

Game and Fish Fund Budgetary Oversight Committee

Authorized under *Minnesota Statutes*, section 97A.055, subd. 4b

Citizen Oversight Report on Game and Fish Fund Expenditures Fiscal Year 2023

August 2024

Game and Fish Fund Budgetary Oversight Committee

—Authorized under Minnesota Statutes, section 97A.055, subd. 4b—

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August 27, 2024

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Subject: Game and Fish Fund Budgetary Oversight Committee Report on FY 2023

Commissioner, Representatives, and Senators:

I am pleased to present the Fiscal Year 2023 (FY23) Report of the Game and Fish Fund Budgetary Oversight Committee (BOC), approved by an email vote completed on 8/26/2024 and now published. The BOC determined that FY23 Game and Fish Fund expenditures complied with the overall requirements of the Game and Fish Fund. I'd like to thank all committee members for their time and efforts in their service as well as DNR staff for providing information, support, and updates to the committees. In addition to this report, several members on this committee have dedicated their time to discuss the future of the BOC's transition into the Fish and Wildlife Advisory Committee. We are hopeful that the transition of the BOC to the FWAC continues with the same integrity and focus on being in a more active role in advising spending from the Game and Fish Fund.

The report begins with our top recommendations, and we look forward to a timely written response from the DNR on those topics. The report also includes recommendations for consideration by the legislature. The detailed section of our report identifies account-specific concerns and recommendations that do not require a written response, and we ask fisheries and wildlife managers to follow up on these items in meetings and discussions with the former Fisheries Oversight Committee (FOC) and Wildlife Oversight Committee (WOC). We look forward to our future meetings with the DNR staff regarding our report.

Within the 2023 Fiscal Year (FY23) we've seen some exciting responses from the DNR in regard to our top recommendations.

In regard to the FY23 The BOC identified these topics for possible discussion in the future:

- Moose mortality studies and health of the overall moose herd.

- With the recent stabilization of the moose herd the BOC encourages the DNR to continue monitoring the moose herd
- The BOC encourages the DNR to continue communicating with the public the success the Agency is having with stabilizing the moose herd
- Continue the cutting-edge research the Agency is doing with the MN moose herd to return the numbers to pre-2010 levels
- With the updated wolf plan the BOC is encouraged to see the six main goals of the plan. The BOC encourages the DNR to continue following and refining these main goals.
 - Ongoing monitoring of wolf hunting seasons and the ongoing legislation to ban hunting in the state of Minnesota.
 - See additional information below on the BOC recommendations on the current wolf plan.
- Equity in outdoor recreation has been listed as a top priority for the DNR (2022 Game and Fish Fund Annual Report).
 - Ongoing and regularly updated information regarding the demographics of the different users of MN DNR programs and activities is needed to measure this major DNR goal.
 - It is recommended that DNR leadership support a large-scale independent evaluation of user demographics as it reviews meeting the needs of all Minnesotans.
- Given the increased projects, activities, and funding available, it is recommended that the DNR leadership review and evaluate the various department efforts that may overlap or influence other divisions within the agency. The DNR is taking steps with the first part of the 4 The Outdoors initiative, the BOC encourages the DNR to continue evaluating projects across divisions. The review should also identify areas with an established user base that may experience negative impacts due to user conflict and displacement from other user groups (Engage with DNR).

We strenuously recommend that the GFF Report should include the major project expenditures *within each account* as well as the objective targets, estimated project timelines, and measurable outcomes for each project within each account. This will relate to the upcoming review during an even-numbered year's report that focuses on biennial budget outcomes achieved from game and fish fund expenditures.

In lieu of listing all of the major accomplishments and outcomes at the beginning of the report, the BOC would like to see more project details, outcomes, and expenditures directly in each account's section. By doing so, the DNR would be providing more transparency for both the public and the various citizen committees tasked with providing oversight and recommendations for the future. The BOC acknowledges that funding is frequently pulled from multiple accounts, the BOC recommends listing major projects within the Fund or Function where the majority of funding was drawn from. As this is the last years of the BOC and we transition to the Fish and Wildlife Advisory Committee, I am excited for what the future brings. Let us continue to work together, hand in hand with our state's natural resource agency, to preserve Minnesota's natural environment for generations to come. Our clear and concise outcomes are the legacy we leave for the future—a legacy of responsible stewardship, vibrant ecosystems, and a state that continues to inspire.

Yours truly,



Jess Paulson, Chair, Game and Fish Fund Budgetary Oversight Committee

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WRITTEN RESPONSE REQUESTED FROM DNR ON THESE ITEMS

GFF Funding

The BOC acknowledges the ongoing work the DNR is doing on the 4 the Outdoors strategic vision. We were excited to see some of the updates the DNR has accomplished in the past year. Accomplishments of note include potentially increasing Pittman-Robertson dollars that can be claimed and the novel approach of bringing back the Nature Store to the MN State Fair.

The BOC recommends the DNR continue to search out all possible revenue streams to maintain GFF funding. The BOC is requesting an update on other funding options the DNR is considering maintaining the current funding of the GFF. So much of the conservation of fish and game species relies on the ongoing health of the GFF. The BOC is requesting an update on 4 the Outdoors and if the program is still on track to meet its 2024 goals. The BOC feels this information should be made available to the Fish and Wildlife Advisory Committee during Q1 of 2025 so the committee can accurately include the progress being made on the vision in any reports produced.

EDUCATION AND OUTREACH

The DNR currently has several outreach programs available to the citizens of Minnesota. Some of these programs include fishing clinics, classes that teach hunting skills, the ongoing weekly web seminars and the I Can! programs. These programs are amazing and teach valuable skills. Participants in these programs frequently comment about how educational the classes are and the value of the skills introduced or learned are. Unfortunately finding some of these programs can be challenging to the general public of Minnesota.

With the ongoing decline of fishing, hunting and foraging activities these skills are no longer being passed from one generation to the next. Classes like these are vital for the ongoing survival of this knowledge and bringing in new fishers and hunters is the best way to sustain the GFF.

The BOC is recommending the DNR explore a cross-agency Education and Outreach approach. For example, bringing some of the I Can! programming into the R3 initiatives. Having a consolidated approach can avoid duplication of labor and equipment, helping with the goal of optimizing current resources. The BOC is also encouraging the DNR to increase advertising to increase awareness of these programs. There are some amazing weekly webinars that the DNR has put together, but without the visibility to individuals who aren't regularly engaging with the DNR the full impact these programs could have is limited.

ONGOING ISSUES

Chronic Wasting Disease (CWD)

The BOC acknowledges the hard work the DNR and other agencies have put into researching and attempting to control the spread of CWD.

With the recent news that CWD has potentially crossed the species barrier the BOC is recommending the DNR do an enhanced education outreach with the latest scientific based information on the status of CWD. Both where it is in Minnesota and how it could potentially affect species other than Cervidae.

The BOC is not requesting a formal response from the DNR at this time but respectfully requests updates be presented to the Fish and Wildlife Advisory Committee on any major developments made as the DNR continues to work on containing this disease.

License Center

The BOC acknowledges that MNIT staff is continuing their hard at work with the new vendor to get the new Electronic Licensing System (ELS) up and running in Q1 of 2025. The BOC respectfully requests an update on progress at the first meeting of the Fish and Wildlife Advisory Committee for the FY 2024 review cycle.

In conjunction with the new ELS the BOC is recommending the DNR start a process of re-evaluating the existing license structure. With several license structures and age requirements across the various form of licenses the BOC feels there is an opportunity to streamline the process and standardize licenses across the various license formats.

The BOC recommends prioritizing setting up a committee or task force to review the current license structure. (review all w/Pat Rivers, probably should be moved and or duplicated in the ongoing issue section)

ENHANCED REVIEWS

For the FY23 report the BOC did enhanced reviews of four DNR management plans. Attached are the findings of the BOC.

MUSKIE PLAN

FINDINGS

In FY23, we spent \$1.7M on muskie production and stocking. For comparison, we spent \$1.6M on trout and \$3.6M on walleye. The BOC foresees this to remain similar in future budgets.

We have a statewide quota of approx. 30,000 MUE fingerlings every year. We are currently having a hard time meeting, so adding lakes is not as high on our priority list, at least from the MTT perspective. Our focus in our next long plan will be to do better with what we have and meet our quotas consistently and once we get there, new lakes could be an option. Stocking rates were reported to be ½ fish/acre.

Our stocking follows the list provided in the Muskie Management Plan from 2020. We did note that in March of 2024, there was a public request sent out for input on updating the Muskie Management Plan:

- Broodstock lakes
- Historically consistent stocked lakes
- Premier Lakes

- New introduction lakes (introduced post-2008)
- Metro
- Program lakes
- All-age, supplemental, other

The hybrid muskie (tiger muskie) program is a 7-county metro program that has changed over the years based on the success of the stocking and what is available in a given year. We did ask a question about expanding the program in the metro on our recent Muskie public input survey that ended yesterday. Early indications of the survey show expansion is supported.

RECOMMENDATIONS

The BOC believes that the DNR can and should work towards more positive outcomes related to our muskie management. In addition, we hope that the improvements at the Waterville State Fish Hatchery will help us maintain world-class muskie fisheries by being more efficient with our stocking. With the updates, there would be the opportunity for the DNR to produce larger fingerlings or even yearlings at Waterville and our New London facility. With larger fingerlings/yearlings there could be a higher rate of survival which in turn would reduce the need to stock as many fish as possible. There is recent research based within MN and surrounding states that provide information on the negative outcomes and there being less than favorable returns on muskies that are less than 11-12 inches. The majority of the fish that the DNR has historically stocked over the years have been in the 9–11-inch range.

SHORE FISHING

Shore fishing is a critical aspect of new angler recruitment. The goal is to harmonize all aspects of a shore fishing opportunity to deliver a quality experience. Fishing is a great opportunity to spend quality time with family and friends. Shore fishing is generally where people started fishing, especially youth or those without access to a boat. Fishing piers and shore-based platforms enable and encourage anglers of all ages and abilities to go fishing. Shore fishing connects people to the outdoors and encourages stewardship with safe and convenient access to public waters.

FINDINGS

The DNR plans to work directly with Local Government Units (LGUs) to create Cooperative Agreements (JPAs) to establish new shore-based fishing piers and platforms across the state. LGUs will take on some operation and long-term maintenance. At the expense of GOM dollars and development of new shore fishing sites in the next few years, the BOC hopes this initiative will generate a newly funded program that has stable GFF to manage a shore fishing program into the future.

In relation to boat launches, there are a lot of logistical and shared ownership aspects to upkeep and related funding for continual maintenance. The BOC finds these questions would be best suited to be directed to Parks and Trails. There is no direct GFF funding that is predicted to be used for boat launches.

HATCHERY IMPROVEMENTS

FINDINGS

The DNR received \$60M through the Get Out More initiative for fishing infrastructure. Of this amount, \$5M has been dedicated to shore fishing enhancements and \$55M to hatchery improvements.

The availability of the Get Out More funding has allowed us to avoid spending additional Game and Fish funds on hatchery repairs and improvements - at least for the next few years.

A breakdown of the \$55M for hatcheries...

- \$24M has been set aside for a complete rebuild of the hatchery and pond redevelopment at Waterville. Waterville is a cool-water hatchery that produces walleye, muskie, and northern pike.
- \$19M has been set aside for a large-scale enhancement at Crystal Springs trout hatchery including the construction of a new nursery building and a complete overhaul of the water delivery system and raceways.
- \$12M has been dedicated to improvements at other hatcheries. A partial list of enhancements includes partial redevelopment at Peterson Hatchery to facilitate capacity to manage Driftless strain brook trout, holding pond improvements at Spire Valley, spring pool renovations at Lanesboro, water source and delivery improvements at Detroit Lakes, water chiller system at Pike River, and water delivery, biosecurity, and pond improvements at New London.

After all of the enhancements and improvements are completed, the species breakdown will likely be proportionally about the same. Fish production is driven by the lake and stream management plans - we raise what is called for in the plans. Our belief is that the hatchery improvements are going to allow us to produce fish more reliably, improve water quality and environmental controls, reduce fish health issues, and produce fish with greater vigor and higher survivorship because they are healthier and in some cases larger (e.g., muskies).

Production estimates for FY24-FY25 are as follows and vary slightly from year to year:

- 346 million walleye fry (230 million for stocking recreational waters of the state and 116 million for stocking rearing ponds)
- 46,200 pounds of walleye fingerlings (15-25 fish/pound)
- We also buy 40,000 pounds of walleye fingerlings from private producers.
- 33,500 pounds of walleye yearlings and adults (when available)
- 724,000 muskie fry (100,000 of which will be directly stocked)
- 25,000 muskie fingerlings
- 450 yearling and adult muskie (if available) - it should be noted that this is an area where we anticipate substantial change after the hatchery renovations are completed - research has shown that larger yearling muskies that are stocked out tend to do much better than smaller fish.
- Will produce northern pike for the southern region as needed.

- Harvest 4.3 million trout eggs from brook stock and produce 510,000 fingerlings and 519,000 yearlings. Changes at the cold-water hatcheries may facilitate the capacity to produce more catchable-size trout.

RECOMMENDATIONS

- The BOC requests that the DNR present a plan to the public for ongoing maintenance of the refurbished hatcheries to maximize the life of these facilities, mitigate issues that might reoccur, and get the most out of taxpayer funds.

WOLF MANAGEMENT

FINDINGS

Upon our review of the 2023-2032 Minnesota Wolf Management Plan, we believe that the annual funding required to implement the plan throughout its intended time frame exceeds the revenue that is generated annually in the wolf fund. Without having an all-encompassing budget for the plan in its entirety the Wolf Plan may not be adequately funded. The current plan includes programs that are funded using funds from other DNR accounts and programs that are jointly accomplished with non-DNR organizations and funds. Identifying the value of those activities and including them in a budget is a clear way to demonstrate what the actual cost of the management plan is and the importance of non-DNR participation.

The past number of years have generated significant discussion of wolves on the landscape throughout the entire country. As the state in the lower 48 which (arguably) has more wolves than the rest of the other 47 states combined, it is ironic that we lack the authority to manage the population at the state level. The number of wolves in Minnesota that are controlled by lethal means can sometimes exceed the entire population of wolves in a state like Wyoming, where the population is managed by the state. The reasons for this situation are complex and polarizing, despite the fact that the DNR has taken the time to seek public input and implement a long-term plan on wolf management in the state. There is a common misunderstanding by the public on what the DNR is currently doing, and allowed to do, to manage wolves in the state. There is also a misunderstanding on what would happen if wolves were delisted.

RECOMMENDATIONS

- The DNR should prepare a budget that identifies funding (both cash and in-kind donations) and costs (both cash and in-kind donations) of the entire plan. It's important to clearly understand what the cost would be if non-DNR participation were to be eliminated.
- The DNR should continue leading the movement toward state management of the wolf population and take every opportunity to explain what and how the wolf plan does this. There are many avenues to do so including social media campaigns, educational opportunities in schools and news media organizations. The DNR should prioritize education campaigns which minimize debates with groups that are vocal advocates as anti or pro wolf hunting.
- Continue delivering a consistent, nuanced, and factual explanation of the DNR's historical success in game management and how the wolf plan would continue this tradition.

ACCOUNTS

The statutory requirements for funding and expenditures for each fund are set out in the Game and Fish Fund. Each fund has a dedicated source of funding and expenditures that are listed under each fund in the GFF report.

COMPLIANCE

The FY23 expenditures for the majority of Game and Fish Fund accounts appear to be in compliance with statutory requirements and sound management practices.

The BOC continues to have concerns about spending in the Wildlife Acquisition Account (2207). Due to statutory limitations the BOC recognizes that expenditures from this fund are more challenging to manage, the BOC encourages the DNR to continue monitoring the spending in this account to confirm funds are being spent according to statute.

FUND BALANCES

The BOC noted that most accounts are expected to have a positive balance through the end of the decade. The GFF addresses the current anticipated shortfall in the Peace Office Funding account (2212). The BOC noted that the Deer Management account (2202) and Wild Rice Management account (2206) may be negative by FY30 if current projections continue. The BOC encourages the DNR to add language addressing the health of these funds through FY30.

Game and Fish Operations Account (Fund 2200)

Account 2200 is the general operations account and, as such, provides support to a wide variety of fishing and wildlife-related activities. The BOC found expenditures to be in line with previous years. Fishing license revenue increased slightly in FY23 over FY22, revenues are still below FY21. Hunting, Sports and Super Sport license sales have remained steady over the past 3 years. Dingell-Johnson reimbursements have remained steady over the past three years. Pittman-Robertson reimbursements declined in FY22 and increased above FY21 levels in FY23. Investment income increased in FY23, all other funding sources remained relatively unchanged over the past three years. Total revenues increased \$7,082,140 over FY 22. Total expenditures increased \$7,957,901 over FY22. The largest increase was in Fish and Wildlife Management expenses. These expenses increased \$7,285,885 over FY22. All other expenses remained relatively in line.

Fish Management

FINDINGS

- Revenue for the Fisheries section of Account 2200 GFF are:
 - \$28,946,681 from fishing license sales account for 29.5% of the GFF's total revenue.

- \$15,003,313 was obtained in FY23 from the federal government by DNR Fisheries surpassing the requirements of the Dingell-Johnson Act, or about 15.3% of GFF's total revenue.
- Other revenue resources for Fisheries account for the balance are noted in the rest of the report.
- For FY23, over 85% of expenditures for fisheries management were funded from this account.
- Total Expenditures from the account for fisheries management activities for FY23 were \$36,753,472. Expenditures by fisheries management activity were as follows, based on additional data provided by fisheries staff:

Activity	Amount	Percentage
Research & Monitoring	\$10,339,297	28.1%
Population Management	\$7,125,119	19.4%
Habitat Improvement	\$4,060,823	11.0%
Facilities Management	\$3,911,528	10.7%
Education and Outreach	\$3,715,100	10.1%
Department Services	\$3,424,369	9.3%
Planning and Coordination	\$2,109,770	5.8%
Licensing & Permitting	\$1,060,601	2.9%
Division Support	\$1,006,865	2.7%

Wildlife Management

FINDINGS

- Revenue for the Wildlife section of Account 2200 GFF are:
 - \$14,480,450 from hunting license sales account for 14.8% of the GFF's total revenue.
 - \$24,760,824 was obtained in FY23 from the federal government by DNR Fisheries surpassing the requirements of the Pittman-Robertson Act, or about 25.3% of GFF's total revenue.
 - Other revenue resources for Wildlife account for the balance are noted in the rest of the report.
- Total Expenditures from the Account for wildlife management activities for FY23 were \$22,630,577. Expenditures by major wildlife management activity were as follows, based on additional data provided by wildlife staff:

Activity	Amount	Percentage
Population Management	\$8,192,199	36.2%
Habitat Management	\$7,247,405	32.0%
Planning and Coordination	\$2,637,831	11.7%
Education and Outreach	\$2,108,694	9.3%
Department Services	\$1,976,080	8.7%
Division Support	\$468,368	2.1%

These percentages were consistent with those for previous years.

RECOMMENDATIONS

- The BOC noted the DNR is producing over 1.3 million copies of the regulations for waterfowl, other hunters and anglers. These brochures tend to be very large. The BOC is encouraging the DNR to find ways to streamline these brochures and reduce costs.
 - Is there a way to put out a smaller brochure, perhaps just an update to regulations that have changed.
 - Provide needed maps, for example the deer DPA map, separate from the regulations.
 - Provide QR codes on printed licenses so hunters and anglers can access the specific regulations related to their license.
 - The BOC acknowledges that a lot of this will change as the new ELS comes on-line.
- Prioritization on finalizing and implementing “4 The Outdoors” to develop a fully sustainable funding structure for the DNR.
- A strong conversion and implementation plan is developed and tracked to ensure successful implementation.
- Continue to seek diverse input and support the DNR’s deer goal setting process.
- Research and monitor the moose population and improve understanding of stabilization that has been observed in recent years.
- Prioritize R3 efforts to reach out to underserved and immigrant communities. Many of the immigrant communities have a history of hunting in their home countries and may need assistance understanding Minnesota Regulations and seasons. Working with existing partners will enhance these efforts.

Deer and Bear Management Account (Fund 2201)

Total expenditures from this fund were \$446,388. Of that \$44,619 was for habitat management, \$262,208 was for population management, \$89,561 went toward department services and \$50,000 was allocated to the License Center.

RECOMMENDATIONS

- As stated in FY21 and FY22, the BOC continues to advocate for a legislative change to separate out the bear and deer management account. Based on a detailed review of year-over-year expenses the data shows that this account is primarily used to manage bear. Bear hunting is a significant big game sport in Minnesota and it should be its own individual account for better management and tracking of expenditures. The remaining funds should be combined with Fund 2201/R296196 for the Cervidae Health Management account
- Expand on moments to engage the citizens of Minnesota for continuously improving relations as well as education and hunting opportunities.
- Potentially mirror, or select parts of existing hunts, IE the waterfowl youth hunt or adult deer hunt, for recruiting and education of the next generation of bear hunters.

Emergency Deer Feeding and Wild Cervidae Health Management Account (Fund 2201)

Total expenditures from this fund were \$129,793. Of that \$79,435 was for population management and \$50,358 was allocated for department services.

RECOMMENDATIONS

- The BOC acknowledges that the majority of CWD funds are from sources other than the GFF. The BOC encourages the DNR to continue working with partner organizations and the Legislature to maintain the current CWD funding sources.
- With the recent news that CWD may have crossed the species barrier the BOC is encouraging the DNR to work with partner agencies and facilities such as the University of Minnesota to increase education about the risks of coming into contact with infected animals. With a presumed 100% fatality rate once infected more education needs to be provided to all outdoors people, not just hunters.
- The budget should reflect the growing need to educate hunters and outdoorsmen about new active CWD zones and monitoring areas, as well as help in the testing efforts. Mail in testing kits have shown to be an effective method for monitoring CWD in current unknown CWD areas and should be continued and increased to adequately monitor our states active CWD cases.
- A future budget should be set up to account for the increasing CWD Deer Permit Areas within our state and focus on a new long-term policy and procedures for the future of CWD management.

Deer Management Account (Fund 2202)

Total expenditures from this fund were \$8,998,147. Of that \$6,374,167 was for habitat management, \$927,072 was for population management, \$1,696,908 was allocated for department services.

RECOMMENDATIONS

Establish annual program objectives for Account 2202, including anticipated expenditure levels, and report on the success in achieving those objectives in the annual Game and Fish Fund Report.

- Continue efforts to accurately record DNR activities related to forest work, hunter access work, technical guidance and nuisance animal control, and other deer habitat program activities to ensure that the DNR can clearly demonstrate that Account 2202 funds are devoted to habitat improvement that primarily benefits deer.
- The BOC recommends the DNR provide a mid-point update to the 2018 – 2028 Deer plan. A public update on what accomplishments have been achieved, what plans are still being implemented and how the ongoing goals are being met.
- The BOC recommends finding a way to increase hunter engagement and communication by maximizing communication options with the new Licensing system that is currently being developed.
- The BOC recommends the DNR reauthorize the Deer Advisory committee for the 2023 – 2028 second half of the Deer Management Plan.

- Manage deer population goals in the moose range at levels consistent with the Minnesota Moose Research and Management Plan as stated in the 2019-2028 Deer Plan. Continue the efforts of the 2016-2020 Elk Management Plan as well as assess any new information that would contribute to a plan beyond 2020.

Waterfowl Habitat Account (Fund 2203)

Total expenditures from this fund were \$608,068. Of that \$543,369 was for habitat management and \$64,700 was for population management.

RECOMMENDATIONS

- Continue to monitor the non-target take during the early teal season experimental trial and hunter participation levels during the early season.
- Implement a swan season for additional revenue, participation and swan population control, an experimental season similar to what ND currently does could be implemented to test participation and the effect on swan population. In 2022 ND lottery gave out 1,281 Resident and 919 non-resident swan tags.
- Continue the plan on placing higher priority on parcels located within 30 miles of a population center of at least 15,000 to 20,000 people. Providing “close to home” recreation opportunities will help participation.
- Investment or introduction to High School trap teams should be investigated to increase hunter participation. Examples of opportunities could be a discounted stamp for participating students or other reward systems.
- Overall waterfowl population is down from the long-term average, investment in breeding grounds and increasing breeding success through controllable inputs such as water level, predation, farming practices etc. should be investigated.

Trout and Salmon Management Account (Fund 2204)

Total expenditures from this fund were \$1,169,668. Of that \$34,031 was for habitat management, \$1,134,864 was for population management and \$774 was for facilities management.

RECOMMENDATIONS

- The fund should continue to be used to supplement and not supplant the other funding sources available to improve trout and salmon streams and lakes. With the continued growing interest in trout and salmon angling, the stamp revenues should be allocated to maintain and to improve the angling opportunities for trout and salmon.
- Excess funds need to be fully utilized while maintaining a minimum fund balance.
- Now that the Fish and Wildlife realignment is being completed, specific goals and outcomes should be developed consistent with the existing 2013 Fisheries Habitat Plan
- Focus must remain on trout hatchery rehabilitation and improvements.

Pheasant Habitat Account (Fund 2205)

Total expenditures from this fund were \$414,339. Of that \$411,307 was for habitat management and \$3,032 was for population management.

RECOMMENDATIONS

- Continue to maintain and develop partnerships with conservation partners, such as Pheasants Forever, Ducks Unlimited, the Nature Conservancy, and others. Continue to have Wildlife Managers and Habitat Program managers collaborate with conservation partners to capitalize on projects that support each group's mission but bring the biggest impact to the public.
- Continue to reach new hunters and non-traditional users via social media to remind them of the benefits of Pheasant Stamp and Walk-In Access purchases. As the gateway WMA concept is developed, create a media campaign to educate new and non-traditional users of WMAs as a shared space with access and opportunity for all.
- With digital natives becoming the largest potential audience for licenses and conservation stamps in the coming years, is there a way to increase interest and purchase by making it a digital collectible? Perhaps convene a group of marketers, artists, social media influencers, and others to explore ways to increase interest in conversation stamps as digital assets to be shared on social media, or other out- of- box ideas that expand interest beyond the traditional upland audience.
- Climate change continues to have wide-ranging impact across the natural world. There currently is not any data directly tied to pheasant mortality and climate change. It is undeniable that more frequent, extreme weather events are impacting the overall landscape. When updating the Pheasant Action plan beyond 2023, it is strongly recommended to incorporate climate change and its potential impact into restoration efforts and the potential changing pheasant range across Minnesota.

Wild Rice Management Account (Fund 2206)

Total expenditures from this fund were \$38,000. All of the expenditures went towards habitat management.

RECOMMENDATIONS

- Update wild rice management plan to address long-term climate change impacts on wild rice and proposed budget to ensure MINNESOTA's wild rice beds long term viability.
- Propose legislation to eliminate the need to maintain a separate account for wild rice license fees. Other licensed activities with small numbers of sales do not maintain similar accounts, such as trapping, elk, and prairie chicken licenses. The current overlap of expenditures to manage habitat by this fund and others coupled with the administrative costs to maintain a separate account appear unnecessary.

Wildlife Acquisition Account (Fund 2207)

Total expenditures from this fund were \$1,198,998. Of that \$386,842 was coded toward habitat management, \$82,011 was allocated for department services. The remaining \$730,145 went toward costs for land acquisitions.

RECOMMENDATIONS

- Be proactive in finding a remedy for the 'accounting trap' that is in this framework.
- Work with lawmakers to update the statute to make it fit the long-term realities of acquisition AND maintenance of public lands.
- Consider funding maintenance costs from other funds.

Wild Turkey Management Account (2208)

Total expenditures from this fund were \$146,671, all of the funds went toward habitat management.

RECOMMENDATIONS

- Develop and incentivize programs beyond R3 to encourage hunters to introduce a friend or family member to Minnesota's turkey seasons. Model a turkey hunt after the popular Take a Kid Fishing day.
- Increase promotion of fall turkey seasons along with fall deer archery season.
- Obtain and enhance lands for turkey hunting within 60 miles of the Twin Cities Metro area and other regional population centers.
- Consider an increase in the fee to offset costs associated with these recommendations.
- Establish measurable goals around hunter participation to determine program effectiveness.
- The BOC recommends the DNR study the effect on local ecosystems the spread of turkeys beyond their native range is having. How are turkeys affecting the local fauna and flora of these areas.

Heritage Enhancement Account (Fund 2209)

Total expenditures from this fund were \$17,592,875. Expenditures are spread across several areas. Part of the funds were used for grants, ash tree management, CWD response and ecological and forest management. \$4,777,870 was spent on fish management and \$4,367,639 was spent on wildlife management.

RECOMMENDATIONS

- The BOC recommends that the HEA continue to be used as intended, by which the statute was written to supplement – and not supplant – expenditures for enhancement and protection of fish and wildlife resources.

Lifetime Fish and Wildlife Trust Fund (Fund 2210)

Total distributions from this fund were \$969,914. Funds can only be disbursed from this fund as lifetime licenses are activated. Funds are moved from this account to the respective fund related to the activated license. Monies do not leave the GFF directly from this account.

RECOMMENDATIONS

- The BOC acknowledges the DNR has been advertising lifetime licenses. The BOC recommends the DNR continue to prioritize marketing Lifetime Licenses to those that purchase annual or daily licenses and to families with young children that would receive the greatest cost savings. This also provides the longest investment horizon to continue to grow the balance in the Trust Fund.
- Track the number of trapping activations by license type, including those for Small Game and Sports licenses.
- Collect information on the number of Lifetime License holders that are inactive and make efforts to re-engage customers. This may require an intense marketing campaign to find and activate these license holders that have not activated their licenses in the past 5 years.
- The BOC recommends the DNR identify a way in the new license system to tie the holder of the lifetime license to the natural person. This is to make sure all accrued funds are released even if licenses are not activated by the expected end of life when using common actuarial tables.

Walleye Stamp Account (Fund 2211)

Total expenditures from this fund were \$145,000. All of the funds went toward population management, purchasing walleye fingerlings for stocking purposes.

FINDINGS

The assessments that have been completed by the DNR are to help ensure that the stocking they do is successful. The DNR has eliminated stocking from some lakes where stocking was simply not working and therefore resulted in no returns of walleye to the anglers. By statute, the funding can ONLY be used for the purchase of privately raised walleye fingerlings. The DNR currently purchases 40,000 pounds of walleye fingerlings each year (approximately \$860,000), of which the Walleye Stamp Account pays about \$175,000.

RECOMMENDATIONS

- The BOC feels the Walleye Stamp is currently being successfully promoted through low-cost marketing such as press releases, and social media.
- The BOC does note an opportunity to improve education, and communication about the Walleye Stamp with license sales agents.
- Revenues can be increased if sales agents are better prepared to inform customers and answer questions related to the purpose of the non-compulsory Walleye Stamp.

Peace Officer Training Account (Fund 2212)

Total expenditures from this fund were \$125,715. All funds in this account are dedicated to training.

RECOMMENDATIONS

- Investigate additional revenue sources
- Review current/additional training curricula
 - Public interface skills
 - Personality type training; recognition & reaction
 - Public relations/speaking skills
- View Peace Officers as the Department liaison with individuals in the outdoors and that these interactions play an influential role in how the Department is viewed by the public

Wolf Management and Monitoring Account (Fund 2213)

Total expenditures from this fund were \$268,104, all of the funds went toward population management. \$125,000 went toward evaluating season management, \$143,104 was for research and monitoring.

RECOMMENDATIONS

- Prepare a budget to implement the entirety of the current wolf plan
- Propose legislative solutions to address the uncertainty in funding, through alternatives such as new dedicated funding, options for voluntary funding via stamps or donations, or accessing additional non-game wildlife funding.
- Continue to advocate for scientific management of the wolf population, similar to all other game populations in the state. Such as game animals with no open season, like moose, game animals with a limited quota season, such as elk and bear, or other game animals, like deer and turkey.

FUNCTIONS

The BOC likes the overall harmonized feel of the current Game and Fish Fund report. However, the BOC feels it would be a huge benefit to readers of the GFF to add summaries of the underlying functions within the report. The last year the various functions below were broken out in the GFF report was FY 2019. Breaking out the specific functions increases accountability within the Agency and better informs the readers where their license dollars are going.

Ecological and Water Resources

RECOMMENDATIONS

- The BOC appreciates the advances EWR has undertaken to ensure better clarity about how projects are developed, funds are allocated, appropriated, and shifted between accounts. There needs to be a better explanation in the Game and Fish Report on the important role that EWR plays in projects, specifically invasive species. The information, however, is currently available

for FY21 in EWR's Eco Waters and Resources 2021 Invasive Species Report. The recommendations are nearly the same as previous years.

- The BOC supports increased collaboration and data-sharing between the EWR, the Minnesota Pollution Control Agency, and other state agencies to reduce duplicate sampling, studies, and review of projects or initiatives that fall under the purview of both agencies. The EWR, in conjunction with DNR and PCA management, need to better identify when and why Game and Fish Fund funds are being utilized by the EWR and how they relate to fish and wildlife activities supported by the GFF. The information can be specifically identified in either the Game and Fish Fund Report or as an addendum to the report.

Enforcement

RECOMMENDATIONS

- Continue to seek opportunities for media presence, such as TV interviews, podcasts, and news articles so that Conservation Officers can connect with the public and build relationships.
- Keep focusing on recruitment of women and people of color as well as overall recruitment.

Fish and Wildlife Management

RECOMMENDATIONS

- Continue planning efforts to identify long-term funding alternatives for the GFF, including innovative recruitment methods.
- Give high priority to updating the electronic licensing system and licensing process to provide easier access for license buyers, including allowing greater use of online options. With the dependency on licensing revenue, data collection through the ELS must continue to be a top priority. If this stipulation is not already within the scope of the current RFP regarding FAW License Pricing and Design, the BOC recommends adding this point as a requirement.
- Request and obtain the funding needed to provide for science-based, sustainable management of CWD in Minnesota. Funding requirements need to be based on scientific evidence and appropriated to the state agency or agencies that can most effectively provide for sustainable management of the disease.

Forestry

RECOMMENDATIONS

- Continue to monitor the DNR and USFWS situation and ensure that both agencies are meeting, and that Pitman-Robertson Grant money continues to come into the state for the betterment of wildlife habitat and recreational opportunities.

- Consider expanding to containerized seedling production at the State Forest Nursery in order to be more competitive with other nurseries. Containerized seedlings have a much higher survival rate than bareroot seedlings.
- Work with the State Nursery to help with their funding and staffing issues to ensure there is a good seed bank and seedling production to meet the needs of all forestry managers and stakeholders. This is vital to the management of healthy forests and ecosystems reaching far into the future.

Hatcheries

RECOMMENDATIONS

- The BOC recommends with the hatchery improvements and the increase in hatchery production that there will be a sustainability plan that responds to climate change. As conditions change we will have to make some decisions about stocked walleye in some lakes. The BOC's recommendation for pushing back on climate change challenges is for the DNR to increase stocking with more fish or move on to other species if stocking is not successful.
- The BOC recognizes Minnesota's fish hatcheries hold a central and pivotal place in the health of the natural resources and economy of the state. Due to the business nature of the state's hatcheries, much like agriculture, mining, and forestry, we recommend DNR Fisheries continue to update the needs of hatchery facilities based as part of a division-wide strategic and business plan for fisheries management.
- Hatchery projects, and all large projects undertaken by the DNR, should have a project management plan and accounting separate (or in conjunction with) the GFF Report. The report should show revenue sources and expenditures by year and be made available to the public and the BOC.

Lands and Minerals

RECOMMENDATIONS

- The BOC recommends that LAM continue to perform real estate services for the DNR to purchase lands or easements which benefit steam and shoreline acquisition, state parks, wildlife management areas, and aquatic management areas.
- The BOC recommends that measures be taken to acknowledge the fact that users who benefit from these acquisitions include both consumptive and non-consumptive users of Minnesota natural resources and lands.
- The DNR must find new revenue sources from users who do not purchase licenses that support the GFF expenditures

License Center

RECOMMENDATIONS

- The BOC is excited about the continued efforts by the DNR to meet customer needs and expectations for the upcoming new online and mobile interface licensing system.
- The BOC recommends that the DNR continue to engage the public and provide updates about each stage of the online/mobile system. The BOC sees this as a way to increase new user numbers and provide a level of continued interest by returning and existing customers.

Operations Support

RECOMMENDATIONS

- The BOC recommends that the annual Game and Fish Fund Report develop a more consistent definition of what is meant by these billings for agency-wide support activities. The array of terms currently used is confusing. BOC Report, September 2022 – 47
- The BOC recommends that the annual Game and Fish Fund Report include a brief explanation of the process used for determining fees for all shared services; in particular, what measures were taken to ensure against over-collection of administrative costs from the GFF.
- Establish annual program objectives for the operations support functions, including anticipated expenditure levels, and report on the success in achieving those objectives in the annual Game and Fish Fund Report.

Outreach

RECOMMENDATIONS

- There is still an update needed to the online Hunting License information to make it more user-friendly and educational.
- Aligning and/or creating environmental stewardship and literacy with public education systems and state standards. This could help bridge gaps between basic knowledge base in Minnesota species and habitats and increase Minnesotan environmental literacy in our future voters.

Parks and Trails

RECOMMENDATIONS

- Continue use of best management and accounting practices to assure most needed work is effectively prioritized and performed timely and efficiently.
- Continue using GFF funds to develop new water accesses, fishing piers, and shoreline fishing opportunities throughout the state.

- Continue to partner with local units of government and agencies in developing fishing and wildlife accesses.
- Partner with state and regional media resources to encourage the use of water access points through direct advertising, specifically targeting underutilized resources.
- Continue to develop rehabilitated and managed facilities to meet the American with Disabilities Act Accessibility Guidelines (ADA) to encourage use by people with all abilities.
- Invest in and rehabilitate hunter access sites.