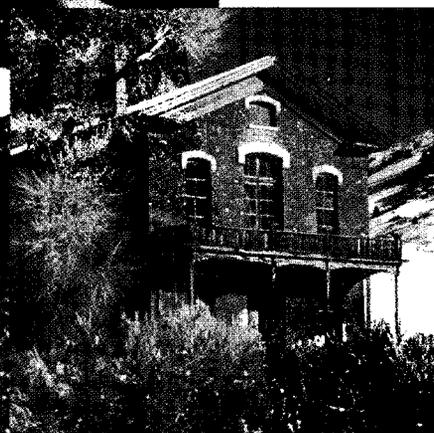




Montana Fish, Wildlife & Parks



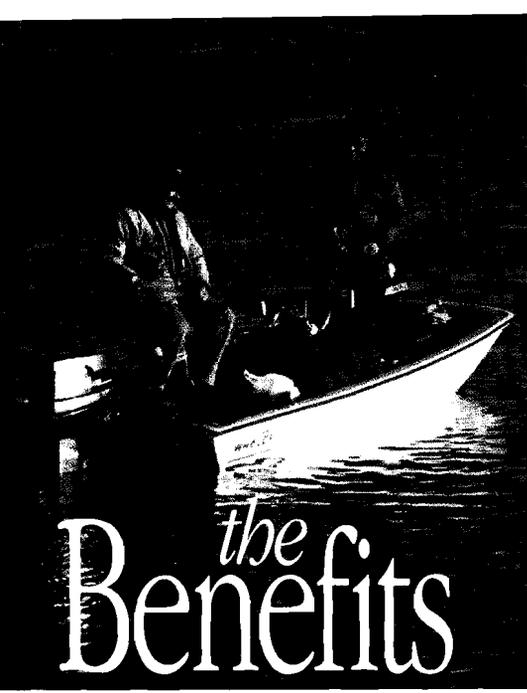
Daniel J. Cox



Donnie Sexton

Annual Report 2002

Dea Vogel



Barbara Thomas

MONTANA'S FISH, WILDLIFE AND STATE PARKS PLAY AN IMPORTANT ECONOMIC ROLE

Hunters, anglers, and wildlife watchers spend more than \$1 billion a year in Montana, according to recent federal and state studies. That spending supports the equivalent of 8,100 full-time jobs, ranging from hunting outfitters and fishing guides to auto repair shops, cafe waitresses, and motel owners.

Outdoor enthusiasts are also spending more each year. Fish- and wildlife-related expenditures grew 50 percent between 1996 and 2001 in Montana. Montana's national reputation for high-quality angling and hunting experiences is a major contributor to this growth.

But interest in angling and hunting is not the only reason folks visit Montana. Wildlife viewing was visitors' single most popular outdoor activity, according to a 2001 study by the University of Montana Institute for Tourism and Recreational Research.

Hunting and fishing licenses pay for most of the state's fish and wildlife management. Yet the purchase of hunting and fishing licenses makes up just four percent of the \$1 billion generated by the state's fish, wildlife, and State Parks resources. Meanwhile, the cost of protecting these treasured resources, and in turn the thousands of Montana businesses that depend on them, continues to rise.

For more information go to www.fwp.state.mt.us under Hot Topics and click on "Cash Register Conservation."

the Challenges

FWP's role in a changing landscape

FWP's mission is clear: conserve and manage the state's fish, wildlife and parks resources now and for future generations. Increasingly, this mission takes FWP into challenging new areas:

- managing conflicting uses of our rivers;
- harvesting burgeoning elk herds clustered on private lands;
- "urban" wildlife problems;
- managing human-grizzly bear conflicts;
- monitoring noxious weeds, nonnative aquatic and animal species, and the growing list of diseases known to threaten fish and wildlife populations;
- preservation, protection and interpretation of fragile cultural and historical sites and the unique natural features in our State Parks.

These complex and interrelated issues are of growing interest to Montanans and visitors alike.



Barbara Thomas

COMMUNITIES AND PRIVATE LANDOWNERS ARE PART OF THE SOLUTION

Communities and private landowners are important partners in FWP's work to preserve hunting traditions and manage wildlife in a changing landscape. Landowners play a central role in Montana's traditions of habitat conservation, hunter access, and wildlife management.

Through the Block Management Program, FWP works with landowners to make over 8.8 million acres of private land available to Montana hunters. A Hunting Access Enhancement fee, established by the 2001 Legislature, increased funding for hunter access programs. Through the Habitat Montana Program, FWP continues to conserve critical habitat by negotiating with interested landowners.

Elk management is an important issue in Montana. The Private Land/Public Wildlife Council continues to address elk, elk hunting and landowner opportunities. Community-based groups—like the well-established Devil's Kitchen near Cascade, and the Bear Paws working group south of Havre—invite hunters, wildlife biologists and landowners to share information and exchange ideas to devise the best hunting regulations for their communities.

The River Recreation Advisory Council, a group of private citizens, opened its deliberations and will develop the framework, principles and policies that could be used to manage and address the impacts river recreation has on fish and wildlife, public facilities, private landowners and the overall outdoor experiences Montana's rivers offer.



Denise Brvan

Denise Brvan

CITIZENS COMMITTEE HELPS MONTANA STATE PARKS PREPARE FOR THE FUTURE

PROTECTED SPECIES AND COSTS WILL MIGRATE TO FWP

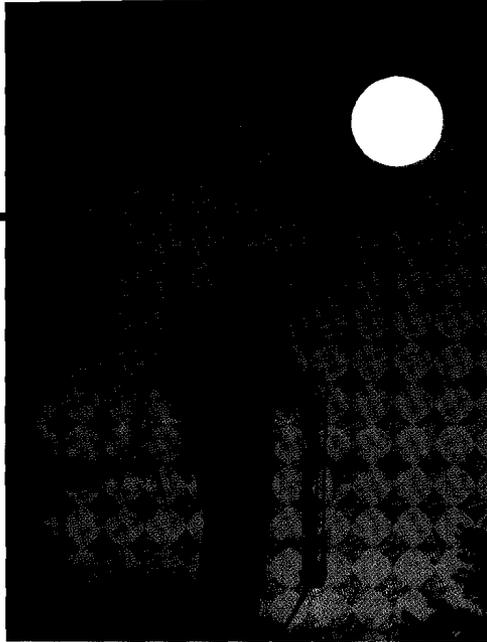
The Montana State Parks Futures Committee II met over the course of nine months in 2002, toured 10 State Parks, and held public meetings in eight cities. In its final report, the citizens committee outlines 14 funding strategies and 18 recommendations to help Montana's State Parks prepare for the future.

With Parks revenues flat, projections show that the Parks Division will be operating at a deficit in 2006. Of the division's \$12 million annual budget, 2.2 percent is state general fund dollars, 26 percent is federal-program dollars, and the remainder is a mix of parks fees and other state sources.

FWP is examining the alternative funding strategies recommended by the committee. Gov. Judy Martz, the 2003 Legislature, and FWP will use the final report to make future decisions about Montana's State Parks.

For more on the Montana State Parks Futures Committee II report go to www.fwp.state.mt.us and click on Parks.

State management of grizzly bears and wolves, now both protected species under federal management, are significant new responsibilities that could soon migrate to FWP. In 2002, Montana adopted a conservation and management plan for southwestern Montana grizzly bears. A draft environmental impact statement that will lead to a final wolf management plan to conserve and manage the state's recovered wolf population was released in Dec. 2002. These plans will be used by FWP after the two species are removed from the federal endangered species list. Both plans require additional staffing and budget.



Al Troth



Vince Fisher



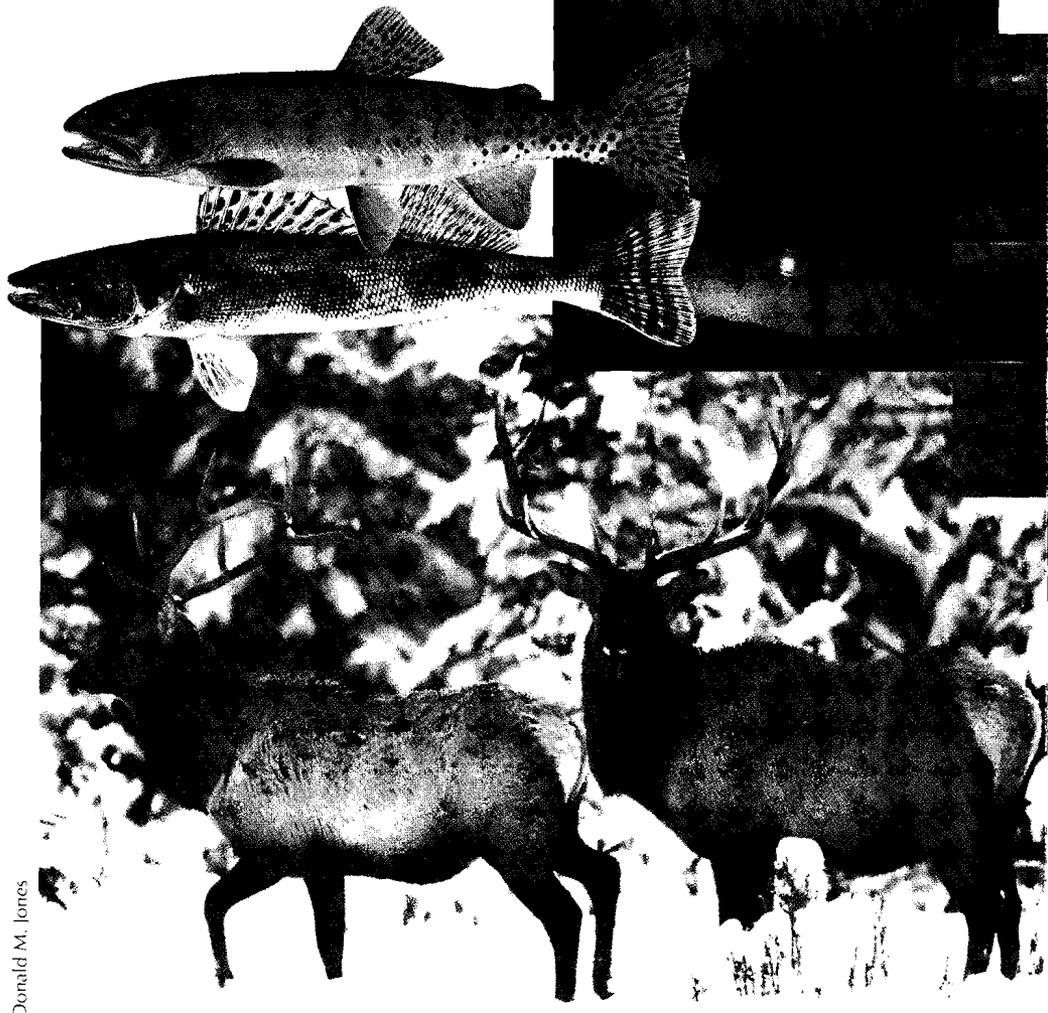
Diane Ensign



Donald M. Jones



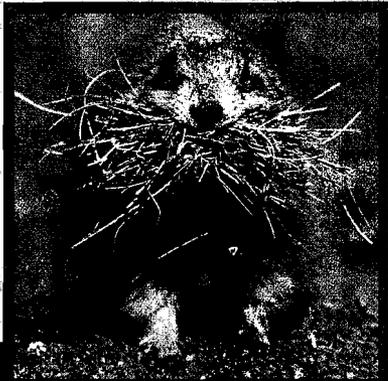
Mark Miller



Donald M. Jones

NONNATIVE SPECIES AND DISEASES ARE INCREASING

Whirling-Disease, West Nile Virus, and other diseases, invasive plants and aquatic species threaten the health of Montana's fish and wildlife and the scenic beauty of our State Parks. These diseases and invasive species require that FWP staff spend additional time on identification, research, public information, and protective measures as we attempt to stop their spread on land or in the water. In Nov. 2002, Gov. Judy Martz signed Montana's first Aquatic Nuisance Species Management Plan. Adoption of the plan makes Montana eligible for federal funding to help control invasive species.



Donald M. Jones

Tim Egan

SERVICE AND COMMUNICATION ARE KEY

How well FWP listens and engages the public in decision-making is fundamental to the agency's mission. In a 2001 survey, the majority responding said FWP does a good-to-moderate job and is showing improvement. FWP is committed to continually strengthening the agency's ability to listen and to involve the public in decision-making.

Increasingly, good service and communication require efficient, automated systems. FWP launched its state-of-the-art web site several years ago, making it quick and easy for Montanans and others to get the news, learn about issues, and reach FWP to voice their opinions. Then, in 2002, FWP launched the Automated Licensing System. ALS ended 100 years of writing or typing information on licenses, storing copies, and then shipping carbon copies and fees to Helena. After some early glitches, the ALS system is working as planned and the next phase will be implemented the spring of 2003.

For more on the FWP Customer Satisfaction Survey go to www.fwp.state.mt.us and click on Inside FWP, then on Mission.

FEDERAL FUNDING: KEYSTONE TO CONSERVATION

In 2002, federal sources provided about \$12 million in Sport Fish and Wildlife Restoration funding to FWP's total budget. To secure Montana's share of matching funds under the federal Sport Fish and Wildlife Restoration Programs, the Montana legislature created laws to ensure that all license revenues—even the interest earned on cash balances—is used for fish and wildlife management.

Over the past 60 years, Montana's portion of the Federal Aid in Sport Fish and Wildlife Restoration funding has totaled more than \$205 million. This is a critical source of revenue for the state's fish and wildlife.

In 2001, the U.S. Congress recognized the grim reality faced by most states: there is not enough funding to conserve all the fish and wildlife species that inhabit a state. Congress responded by providing one-time state funding in the form of the Wildlife Conservation and Restoration Program and again in 2002 via the State Wildlife Grants Program. This short-term funding has already delivered an additional \$2 million in funding for Montana. This funding also must be matched with license-fee revenues or through private and public partnerships.

Dave Books

Benefits and Challenges 2002

With our storied commitment to conservation over the past 100 years, Montanans have a tradition of doing what is best for our fish, wildlife, and State Parks. For many, these resources define what it means to be a Montanan.

Over the years, as other states struggled with population growth and the changes it brings, Montana emerged as a conservation model for hunters, anglers, wildlife viewers, State Parks visitors, and travelers. As a result, the robust wild elk herds, native cutthroat trout, western snow-capped peaks, lakes, and eastern short-grass prairies that mean so much to Montanans now also fuel a significant portion of the state's economy.

In these hard economic times, this is a benefit for Montana and a new challenge for FWP. The agency must find ways to both provide recreational opportunities and balance the impact of recreation on the resources.

When a river becomes too crowded to enjoy the solace and excitement that only a Montana blue ribbon trout stream can provide, what is the solution? Consider landowners who, new to Montana and attracted here by the sense of community and abundant wildlife, close their gates to hunters. Reduced hunting access limits the management options and so game populations grow, resulting in game damage on neighboring ranches. When populations of wolves and grizzly bears recover to the point where they no longer need federal protection, where will the state find funds to manage these species? State Parks facilities need ongoing maintenance and repair, even to provide visitors with the most basic of amenities.

Today, FWP's mission requires the agency to recognize and deal with increasing numbers of users, higher costs, conflicting needs and interests, and the economic impact of resource decisions on our local communities.

In this 2002 Annual Report, FWP provides a quick look at some of these issues and how the agency is preparing to manage and finance the future.

FWP, as always, is interested in hearing from you. If you'd like to comment on the issues presented in this report, please visit our website at www.fwp.state.mt.us, or write to FWP at P.O. Box 200701, Helena, MT, 59620-0701.


Jeff Hager, FWP Director


Judy Martz, Governor



FWP Commissioners:

Dan Walker, Chairman
Tim Mulligan, Vice Chairman
Darlyne Dascher
John Lane
Michael Murphy



**Montana Fish,
Wildlife & Parks**

Montana is nationally known for our natural resources, our fish, wildlife, State Parks, forestlands, rivers and streams. In addition, these resources sustain our quality of life and help to make our local communities economically viable. The care and management of these resources is an investment in our future.

Governor Judy Martz

2003 revenue sources

*FWP is funded primarily by user fees.
Funding sources include:*

Hunting and Fishing Licenses

This includes all license sales revenue, interest earnings, and other miscellaneous revenue. Nonresident sales account for nearly two-thirds of FWP's total license revenue.

Federal Revenue

FWP receives a variety of federal funds for fish and wildlife, including funds from the Federal Aid in Sport Fish and Wildlife Restoration programs.

Over \$12 million apportioned to Montana is derived from an excise tax on sporting arms and ammunition, handguns, and certain archery equipment—as well as from

an excise tax on fishing equipment and electric trolling motors, a portion of the federal-fuel tax, and import duties on fishing tackle and pleasure boats. An important source of federal funding for State Parks and local Montana communities is the Land and Water Conservation Fund.

Other State Revenue

Other state revenue sources include: State Parks fees; a portion of the state's lodging facilities tax; a small percentage of the state fuel tax; interest earnings from coal severance tax receipts; and other revenue sources.

State General Fund

Less than one percent (0.8) of FWP's total budget comes from the state general fund. Nearly all of this funding goes to the Parks Division.

62.3%
\$37,825,238
Hunting and Fishing Licenses

25.5%
\$15,477,727.
Federal Revenue

11.8%
\$7,158,972.
Other State Revenue

TOTAL REVENUE 100% \$60,743,754

The revenue sources here illustrate how FWP expenditures are funded. Actual annual revenues may fall above or below the total revenue in this illustration.

removed 2001 session

2003 planned expenditures

FWP spends its money two ways

Operations for day-to-day management of fish, wildlife and parks resources.

Capital for major repair and maintenance of FWP properties, for renovation and construction of facilities, and to protect and enhance critical habitats.

FWP Total: Operating \$49,980,454
Capital \$10,763,300
TOTAL \$60,743,754



Donald McPartch

Boris Thomas

Richard Mousel

Jeff Henry

DESIGNED AND PRODUCED BY ANNETTE FLESTAD DESIGN OF HELENA