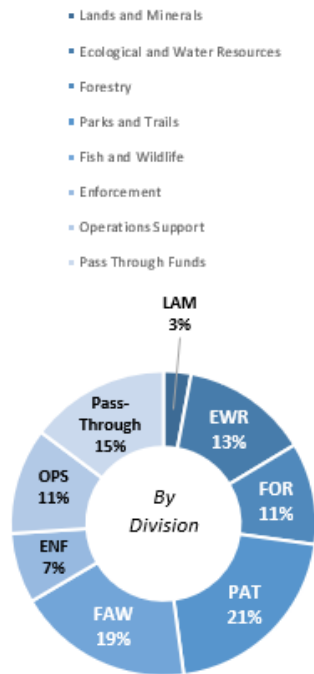


# Department of Natural Resources Budget Overview FY24-25

## Expenditures by Division

Our mission is to work with Minnesotans to conserve and manage natural resources, provide outdoor recreation opportunities and provide for commercial uses of resources that creates a sustainable quality of life.

Every dollar in our budget contributes to this mission. Our biennial budget is \$1.8 billion, which includes the Get Out MORE (Modernizing our Outdoor Recreation Experiences) initiative that invests \$110 million in Minnesota's recreation infrastructure. Spending is divided across our seven divisions and dollars that are passed through to non-state entities. Our largest division is Parks and Trails, which accounts for 21% of our total spending, while Lands and Minerals, our smallest division, constitutes 3%. Our budget includes roughly \$211 million of internal billing, which pays for various administrative and other services.



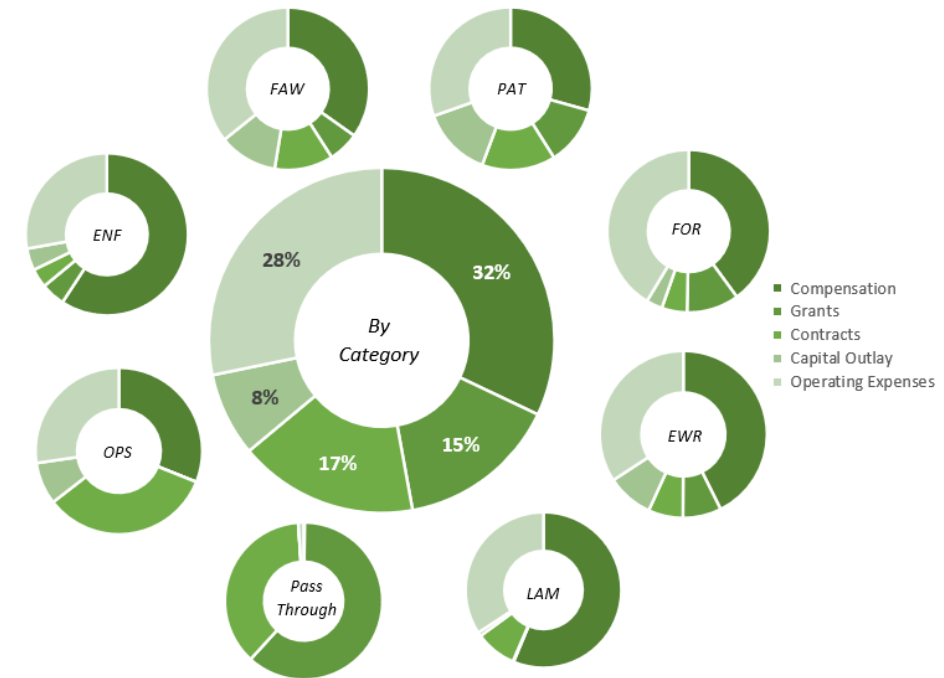
## Expenditures by Spending Category

The largest portion of our budget is spent on compensation. We employed approximately 3,700 people across the state in FY23, which translates into approximately 2,500 full-time equivalents (FTE).

Program	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
LAM	92	87	89	82	83	82	83	83	80	88
EWR	393	406	414	413	409	395	388	385	368	380
FOR	423	451	463	462	467	462	458	473	466	439
PAT	587	578	571	560	571	578	529	511	552	578
FAW	602	617	629	615	584	582	566	540	535	558
ENF	237	240	243	238	233	245	250	247	242	250
OPS	381	387	385	291	290	296	309	296	292	293
<b>Total</b>	<b>2,715</b>	<b>2,766</b>	<b>2,794</b>	<b>2,661</b>	<b>2,637</b>	<b>2,640</b>	<b>2,583</b>	<b>2,535</b>	<b>2,535</b>	<b>2,586</b>

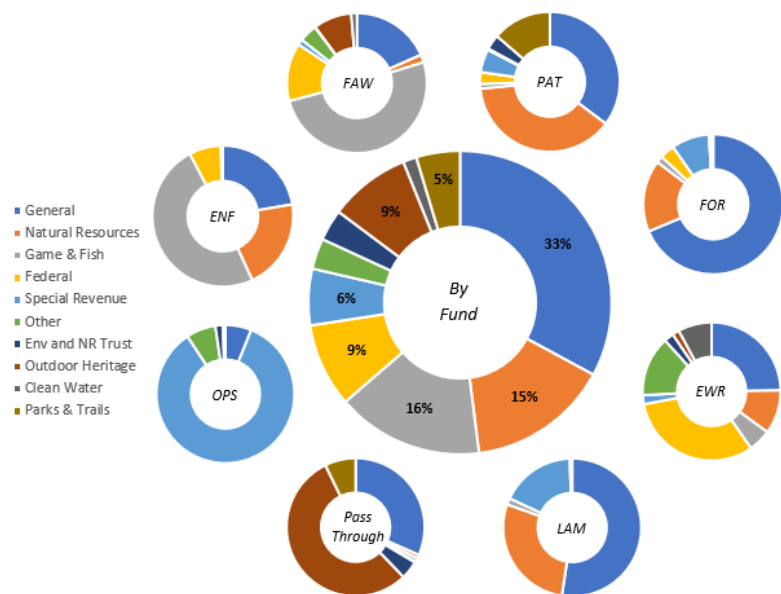
Our next largest spending categories are operating expenses and contracts. Examples of operating expenses include supplies, equipment, rent, vehicles, and mileage. We contract for services when we need skills or services we do not provide or when our internal staffing is insufficient.

Additionally, we send nearly \$300.3 million out the door to local governments and non-governmental organizations to help fulfill our mission. This accounts for 15% of our budget.



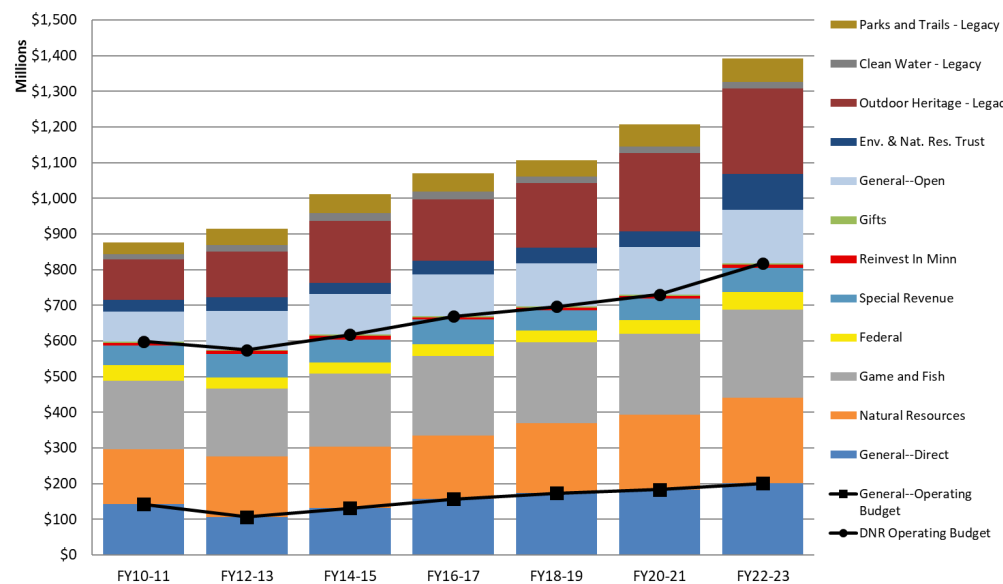
## Expenditures by Fund

We manage our budget across more than 50 funds. About 64% of our budget comes from the General Fund, the Game and Fish Fund, and the Natural Resources Fund combined. About 18% of our FY24-25 budget comes from one-time appropriations from Legacy Funds and the Environment and Natural Resources Trust Fund.



## Expenditures by Fund Since FY10

Our budget has changed over the past seven biennia. Most notably, new revenues generated through the Clean Water, Land and Legacy Amendment has provided us the opportunity to focus on special projects outside of our regular base spending. The top line tracks our operating budget, which has seen an average increase of 5.5% over time. The bottom line shows our General Fund budget over the same period.



## Information by Fund

### General Fund

Our General Fund budget is \$591.9 million for the FY24-25 biennium. Seventy-three percent of this are direct appropriations to fulfill our mission. The other 27% are "open" appropriations, which means they are available to us "as needed." We use these funds to manage forest fires and make payments to tribes and counties based on treaties and statute. This includes the Payment-in-Lieu of Taxes (PILT) payment we make to counties, which is \$49 million dollars each year.

Direct appropriations from the General Fund play an important role in our budget because they are our most flexible funding source. They allow us to meet the needs in the field, including responding to emergencies and urgent, unexpected needs.

*Find more fund-specific information on page 2*

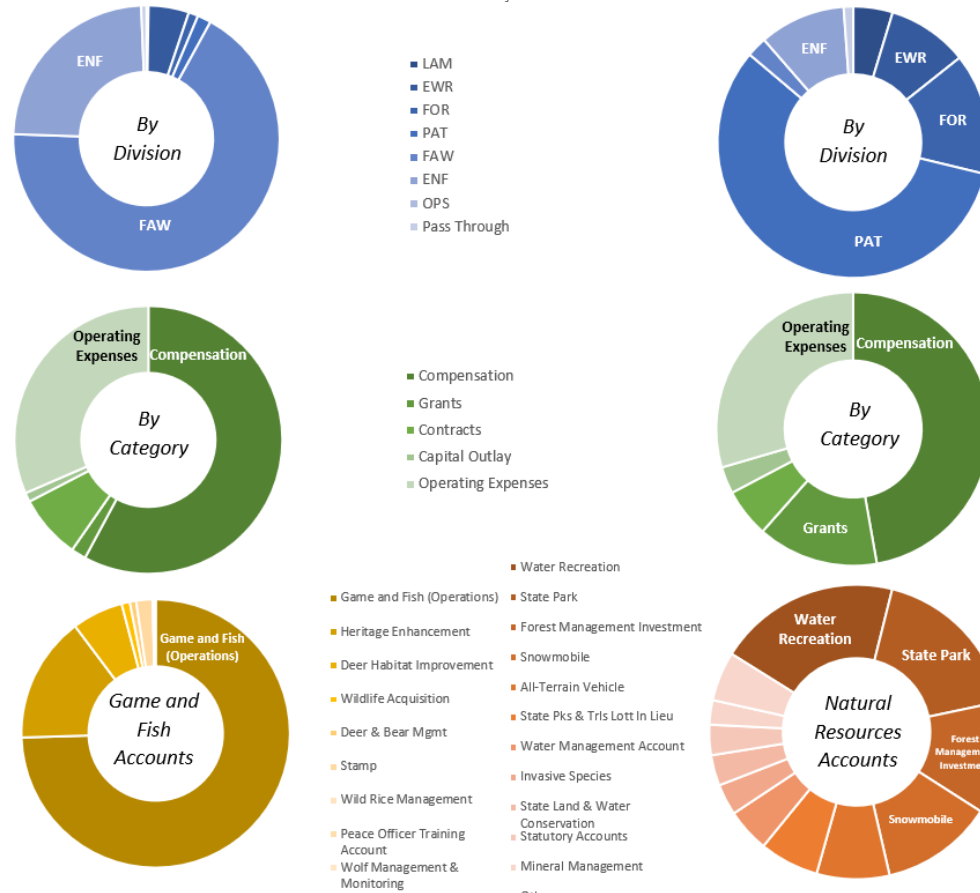


# Department of Natural Resources Budget Overview FY24-25

## Game and Fish Fund

The Game and Fish Fund (GFF) supports management, monitoring, and protection of fish and wildlife resources as well as the enforcement of game and fish laws. Our Fish and Wildlife Division accounts for 67% of our GFF expenditures, over half of which we spend on compensation. The fund is sourced by a variety of revenues that directly relate to the programs they support. Sales of hunting and fishing licenses contributed 55% of GFF total revenue in FY23, while federal dollars for fish and wildlife conservation contribute 30%. A citizen oversight group plays an important role in making recommendations for improvements in management and use of money in the fund. GFF spending is 16% of our total budget.

Game and Fish Fund Revenue					
	\$ in 000s				
	2021	2022	2023	2024	2025
	Actual	Actual	Actual	Budget	Budget
Hunting Licenses	\$ 25,271	\$ 24,844	\$ 24,454	\$ 24,333	\$ 24,270
Fishing Licenses	32,671	29,444	30,120	30,139	29,804
Other Licenses	18,709	17,545	17,794	16,505	16,271
Federal Grant Wildlife (Pittman-Robertson)	20,101	18,942	24,761	34,587	36,336
Federal Grant Fisheries (Dingell-Johnson)	14,950	14,934	15,003	13,100	13,100
Other Non-License Revenue	18,508	18,797	19,957	18,852	19,796
<b>Total Revenue</b>	<b>\$ 130,210</b>	<b>\$ 124,506</b>	<b>\$ 132,089</b>	<b>\$ 137,515</b>	<b>\$ 139,577</b>



## Natural Resources Fund

The Natural Resources Fund (NR) supports the development and maintenance of Minnesota's natural resources and the enforcement of natural resource laws. Our Parks and Trails Division accounts for 57% of our NR fund spending, nearly half of which is spent on compensation. The two largest revenue sources include the state tax revenue and license and registration fees—together these contribute 49% of the fund's resources in FY23. NR expenditures make up 15% of our total budget.

Natural Resources Fund Revenue					
	\$ in 000s				
	2021	2022	2023	2024	2025
	Actual	Actual	Actual	Budget	Budget
Tax Revenues (Lottery & Unrefunded Gasoline)	\$ 38,286	\$ 37,995	\$ 38,992	\$ 41,230	\$ 43,362
State Park Fees	24,954	23,248	22,736	22,722	22,722
Timber and Iron Ore Related Revenues	12,107	13,930	13,933	7,120	7,756
Boat Registrations & Titling	11,102	9,802	9,991	15,995	18,795
Snowmobile Registrations & Trail Passes	6,470	7,558	8,484	6,970	7,770
ORV Registrations & Trail Passes	8,072	7,141	7,308	7,502	7,629
Water Use Fees	5,162	5,682	5,158	6,641	6,821
Other Revenue	26,957	24,637	26,105	27,140	32,719
<b>Total Revenue</b>	<b>\$ 133,111</b>	<b>\$ 129,994</b>	<b>\$ 132,706</b>	<b>\$ 135,320</b>	<b>\$ 147,574</b>

These funds are unique, because some of our spending authority comes from direct appropriations that are sourced by revenues we generate. When the direct appropriations exceed revenues, we manage to the receipts to ensure the funds stay healthy. This can limit our ability to maintain services at a base level and makes managing our budget difficult at times.

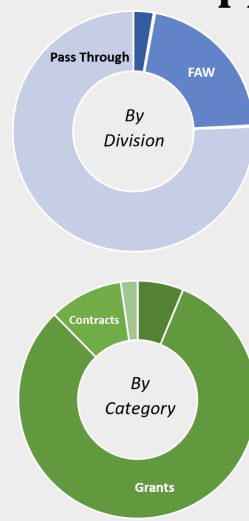
## Environment and Natural Resources Trust

The purpose of these dollars is to conserve and enhance Minnesota's natural resources including air, water, fish, and wildlife. They are governed by the Legislative-Citizen Commission on Minnesota Resources (LCCMR), which makes funding recommendations to the Governor and the Legislature. We received \$59.2 million from this fund in FY24, which accounts for 3% of our overall biennial budget.



## Outdoor Heritage

The purpose of these dollars is to restore, protect and enhance land and water for fish, game and wildlife. They are governed by the Lessard-Sams Outdoor Heritage Council (LSOHC), which makes funding recommendations to the Legislature. We received \$154 million from this fund in FY24, which accounts for 59% of our Legacy Funds and 9% of our overall biennial budget.



## One-Time Appropriations

### Clean Water

We use these dollars to protect, enhance, and restore water quality in bodies of water and groundwater. The Clean Water Council makes funding recommendations to the Governor along with an interagency team of state agencies. We received \$25.6 million from this fund for FY24-25, which accounts for 10% of our Legacy Funds and 1% of our overall biennial budget.



### Parks and Trails

We use these legacy dollars to support parks and trails of statewide significance. Our Parks and Trails Division spends roughly two-thirds of these dollars while the rest are grants to non-state entities. We received \$82.5 million from this fund for FY24-25, which accounts for 31% of our Legacy Funds and 5% of our overall budget.

