investigation Unit (SIU), targeting unlawful activity among commercial operations;
- ◆ Aviation Unit, supporting division operations including aerial census and mapping;
- ◆ Wetland Resource Officers (WRO), specifically trained in the complexities of state and federal wetland issues, dealing with unlawful activity in wetlands and wetlands destruction, and recently expanded role as the lead unit addressing invasive species enforcement and education;
- ◆ Training and Standards Unit, concentrating on officer training, academy training, professionalism, and safety; and
- ◆ Information and Education, 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 dramatically in the last half-century; however, the Enforcement Division has maintained approximately the same number of conservation officer positions. In addition to increases in the number of traditional hunters and the number of anglers, the state has new user groups. Some added duties since that time include:

- ◆ wetlands drainage/Wetland Conservation Act (WCA) enforcement;
- ◆ state and Grant-in-Aid (GIA) trails (20,000 miles);
- ◆ All-Terrain Vehicles (ATVs), Off-Road Vehicles (ORVs), Off-Highway Motorcycles (OHMs), snowmobiles (531,634 registered);

Program at a Glance

The Division of Enforcement 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 2008 highlights:

- ◆ Trained 40,299 citizens attended the division's education/safety classes
- ◆ Documented 22,143 violations
- ◆ Enforced the Wetlands Conservation Act (WCA)
- ◆ Provided aviation support for department needs ranging from stocking fish, wildlife population census to enforcement activities
- ◆ Administered \$1.9 million in grants to local law enforcement agencies for enforcement work in boat and water, snowmobile, Off-Highway Vehicles (OHV)
- ◆ Administered matching dollars for the improvement of public shooting and archery ranges

- ◆ firearm safety classes (22,912 students), snowmobile and OHV safety education, and adult hunter education (1,595 students);
- ◆ boat and water safety enforcement (866,971 registered);
- ◆ water quality and pollution issues;
- ◆ commercial enterprises such as shooting preserves, taxidermists, ginseng exporters;
- ◆ state parks enforcement;
- ◆ invasive species enforcement and education;
- ◆ forest arson investigations;
- ◆ seasons for wildlife species, (e.g., metro goose, light geese, turkey, moose, muzzleloader deer, archery deer, falconry, mourning doves);
- ◆ Indian treaty issues 1837 and 1854;
- ◆ cross-country ski passes, horse passes, shoreline protection; and
- ◆ operating recreational vehicles and hunting while impaired.

Pro-active law enforcement requires increased focus on habitat protection efforts for game and fish population enhancement (forests, waters, wetlands, and prairies). This includes efforts such as WCA enforcement, experimental and special regulation waters, invasive species and water quality and pollution issues.

Key Program Goals

Quality law enforcement contributes to the overall effectiveness of the department's management goals by ensuring the fair and safe use of the state's resources. Specifically, the Division of Enforcement's role in the preservation of key wetlands, are integral to habitat needs of so many of the state's important species. Likewise, enforcement efforts on special regulation and experimental waters are needed to preserve the integrity of the fisheries programs that have been a focus of the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html).

Key Program 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 and department education efforts to increase voluntary compliance with natural resources laws and report more violations. The following measures illustrate the division's core program activities. Detailed descriptions of performance measures are found in the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html).

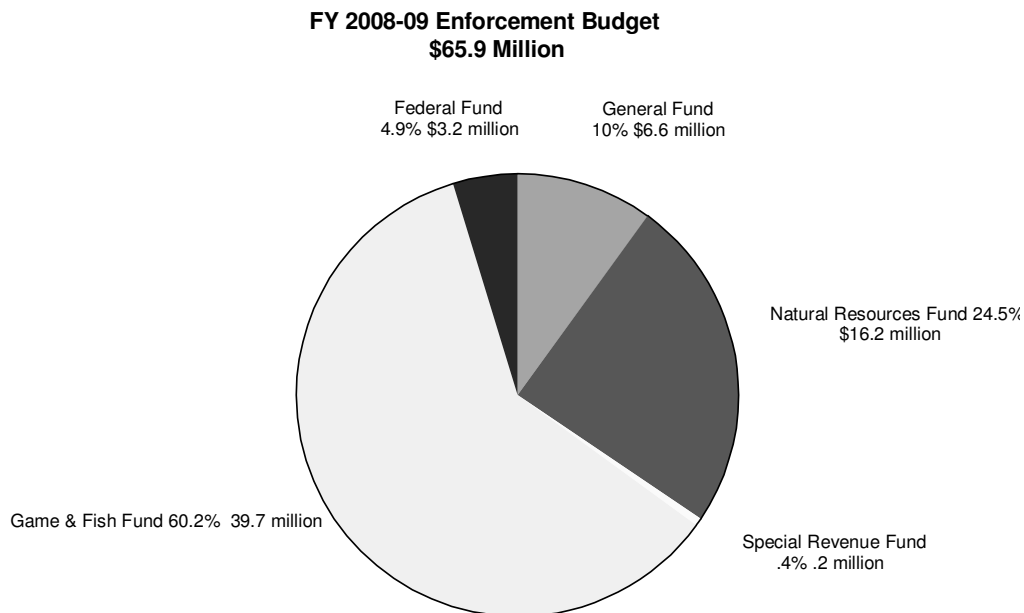
- ◆ **Game and Fish Protection:** Compliance with natural resource laws is difficult to measure. The division's goal is to increase the compliance rate as well as maintain levels of service hours in the following priority areas:
 - ⇒ Wetlands Conservation Act: continue to provide 10,000 hours for WCA enforcement and 5,000 hours on water quality, aquatic vegetation, alter cross-section of lake/stream and invasive species;
 - ⇒ Experimental and Special Regulation Waters: maintain 95,000 hours of fishing-related enforcement activities on these waters.
 - ⇒ Waterfowl Task Force: enforcement efforts by the division will provide 18,000 hours of enforcement of waterfowl regulations.
- ◆ **Recreational Vehicle Law Enforcement:**
 - ⇒ activities will be maintained at FY 2009 levels
 - ⇒ information, education, and training to increase compliance and reduce injuries will be increased.
 - ⇒ A Trail Ambassador program will be continued to provide enhanced trail monitoring by trained volunteers.

♦ Safety Education:

- ⇒ Outreach efforts will be maintained. In FY 2008, the division trained 3,618 students in All-Terrain Vehicle and 10,901 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; and
- ⇒ Outreach efforts will be increased by partnering with the Hunting Recruitment and Retention Program to provide expanded hunter education opportunities. In FY 2008, the Enforcement Division trained 22,912 students in firearms safety and 1,595 students in advanced hunter education with the goal of reducing the injuries/fatalities associated with firearms hunting incidents.

Program Funding

The operating budget for FY 2008-09 is comprised of the following sources of funds: Game and Fish (60.2%), Natural Resources (24.5%), General (10%), Special Revenue (.4%), and Federal Funds (4.9%).

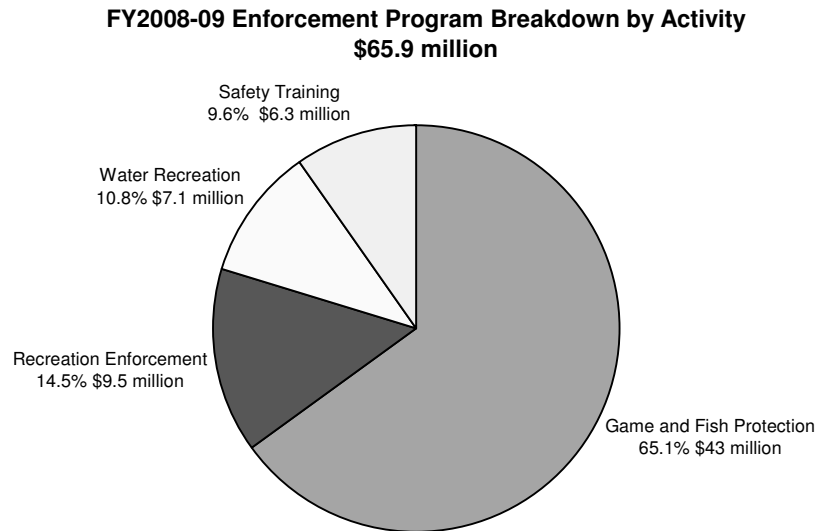


NATURAL RESOURCES DEPT

Program: ENFORCEMENT NR LAWS&RULES

Narrative

Enforcement expenditures are summarized into 4 activities. A breakdown of FY 2008-09 activity expenditures are shown below:



Contact

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NATURAL RESOURCES DEPT

Program: ENFORCEMENT NR LAWS&RULES

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	3,564	3,105	3,105	3,105	6,210
Technical Adjustments					
Pt Contract Base Reduction			(1)	(1)	(2)
Forecast Base	3,564	3,105	3,104	3,104	6,208
Natural Resources					
Current Appropriation	7,463	8,531	8,531	8,531	17,062
Forecast Base	7,463	8,531	8,531	8,531	17,062
Game And Fish (operations)					
Current Appropriation	19,422	19,970	19,970	19,970	39,940
Forecast Base	19,422	19,970	19,970	19,970	39,940
Remediation Fund					
Current Appropriation	100	100	100	100	200
Forecast Base	100	100	100	100	200
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	38	0	0	0	0
General	3,669	3,438	3,104	3,104	6,208
Natural Resources	7,310	8,544	8,531	8,531	17,062
Game And Fish (Operations)	19,355	20,037	19,970	19,970	39,940
Remediation Fund	99	101	100	100	200
Statutory Appropriations					
Natural Resources	226	152	71	71	142
Miscellaneous Special Revenue	45	44	18	18	36
Game And Fish (Operations)	222	225	225	225	450
Federal	1,021	1,115	1,124	1,124	2,248
Gift	1	4	3	3	6
Total	31,986	33,660	33,146	33,146	66,292
<u>Expenditures by Category</u>					
Total Compensation	21,759	21,705	21,419	21,419	42,838
Other Operating Expenses	7,424	8,748	8,520	8,520	17,040
Local Assistance	2,803	3,207	3,207	3,207	6,414
Total	31,986	33,660	33,146	33,146	66,292
<u>Expenditures by Activity</u>					
Enforcement-Nr Laws&Rules	31,986	33,660	33,146	33,146	66,292
Total	31,986	33,660	33,146	33,146	66,292
Full-Time Equivalents (FTE)	254.8	254.7	255.7	255.7	

NATURAL RESOURCES DEPT

Program: ENFORCEMENT NR LAWS&RULES

Activity: ENFORCEMENT-NR LAWS&RULES

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	3,564	3,105	3,105	3,105	6,210
Technical Adjustments					
Pt Contract Base Reduction			(1)	(1)	(2)
Forecast Base	3,564	3,105	3,104	3,104	6,208
Natural Resources					
Current Appropriation	7,463	8,531	8,531	8,531	17,062
Forecast Base	7,463	8,531	8,531	8,531	17,062
Game And Fish (operations)					
Current Appropriation	19,422	19,970	19,970	19,970	39,940
Forecast Base	19,422	19,970	19,970	19,970	39,940
Remediation Fund					
Current Appropriation	100	100	100	100	200
Forecast Base	100	100	100	100	200
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	38	0	0	0	0
General	3,669	3,438	3,104	3,104	6,208
Natural Resources	7,310	8,544	8,531	8,531	17,062
Game And Fish (Operations)	19,355	20,037	19,970	19,970	39,940
Remediation Fund	99	101	100	100	200
Statutory Appropriations					
Natural Resources	226	152	71	71	142
Miscellaneous Special Revenue	45	44	18	18	36
Game And Fish (Operations)	222	225	225	225	450
Federal	1,021	1,115	1,124	1,124	2,248
Gift	1	4	3	3	6
Total	31,986	33,660	33,146	33,146	66,292
<u>Expenditures by Category</u>					
Total Compensation	21,759	21,705	21,419	21,419	42,838
Other Operating Expenses	7,424	8,748	8,520	8,520	17,040
Local Assistance	2,803	3,207	3,207	3,207	6,414
Total	31,986	33,660	33,146	33,146	66,292
Full-Time Equivalents (FTE)	254.8	254.7	255.7	255.7	

Program Description

The purpose of the Operations Support Program is to provide direction and coordination of Department of Natural Resources (DNR) programs and services across the state through regional operations and to provide financial assistance to local units of government and private organizations to acquire and develop outdoor recreation areas and to protect and enhance natural areas.

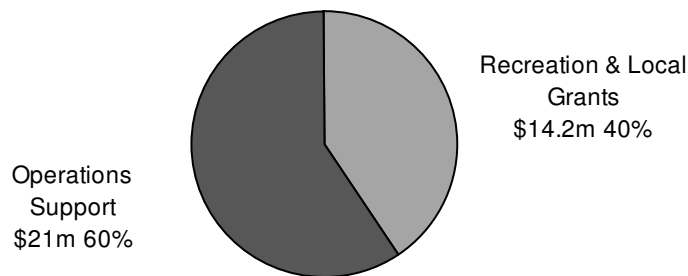
The Operations Support Program serves to provide leadership and support to the DNR. DNR has a three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection. This program exists to ensure that the multi-part mission is carried out in an integrated and efficient manner.

Budget Activities

This program includes the following budget activities:

- ◆ Operations Support
- ◆ Recreation and Local Initiative Grants

Operations Support \$35.2 million



Key Measures

The DNR uses a range of organizational indicators to assess its performance related to department-wide operations and business practices. See the program activity sections for specific measures on activities. For a more complete set of performance measures and more detailed descriptions of each measure, please see the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html).

NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	2,540	10,212	10,212	10,212	20,424
Technical Adjustments					
One-time Appropriations			(10,212)	(10,212)	(20,424)
Forecast Base	2,540	10,212	0	0	0
General					
Current Appropriation	3,215	1,560	1,560	1,560	3,120
Technical Adjustments					
Approved Transfer Between Appr			146	146	292
Current Law Base Change			500	500	1,000
One-time Appropriations			(66)	(66)	(132)
Forecast Base	3,215	1,560	2,140	2,140	4,280
Natural Resources					
Current Appropriation	984	484	484	484	968
Forecast Base	984	484	484	484	968
Game And Fish (operations)					
Current Appropriation	1,089	1,080	1,080	1,080	2,160
Technical Adjustments					
Approved Transfer Between Appr			9	9	18
Forecast Base	1,089	1,080	1,089	1,089	2,178
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	7,226	11,791	0	0	0
General	2,985	2,961	2,140	2,140	4,280
Natural Resources	642	752	484	484	968
Game And Fish (Operations)	960	1,227	1,089	1,089	2,178
Open Appropriations					
Natural Resources	2	2	2	2	4
Statutory Appropriations					
General	36	128	0	0	0
Natural Resources	505	214	209	209	418
Miscellaneous Special Revenue	326	432	283	283	566
Federal	2,357	5,419	3,034	2,773	5,807
Remediation Fund	7	10	10	10	20
Gift	1,206	1,333	1,354	1,354	2,708
Total	16,252	24,269	8,605	8,344	16,949
<u>Expenditures by Category</u>					
Total Compensation	3,608	4,003	3,624	3,624	7,248
Other Operating Expenses	3,337	4,324	3,150	3,150	6,300
Capital Outlay & Real Property	1,203	6,839	1,345	1,084	2,429
Local Assistance	8,104	9,103	479	479	958
Transfers	0	0	7	7	14
Total	16,252	24,269	8,605	8,344	16,949

NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

Program Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Expenditures by Activity</u>					
Operations Support	9,533	16,650	8,126	7,865	15,991
Rec & Local Initiative Grants	6,719	7,619	479	479	958
Total	16,252	24,269	8,605	8,344	16,949
<i>Full-Time Equivalents (FTE)</i>	43.5	41.5	40.6	40.6	

NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

Activity: OPERATIONS SUPPORT

Narrative

Activity Description

This activity provides administrative leadership to the Department of Natural Resources (DNR) and delivers services to the public including: formulating and establishing department policies and priorities; integrating department operations in a cohesive direction; and delivering services at the local level across the state through regional operations. The DNR's regional operations includes northwest, northeast, central, and southern regional offices, with headquarters in Bemidji, Grand Rapids, St. Paul and New Ulm.

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; management of information technology and information systems; publication of regulations and other information; 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.

Activity at a Glance

- ◆ communicate with executive branch and legislature
- ◆ direct budget and accounting policy for effective use for approximately \$300 million per year
- ◆ manage Federal Emergency Management Agency (FEMA) public assistance grants for damage to DNR properties and facilities from natural disasters
- ◆ protect habitat through acquisition, easements, or ordinances and direct technical and financial assistance to local communities
- ◆ resolve conflicts on natural resource issues within the DNR and with stakeholders

Population Served

Operations Support provides services to DNR managers, supervisors, and employees, and to the general public, local communities, and other governmental organizations.

Services Provided

The DNR has a three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection. This activity exists to ensure the multi-part mission is carried out in an integrated and efficient manner, and includes leadership and services provided by:

- ◆ **Commissioner's Office** provides leadership and direction for the department and manages regulatory and legislative affairs.
- ◆ **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 Metro Greenways, and Legislative-Citizen Commission on Minnesota Resources (LCCMR) recommended grants, Community Assistance, Metro Greenways Planning and Metro Corridor grants;
 - ⇒ information and education, communications planning, media relations, and department participation in local education and community events; and
 - ⇒ coordination of the department's emergency response assistance in the event of a non-fire emergency.

Historical Perspective

The Operations Support Activity previously represented the Commissioner's Office, Regional Operations, and DNR's four service bureaus (Bureau of Human Resources, Bureau of Information and Education, Management Resources, and Office of Management and Budget Services). The Bureau of Human Resources supports agency management through workforce planning and key activities such as payroll and administration of labor laws, rules, and regulations; the Bureau of Information and Education provides information for the general public, media and marketing services, and coordination of DNR educational activities; Management Resources provides leadership and expertise on managing capital assets, information, and employee safety; and the Office of Management and Budget Services (OMBS) pursues effective integration of planning, budgeting, operations, and accountability mechanisms and provides leadership and support through agency management and financial services.

In FY 2006, the DNR initiated a new business model for a significant portion of the Operations Support Activity. The model, called Operations Support Governance, provides improvement in operational efficiency and accountability for managing DNR's information, workforce, assets, and finance and management support services. The Operations Support Governance model guides decisions regarding the quality and cost of shared department services provided and paid for by operating units. Operations Support Governance provides the shared services that DNR relies on in order to conduct business more efficiently. Operating units within the DNR receive and pay for these services based on service tied directly to a unit's business activity. The costs of these services are thereby distributed throughout the department.

Key Activity Goals

The DNR's Operations Support Activity and Operations Support Governance model work to achieve goals as described in the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html), the LCCMR's *Minnesota Statewide Conservation and Preservation Plan* (www.MnConservationPlan.net), and the Minnesota Climate Change Advisory Group's priorities for addressing climate change within Minnesota (<http://www.mnclimatechange.us/index.cfm>). Serving as the support unit for the department's divisions, these activities assist divisions by providing efficiencies in operations, supporting interdisciplinary collaboration and decision-making, and finding innovative solutions to operational challenges.

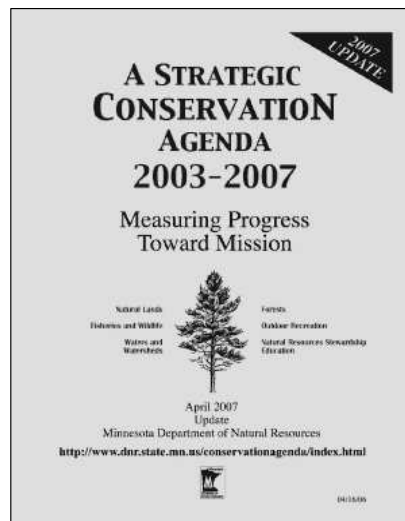
Recent societal trends are changing the nature of the state's natural resources and their contribution to Minnesota's quality of life. The DNR is responding with innovative and collaborative approaches to address three critical drivers of change. The Commissioner's Office provides leadership and direction on these critical trends and Regional Operations implements approaches to address these trends.

- ◆ **Changes in outdoor recreation participation:** As demand for various recreational opportunities changes and diversifies, the DNR must adjust its delivery of recreational services. The Commissioner's Office has directed the department to conduct market research to better understand the people it serves, increase efforts to promote outdoor recreation, and actively connect people with the outdoors through new outreach efforts.
- ◆ **Energy and climate change:** The Commissioner's Office has directed the department to reduce energy use through increased efficiencies in fleet and facilities and to increase the use of renewable energy in DNR operations. The DNR is modeling environmental performance through the use of new, innovative technologies and the demonstration of these technologies to the public. The DNR is supporting integrated teams in developing and incorporating carbon management strategies into management decision-making. This involves designing carbon measuring and reporting protocols and frameworks for mitigating and adapting to climate change and its effects, reporting to the Climate Registry, as well as participating in inter-agency efforts to enhance carbon sequestration within the state.
- ◆ **Landscape change:** Current patterns of low-density development threaten remaining natural lands and waters and people's access to them. In the face of development pressures, the protection and restoration of undeveloped natural and working lands is essential to conserve the many benefits that contribute to Minnesota's quality of life and economic vitality. Community assistance programs in the four DNR regions

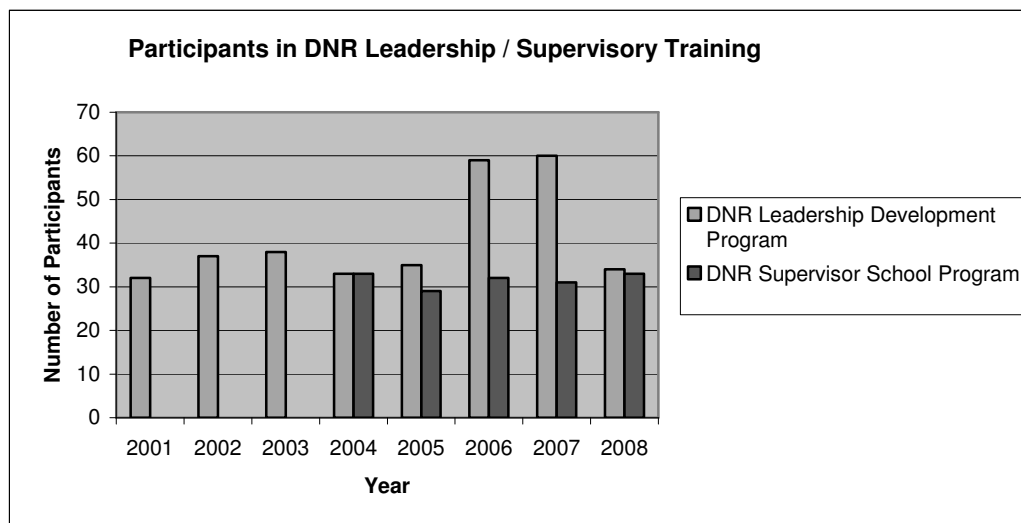
operate in conjunction with local units of government, partners, and stakeholders to provide sound, credible natural resource information as a basis for conservation planning and land use decisions.

Key Activity Measures

- ◆ **Performance measurement system:** The DNR 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. The DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* reports on a set of 91 indicators and associated targets that reflect the range and reach of DNR's mission.



- ◆ **Training and Development:** The number of DNR employees completing the DNR Supervisor School and the DNR Leadership Development Program in the years since program inception. As required by M.S.43A.21, supervisors and managers are required to attend training offered by Management Analysis and Development (MAD). In addition to those training programs, the DNR has determined additional needs that are best met by customized training provided within the agency. On-going curriculum review, involvement of senior management, and action learning projects tied to strategic direction of the agency are hallmarks of these two training programs.



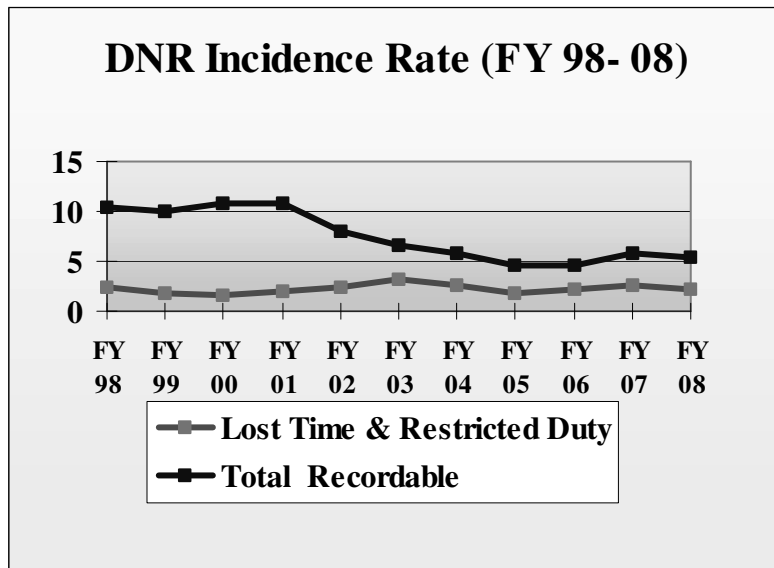
NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

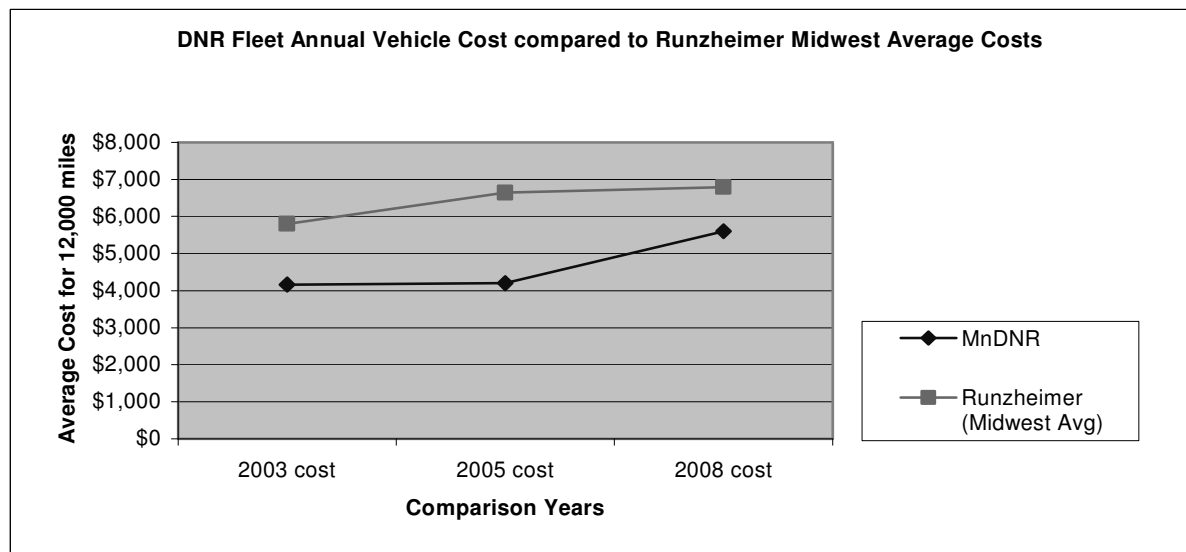
Activity: OPERATIONS SUPPORT

Narrative

- ♦ **Safety Performance:** Incidence rate – 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 10 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 (5.7) published by the Bureau of Labor Statistics (BLS).



- ♦ **Fleet Management:** The DNR was ranked as one of the 100 Best Fleets in North America by Fleet Equipment magazine in both 2006 and 2007 (out of 39,000 public and private fleets). DNR requires reliable working equipment to accomplish its mission. Equipment is used to enforce natural resources laws and regulations, and to manage wildfires, wild game, and fish populations. There are 5,000 pieces of equipment in the DNR fleet. It is managed as one pool of vehicles that work from 192 worksites.



NATURAL RESOURCES DEPT

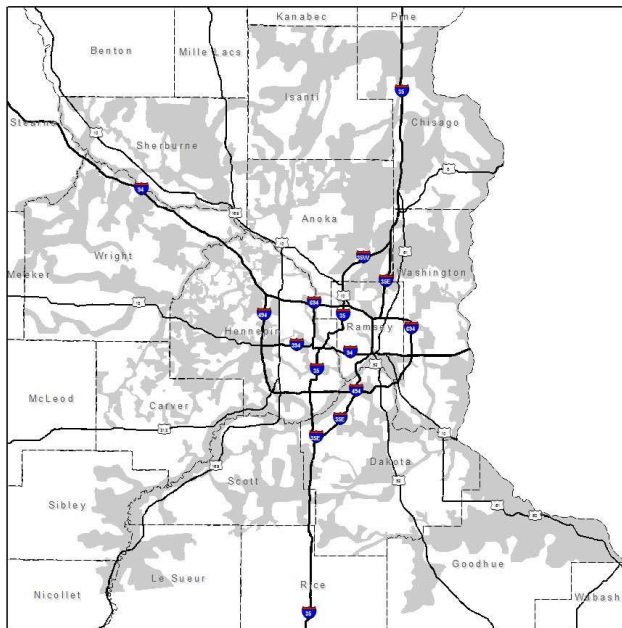
Program: OPERATIONS SUPPORT

Activity: OPERATIONS SUPPORT

Narrative

- ♦ **Community Partnerships and Habitat Protection:** The following indicator is an example of conservation partnership activity carried out by Regional Operations. Regional Operations share in the responsibility with DNR divisions to accomplish statewide targets defined in the DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission*. Regional Operations help coordinate the interdisciplinary actions needed to ensure that meeting individual conservation targets is done in ways that optimize overall DNR mission results.

Metro Conservation Corridors 2008 Focus Areas



— Interstate Highways
— Secondary Highways
— County Boundaries
— Metro Conservation Corridors

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

Target: Protect an additional 1000 acres and restore 500 acres of key habitat in the fast growing metropolitan 12-county region during FY 2010-2011

Activity Funding

For the current biennium, 29% of the funding for this budget activity is from the Minnesota Environment and Natural Resources Trust Fund for projects recommended by the LCCMR; 35% of the budget is from the General Fund, Natural Resources Fund, and the Game and Fish Fund; 24% of the budget comes from federal funds; and the remaining 12% is derived from dedicated receipt sources.

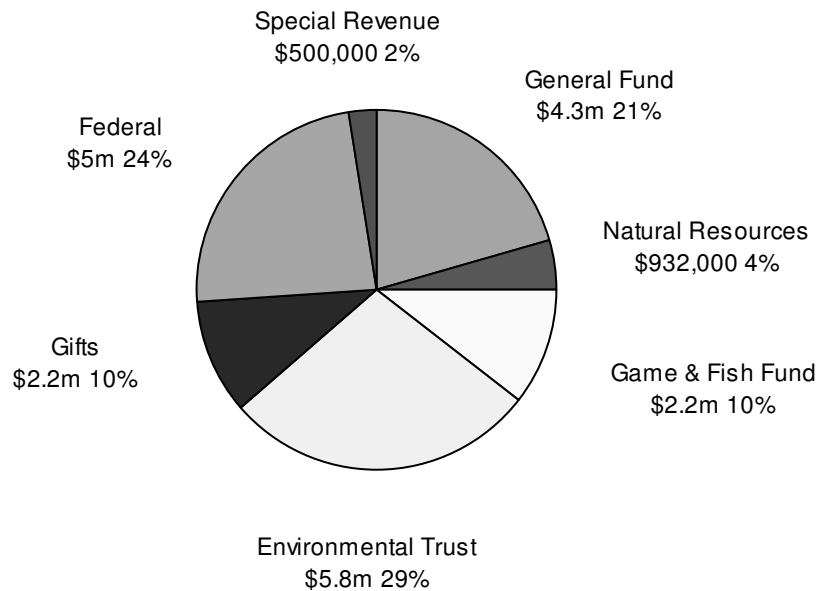
NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

Activity: OPERATIONS SUPPORT

Narrative

Operations Support \$21 million



Contact

For additional information, please contact:

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NATURAL RESOURCES DEPT
Program: OPERATIONS SUPPORT
Activity: OPERATIONS SUPPORT

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	1,540	3,225	3,225	3,225	6,450
Technical Adjustments					
One-time Appropriations			(3,225)	(3,225)	(6,450)
Forecast Base	1,540	3,225	0	0	0
General					
Current Appropriation	3,215	1,494	1,494	1,494	2,988
Technical Adjustments					
Approved Transfer Between Appr			146	146	292
Current Law Base Change			500	500	1,000
Forecast Base	3,215	1,494	2,140	2,140	4,280
Natural Resources					
Current Appropriation	714	214	214	214	428
Forecast Base	714	214	214	214	428
Game And Fish (operations)					
Current Appropriation	1,089	1,080	1,080	1,080	2,160
Technical Adjustments					
Approved Transfer Between Appr			9	9	18
Forecast Base	1,089	1,080	1,089	1,089	2,178
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	1,282	4,722	0	0	0
General	2,985	2,895	2,140	2,140	4,280
Natural Resources	372	482	214	214	428
Game And Fish (Operations)	960	1,227	1,089	1,089	2,178
Open Appropriations					
Natural Resources	2	2	2	2	4
Statutory Appropriations					
General	36	128	0	0	0
Miscellaneous Special Revenue	326	432	283	283	566
Federal	2,357	5,419	3,034	2,773	5,807
Remediation Fund	7	10	10	10	20
Gift	1,206	1,333	1,354	1,354	2,708
Total	9,533	16,650	8,126	7,865	15,991
<u>Expenditures by Category</u>					
Total Compensation	3,553	3,970	3,624	3,624	7,248
Other Operating Expenses	3,337	4,318	3,150	3,150	6,300
Capital Outlay & Real Property	1,203	6,839	1,345	1,084	2,429
Local Assistance	1,440	1,523	0	0	0
Transfers	0	0	7	7	14
Total	9,533	16,650	8,126	7,865	15,991
Full-Time Equivalents (FTE)	42.9	41.1	40.6	40.6	

NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

Activity: REC & LOCAL INITIATIVE GRANTS

Narrative

Activity Description

The Recreation and Local Initiative Grants activity provides financial assistance to local governments and private organizations to acquire and develop outdoor recreation areas 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 on several occasions by the Legislative-Citizen Commission on Minnesota Resources (LCCMR) since 1995. The Regional Park Grants (Outside Metro) program was initially funded by the legislature in 2000 and is also established in M.S. 85.019. Pass-through contract administration for Environment and Natural Resources Trust fund projects has been funded since FY 2001 by the legislature as recommended by the LCCMR. The core program for this activity is the federal Land and Water Conservation fund (LWCF) program, M. S. 116P.14, which brings federal matching money to state and local projects in Minnesota.

Population Served

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

Services Provided

The Department of Natural Resources (DNR) three-part mission, based on the interrelated values of economic development, recreational use, and natural resources protection, requires a fully integrated approach to conservation. Integrated resource management is DNR's strategy to share stewardship responsibility with citizens and partners as we manage for multiple interests. This program serves the DNR mission by offering financial cost sharing assistance to local governments and private organizations for projects that directly address recreational use and natural resources protection. These partnership projects also foster more livable communities, a healthier population, and greater public appreciation and knowledge of natural resource benefits.

Activity at a Glance

- ◆ Acquired 60 acres of natural/scenic areas in three city projects. A wooded bluff land in Red Wing; 30 wooded acres with 2,800 feet of lake shore in Prior Lake; and Pilot Knob in Mendota Heights (a site with historical, scenic, cultural and ecological values listed on the National Register of Historic Places) were protected
- ◆ Awarded nine conservation partners and environmental partnership grants for projects throughout the state
- ◆ Acquired 749 acres of regional parkland in three county parks outside the metro area, including 265 acres listed on the state County Biological Survey with a half mile of lake frontage for a new regional park in Stearns County; 344 acres with 1.5 miles of lake shore for a new regional park in Wright County; and a 140 acre addition to the existing 193 acres of hills, shallow lakes, prairie and forest in Kensington Runestone Regional Park in Douglas County, including over 3,000 feet of lake shore
- ◆ Administered \$12 million in previously funded pass-through projects and almost \$12 million in new pass-through appropriations
- ◆ Developed and administered a new state Public Pool Upgrade Program to provide grants for pool drainage safety improvements

Recreation and Natural Resources Grants:

- ◆ **Local Parks Grants** provide matching grants to encourage the creation or enhancement of outdoor recreation facilities.
- ◆ **Natural and Scenic Area Grants** provide matching grants to protect and enhance significant natural and scenic features.
- ◆ **Conservation Partners Grants** provide matching grants to enhance 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)** provide grants to public regional parks organizations outside the Twin Cities metro area to provide regional parks, open space, and recreational facilities. Every \$3.00 of state grants must be matched by \$2.00 of non-state funds.

NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

Activity: REC & LOCAL INITIATIVE GRANTS

Narrative

- ◆ **Remediation Fund Grants** provide grants to cities, counties, townships and DNR divisions to acquire, protect, and restore natural resources, compensating the State of Minnesota for damage to resources from the release of hazardous substances from closed landfills.
- ◆ **Public Pool Upgrade Program** provides 75% matching grants to local units of government to help meet new state pool safety equipment requirements.

The Local Grants Unit also administers millions of dollars in pass-through appropriations on behalf of the department. In 2007, the legislature appropriated funds from the Environment and Natural Resources Trust Fund to the DNR for administration of contracts for appropriations to several third-party recipients, such as nonprofits and other levels of government. Pass-through appropriations from the Environment and Natural Resources Trust Fund in 2007 and 2008 totaled about \$10 million for numerous projects. Additional bonding pass-through appropriations for local and regional park projects totaled about \$1.8 million.

The Recreation and Local Initiative Grants programs, and the pass-through appropriations administered by DNR staff protect and enhance 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 federal Land and Water Conservation fund (LWCF) plays an important role in the country's outdoor recreation and conservation funding efforts. Since its inception, this program is responsible for the acquisition of about seven million acres of land and over 40,000 state and local recreation and open space projects nationwide.

Since 1965, the LWCF program in Minnesota has invested more than \$68 million into the state's outdoor recreation system, funding over 400 state projects and over 800 local projects. The LWCF program in Minnesota is both 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 and the cost of administering both the state and local programs. The local program provides matching funds to local units of government, including recognized tribal governments, for outdoor recreation projects.

In federal FY 2002, \$2.5 million in LWCF funds was appropriated to the state. From that peak year the funding has declined to just under \$500,000 in 2006. Half of these funds are used for local parks, regional parks, and natural and scenic area grant programs. The other half is used to fund state projects. The prospects for future funding are unclear. The Recreation and 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 2,000 local projects have received over \$50 million in state grants and over \$74 million in federal grants through this program. The local match has exceeded \$95 million. Pass-through appropriations have contributed many additional millions of dollars. Projects have been funded in every county and in over 500 cities throughout the state.

These local projects address the three major trends facing the DNR as follows:

- ◆ **Changes in outdoor recreation participation:** Younger people participate less in outdoor recreation activities. Lack of time, cost and effort are some of the identified constraints to increased participation. Providing more inexpensive, close-to-home opportunities for outdoor recreation in partnership with local governments is known to encourage more young people to participate. Local parks also provide inexpensive and easily accessible settings for schools, non-profit youth programs and local government recreation programs that can help introduce young people to outdoor recreation activities.
- ◆ **Growing demands related to renewable energy and climate change:** Permanent protection of forests, prairies, and other natural lands, as parks and other natural areas helps store and sequester carbon that may otherwise be released to the atmosphere. Providing close-to-home outdoor recreation opportunities that can be accessed by walking, biking, or a short car trip provides an alternative to recreation that requires greater use of fossil fuels.

NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

Activity: REC & LOCAL INITIATIVE GRANTS

Narrative

- ◆ **Landscape changes from population growth and development:** These grants help local governments afford the acquisition of shoreland, forests, and other sensitive natural areas for open space, public parks and natural areas as development leads to increased land prices. They also help local governments meet the increased needs for parks and outdoor recreation areas resulting from population growth, while at the same time helping them to protect the most valuable natural areas and habitats, shorelands and other areas that are most sensitive to population growth and development. These local assets are managed at no cost to the state.

Key Activity Goals

The DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* (mndnr.gov/conservationagenda/index.html) includes several management principles that are intended to guide the work of the department. As outlined above, the Recreation and Local Initiative Grants activity contributes significantly to one of these principles: "Cooperate with other agencies, local units of government, citizens, and stakeholders to effectively manage and sustain natural resources."

The program also helps address several of the habitat protection recommendations contained in the LCCMR's *Minnesota Statewide Conservation and Preservation Plan* (www.MnConservationPlan.net) including:

- ◆ protect critical shorelands of streams and lakes;
- ◆ protect priority land habitats;
- ◆ restore and protect shallow lakes;
- ◆ restore land, wetlands and wetland-associated watersheds; and
- ◆ improve connectivity and access to outdoor recreation.

Key Activity Measures

The DNR's *A Strategic Conservation Agenda, 2003 – 2007: Measuring Progress toward Mission* describes 91 performance indicators with conservation targets in 6 key areas. One DNR conservation target under the performance indicator "Helping Local Communities Protect Open Space" is to help local governments acquire 200 to 300 acres per year in 2007-2008 and 200 to 300 acres per year thereafter. The grants portion of the program far exceeded that goal during 2007-2008 with total acquisition of over 800 acres. The tables below illustrate local government demand for open space grants:

	FY 2008 Requests Received	FY 2008 Funds Available
Demand for Grants		
Remediation Fund	\$3.1 million	\$1.1 million
Natural & Scenic Grants	2.8 million	1.0 million
Regional Park Grants	6.7 million	0.55 million

	FY 2009 Requests Received	FY 2009 Funds Available
Demand for Grants		
CP/EP Grants	\$1.8 million	\$1.14 million
Natural & Scenic Grants	1.1 million	0 million
Regional Park Grants	14.7 million	1.2 million

Results of Grant Investments	FY 2008-09 Projects Funded	Results
CP/EP Grants	9	Projects include shoreland restoration, reforestation, storm water management demonstration projects, and education efforts and invasive species and native plant research
Natural & Scenic Grants	3	60 acres of natural and scenic areas and 2,800 feet of lake shore acquired (woods, prairie, bluff land, shoreland, wetlands, scenic vistas) in three city administered areas
Regional Park Grants	3	749 acres and 2.5 miles of shoreland acquired in 3 county regional parks (prairie, woods, shallow lakes, marsh, hills)

NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

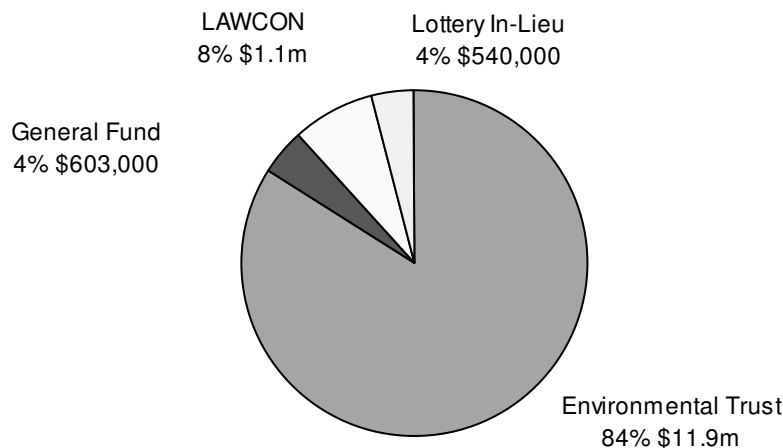
Activity: REC & LOCAL INITIATIVE GRANTS

Narrative

Activity Funding

For the current biennium, about 84% of the funding for the grant program budget activity is provided from the Minnesota Environment and Natural Resources Trust fund, 8% is from the federal Land and Water Conservation Fund (LWCF) and state (LWCF) account appropriations, 4% is from the general fund, and 4% is Lottery in-Lieu of sales tax from the natural resources fund. The remainder is provided by internal DNR Support Service Governance billings. This activity also administers local and regional park pass-through grants funded through state bonding appropriations. In 2008 those appropriations totaled \$1.8 million.

FY 2008-09 Recreation & Local Grants Budgeted Expenditures \$14.2 million



Contact

For additional information, please contact:

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NATURAL RESOURCES DEPT

Program: OPERATIONS SUPPORT

Activity: REC & LOCAL INITIATIVE GRANTS

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
<u>Direct Appropriations by Fund</u>					
Environment & Natural Resource					
Current Appropriation	1,000	6,987	6,987	6,987	13,974
Technical Adjustments					
One-time Appropriations			(6,987)	(6,987)	(13,974)
Forecast Base	1,000	6,987	0	0	0
General					
Current Appropriation	0	66	66	66	132
Technical Adjustments					
One-time Appropriations			(66)	(66)	(132)
Forecast Base	0	66	0	0	0
Natural Resources					
Current Appropriation	270	270	270	270	540
Forecast Base	270	270	270	270	540
<u>Expenditures by Fund</u>					
Direct Appropriations					
Environment & Natural Resource	5,944	7,069	0	0	0
General	0	66	0	0	0
Natural Resources	270	270	270	270	540
Statutory Appropriations					
Natural Resources	505	214	209	209	418
Total	6,719	7,619	479	479	958
<u>Expenditures by Category</u>					
Total Compensation	55	33	0	0	0
Other Operating Expenses	0	6	0	0	0
Local Assistance	6,664	7,580	479	479	958
Total	6,719	7,619	479	479	958
Full-Time Equivalents (FTE)	0.6	0.4	0.0	0.0	

NATURAL RESOURCES DEPT

Agency Revenue Summary

Dollars in Thousands

	Actual FY2008	Budgeted FY2009	Current Law		Biennium 2010-11
	FY2010	FY2011			
<u>Non Dedicated Revenue:</u>					
Departmental Earnings:					
General	6,126	6,044	6,044	6,044	12,088
Natural Resources	39,916	40,158	39,858	39,960	79,818
Game And Fish (operations)	78,372	76,744	76,260	76,174	152,434
Grants:					
Natural Resources	256	202	202	202	404
Other Revenues:					
General	384	183	183	183	366
Natural Resources	2,284	2,320	2,320	2,320	4,640
Game And Fish (operations)	1,439	1,308	1,258	1,158	2,416
Other Sources:					
General	65	63	63	63	126
Taxes:					
General	1,987	1,904	1,934	1,974	3,908
Total Non-Dedicated Receipts	130,829	128,926	128,122	128,078	256,200
<u>Dedicated Receipts:</u>					
Departmental Earnings (Inter-Agency):					
Natural Resources	38	175	175	175	350
Departmental Earnings:					
Natural Resources	2,729	2,593	2,593	2,593	5,186
Miscellaneous Special Revenue	24,012	22,452	21,947	22,102	44,049
Game And Fish (operations)	3,816	3,961	3,961	3,961	7,922
Miscellaneous Agency	8,023	8,419	8,419	8,419	16,838
Gift	-4	-3	-3	-3	-6
Permanent School	30,011	24,540	24,540	24,540	49,080
Grants:					
Natural Resources	505	214	209	209	418
Federal	16,481	25,878	25,131	24,941	50,072
Other Revenues:					
General	45	41	0	0	0
Natural Resources	82	85	85	85	170
Miscellaneous Special Revenue	491	459	453	453	906
Game And Fish (operations)	39	40	40	40	80
Remediation Fund	344	0	0	0	0
Reinvest In Minnesota	1,294	1,355	1,355	1,355	2,710
Miscellaneous Agency	31	132	132	132	264
Gift	1,473	1,842	1,842	1,842	3,684
Endowment	1	0	0	0	0
Permanent School	1,111	618	618	618	1,236
Other Sources:					
Miscellaneous Special Revenue	526	616	295	295	590
Miscellaneous Agency	0	1	1	1	2
Total Dedicated Receipts	91,048	93,418	91,793	91,758	183,551
Agency Total Revenue	221,877	222,344	219,915	219,836	439,751