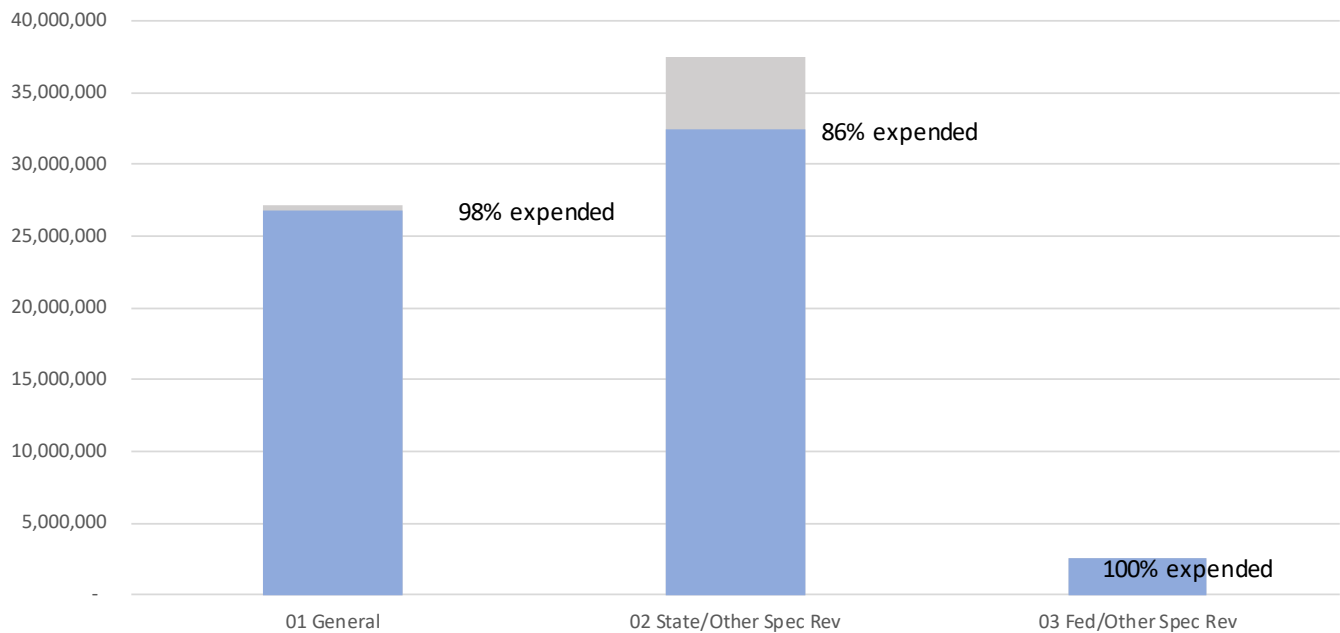


Department of Natural Resources and Conservation has \$146,576,834 in total authority, \$67,289,261 (46%) is HB 2 authority
 HB 2 Expenditures

92% of the agency's total HB2 budget was expended, 95% is the 5 year average

Budgeted vs. Expended

by fund type



Expenditure Account	Budgeted	Expended	% Expended
Personal Services	39,122,112	37,593,120	96%
Operating Expenses	19,275,985	17,101,817	89%
Equipment & Intangible Assets	1,265,993	1,206,712	95%
Capital Outlay	4,750	3,913	82%
Local Assistance	2,825,269	1,217,798	43%
Grants	2,182,134	2,227,495	102%
Benefits & Claims	200,000	-	0%
Transfers-out	1,819,377	1,843,390	101%
Agency Program	Budgeted	Expended	% Expended
21 Directors Office	6,544,257	6,194,929	95%
22 Oil & Gas Conservation Div	2,064,650	1,795,585	87%
23 Conservation&Resource Dev Div	10,055,907	7,933,313	79%
24 Water Resources Division	16,269,777	14,412,507	89%
35 Forestry & Trust Lands	32,354,671	31,415,429	97%
Total	67,289,261	61,751,762	92%

The Department of Natural Resources and Conservation budget is 55.8% supported with state special revenues, with general fund supporting 40.4% of the agency budget. The remainder of the HB 2 budget is from federal sources.

The low operating expenses were primarily attributed to unexpended state special revenue appropriation. Forecasting the level of activities impacting each state special fund is difficult, and often results in unexpended budget authority, for details see discussion below on state special revenue.

General Fund \$27.2 million budgeted, \$26.8 million expended

The agency expended 98.4% of the general fund appropriation. All programs expend general fund apart from the Oil and Gas Conservation Division. Personal services and associated operating expense account for 92.5% of expenditures other general fund expenditures support the director’s office, stream gage programs, and air operations.

State Special Revenue \$37.6 million budgeted, \$32.4 million expended

Fish, Wildlife, and Parks expended 86.4% of the appropriation for state special revenue. The agency has spending authority from 30 state special revenue accounts, each with restrictions on use. Forecasting the level of activities impacting each fund is difficult, and often results in unexpended budget authority. For example, expenditures budgeted from the Hydroelectric Power Generation Fund for the repair and maintenance of state-owned water projects was budgeted at \$2.3 million, only \$0.9 million was expended. Selected budgeted funds representing 95% of total appropriations are detailed in the table below.

Appropriated and Expended for Selected State Special Revenue Funds			
State Special Revenue Fund	Appropriated	Expended	Percent Expended
TLMD Trust Administration	\$13,540,201	\$12,914,461	95.4%
Fire Protection Assessments	4,102,787	4,098,077	99.9%
Oil & Gas ERA	2,824,336	2,556,271	90.5%
Water Adjudication	2,706,035	2,682,548	99.1%
State Project Hydro Earnings	2,325,499	866,053	37.2%
Conservation District Acct	2,150,025	2,142,660	99.7%
Forest Resources-Forest Improv	1,353,649	1,346,482	99.5%
RDB PROCEEDS	1,297,011	1,000,798	77.2%
Aquatic Invasive Species	1,210,642	1,210,642	100.0%
TSEP Regional Water System	958,938	826,681	86.2%
GO 2013D Bond Proceeds Taxable	914,964	0	0.0%
Water Right Appropriation	765,937	727,773	95.0%
Broadwater O & M	743,689	720,783	96.9%
CST 2016E Ban Proceeds (Tax)	538,294	217,000	40.3%
Natural Resources Operations	421,185	421,185	100.0%
Other State Special Revenue (15 Funds)	1,701,995	713,726	41.9%
Total State Special Revenue	\$37,555,187	\$32,445,138	86.4%

Federal Special Revenue \$2.5 million budgeted, \$2.5 million expended

Federal funds support personal services, operating expenses, equipment purchases, and grants.

Other Authority

In addition to HB 2, the agency has authority as follows;

- Budget amendments for federal revenues \$42.6 million
- Statutory authority for fire suppression, sage grouse conservation, oil and gas damage mitigation \$17.8 million
- Other House and Senate Bills \$14.5 million
- HB 2 Language \$2.3 million
- Carry forward authority \$2.0 million

HB 2 Modifications

Negative modifications vs. positive modifications, by program

The net budget modifications were \$0.

Agency Program	April Budget	FYE Modified Budget	Net Modifications
21 Directors Office	6,638,917	6,544,257	(94,661)
22 Oil & Gas Conservation Div	2,063,993	2,064,650	657
23 Conservation&Resource De'	10,253,888	10,055,907	(197,981)
24 Water Resources Division	16,050,863	16,269,777	218,914
35 Forestry & Trust Lands	32,281,600	32,354,671	73,071
Expenditure Account	April Budget	FYE Modified Budget	Net Modifications
Personal Services	39,174,711	39,122,112	(52,599)
Operating Expenses	19,247,721	19,275,985	28,264
Equipment & Intangible Assets	1,291,967	1,265,993	(25,974)
Capital Outlay	6,000	4,750	(1,250)
Local Assistance	3,025,269	2,825,269	(200,000)
Grants	1,957,134	2,182,134	225,000
Benefits & Claims	200,000	200,000	-
Transfers-out	1,741,118	1,819,377	78,259
Debt Service	645,341	593,641	(51,700)
Fund Type	April Budget	FYE Modified Budget	Net Modifications
01 General	27,192,782	27,192,782	-
02 State/Other Spec Rev	37,555,187	37,555,187	-
03 Fed/Other Spec Rev	2,541,292	2,541,292	-
Total	67,289,261	67,289,261	-

The net budget for the agency did not change. The agency did move authority between programs and accounting levels. Significantly, the agency transfers \$300,000 in authority between programs, \$100,000 in authority for operating expense from the Directors office to the Water Resources division, and \$200,000 in authority for local assistance from the Conservation and Resource Division to Water Resource Division for personal services and operating expense. The agency also transferred authority for \$200,000 in local assistance to grants.