

# Natural Resources Commission

## Policy Committee on Finance and Administration

December 3, 2009



**Review FY 2009 Year-End Close Restricted Fund Balances  
Compare FY 2010 Appropriations to Available Restricted Funds**

# Natural Resources Commission

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**DEPARTMENT OF NATURAL RESOURCES**  
**ENDING BALANCES FOR MAJOR RESTRICTED REVENUE FUNDS**  
**FISCAL YEAR 2008-09**

	<b>Est. Ending Balance (Sep-09)</b>	<b>Actual Ending Balance (1)</b>	<b>Notes Regarding Significant Variations</b>
<b><u>Forestry Funds</u></b>			
Forest Development	\$1,961,900	\$2,533,700	See attached sheet for details.
Forest Recreation	(\$206,000)	\$27,600	Higher than projected lapses.
Forest Land User Fund	\$329,400	\$335,200	
Commercial Forest	\$84,400	\$86,800	
<b><u>Game and Fish Funds</u></b>			
Game and Fish-General Purpose	\$906,400	\$3,800,000	See attached sheet for details.
Deer Range Improvement Program	\$710,500	\$947,500	Higher than projected license sales.
Turkey	\$1,045,700	\$1,137,700	
Waterfowl License and Fees	\$426,000	\$469,300	
Fisheries Settlements	\$1,248,900	\$1,176,900	
Wildlife Resource Protection	\$112,900	\$248,600	
Youth Hunting & Fishing Ed. & Outreach	\$207,400	\$207,200	
<b><u>Parks Funds</u></b>			
State Parks Endowment Fund	\$4,651,500	\$4,643,900	
State Park Improvement Fund	\$16,700	\$1,845,800	See attached sheet for details.
MI Civilian Conservation Corps Endow.	\$281,100	\$285,400	
<b><u>Snowmobile and ORV Funds</u></b>			
Off-Road Vehicle Trail Improvement Fund	\$1,094,500	\$1,607,800	Higher than projected license sales combined with savings from close-out of prior year projects.
ORV Safety Education Fund	\$238,000	\$282,000	
Snowmobile Trail Improvement Fund	\$1,480,000	\$1,618,400	
Snowmobile Registration Fees	(\$900)	\$178,700	Combination of higher than projected registration revenue and higher than projected lapses.
<b><u>Waterways Funds</u></b>			
Waterways	\$1,728,500	\$3,195,600	Higher than projected capital outlay authority lapsed to allow for present and future capital outlay projects.
Marine Safety Fund	\$103,000	\$264,900	
<b><u>Miscellaneous Funds</u></b>			
Michigan Natural Resources Trust Fund	\$36,622,200	\$35,659,800	
Land Exchange Facilitation Fund	\$308,400	\$671,800	Higher than projected lapses.
Nongame Fish and Wildlife Trust Fund	\$230,800	\$252,600	
Recreation Improvement Fund	\$337,800	\$736,700	Higher than projected current year lapses and close-out of prior year projects.
MacMullan Conference Center	\$13,000	\$100	

(1) Actual ending fund balances are subject to final review and approval by the Department of Management and Budget's Office of Financial Management.

**DEPARTMENT OF NATURAL RESOURCES**  
**FY 2009 Estimated vs. Actual Fund Balance Detail**

	September 2009 Estimate	Actual	Difference
<b>Forest Development Fund</b>			
Beginning Balance	\$6,828,600	\$6,828,600	\$0
Revenue			
Timber	\$26,000,000	\$26,475,900	\$475,900
Common cash	\$81,900	\$108,900	\$27,000
Miscellaneous	\$0	\$729,100	\$729,100
Revenue subtotal	\$26,081,900	\$27,313,900	\$1,232,000
Expenditures	(\$30,948,600)	(\$31,608,800)	(\$660,200)
Fund Balance	\$1,961,900	\$2,533,700	\$571,800
<b>Game &amp; Fish Protection Fund</b>			
Beginning Balance	\$138,700	\$138,700	\$0
Revenue			
Federal indirect	\$2,300,000	\$2,675,500	\$375,500
License sales	\$44,450,000	\$45,623,600	\$1,173,600
Game and Fish Trust Fund	\$9,691,600	\$10,765,600	\$1,074,000
Miscellaneous	\$932,300	\$1,108,800	\$176,500
Revenue subtotal	\$57,373,900	\$60,173,500	\$2,799,600
Expenditures	(\$56,606,200)	(\$56,512,200)	\$94,000
Fund Balance	\$906,400	\$3,800,000	\$2,893,600
<b>Park Improvement Fund</b>			
Beginning Balance	\$2,033,900	\$2,033,900	\$0
Revenue			
Motor vehicle permits	\$12,500,000	\$13,208,300	\$708,300
Camping fees	\$24,353,400	\$25,405,500	\$1,052,100
Miscellaneous	\$1,206,000	\$1,548,300	\$342,300
Revenue subtotal	\$38,059,400	\$40,162,100	\$2,102,700
Expenditures	(\$40,076,600)	(\$40,350,200)	(\$273,600)
Fund Balance	\$16,700	\$1,845,800	\$1,829,100

## EXPLANATION OF PROJECTED AVAILABLE BALANCES & CURRENT SPENDING AUTHORITY REPORT (FY 2010)

The report provides projected available balances for the major restricted revenue funds based on beginning available fund balances, projected revenues, and projected amounts reserved for permanent investment. The projected available balance of each fund is compared to the amount of current expenditure authority to project whether a surplus or shortfall is anticipated. An explanation of the columns of the report follows:

- Column A The beginning available restricted fund balances as of October 1, 2009. These balances are subject to final review and approval by the Department of Management and Budget's Office of Financial Management.
- Column B Revenues that are projected for FY 2010. Actual revenues are impacted by changes in market conditions and other external factors. As a result, these projections are updated periodically throughout the year.
- Column C The estimated amount reserved for permanent investment. The amount can vary based on actual mineral revenues. As a result, the projection is reviewed periodically throughout the year.
- Column D The estimated amount available by fund. This is the sum of columns A and B, less column C.
- Column E The amounts appropriated for FY 2010 by fund for operations, capital outlay, and other departments.
- Column F A comparison by fund of the estimated amount available and the current expenditure authority for FY 2010. This is the difference between columns D and E. A positive balance represents a surplus, meaning the amount available is projected to exceed the current expenditure authority for FY 2010. A negative balance represents a shortfall, meaning the amount available is projected to be insufficient to fully utilize the current expenditure authority for FY 2010.

**DEPARTMENT OF NATURAL RESOURCES**  
**PROJECTED AVAILABLE BALANCES & CURRENT SPENDING AUTHORITY FOR MAJOR RESTRICTED REVENUE FUNDS**  
**FISCAL YEAR 2009-10**

	A Beginning Balance	B Estimated Revenue	C Reserved for Investment	D=(A+B)-C Est. Available Balance	E Appropriation PA 118 of 2009	F=D-E Estimated Surplus/(Shortfall)
<b><u>Forestry Funds</u></b>						
Forest Development Fund (2)	\$2,533,700	\$24,025,300		\$26,559,000	\$32,722,700	(\$6,163,700)
Forest Recreation Fund (2)	\$27,600	\$1,250,300		\$1,277,900	\$1,562,200	(\$284,300)
Forest Land User Fund	\$335,200	\$345,400		\$680,600	\$578,200	\$102,400
Commercial Forest Fund	\$86,800	\$30,900		\$117,700	\$55,100	\$62,600
<b><u>Game and Fish Funds</u></b>						
Game and Fish-General Purpose (1)	\$3,800,000	\$59,742,400		\$63,542,400	\$60,823,700	\$2,718,700
Deer Range Improvement Program	\$947,500	\$2,208,200		\$3,155,700	\$3,203,600	(\$47,900)
Turkey	\$1,137,700	\$1,494,600		\$2,632,300	\$1,922,500	\$709,800
Waterfowl License and Fees	\$469,300	\$265,900		\$735,200	\$111,300	\$623,900
Fisheries Settlements	\$1,176,900	\$583,500		\$1,760,400	\$914,000	\$846,400
Wildlife Resource Protection	\$248,600	\$1,176,500		\$1,425,100	\$1,707,400	(\$282,300)
Youth Hunting & Fishing Ed. & Outreach	\$207,200	\$34,200		\$241,400	\$47,000	\$194,400
<b><u>Parks Funds</u></b>						
State Parks Endowment Fund (1) (2)	\$4,643,900	\$16,779,500	\$5,000,000	\$16,423,400	\$17,068,200	(\$644,800)
State Park Improvement Fund	\$1,845,800	\$38,153,500		\$39,999,300	\$39,528,800	\$470,500
MI Civilian Conservation Corps Endow.	\$285,400	\$2,900		\$288,300	\$253,100	\$35,200
<b><u>Snowmobile and ORV Funds</u></b>						
Off-Road Vehicle Trail Improvement Fund	\$1,607,800	\$3,111,700		\$4,719,500	\$4,805,600	(\$86,100)
ORV Safety Education Fund	\$282,000	\$203,100		\$485,100	\$288,800	\$196,300
Snowmobile Trail Improvement Fund	\$1,618,400	\$8,709,100		\$10,327,500	\$9,993,100	\$334,400
Snowmobile Registration Fees	\$178,700	\$1,643,400		\$1,822,100	\$2,344,000	(\$521,900)
Snowmobile Easement	\$168,400	\$691,200		\$859,600	\$700,000	\$159,600
<b><u>Waterways Funds</u></b>						
Waterways (2)	\$3,195,600	\$22,277,200		\$25,472,800	\$24,017,300	\$1,455,500
Marine Safety Fund	\$264,900	\$4,805,300		\$5,070,200	\$6,171,300	(\$1,101,100)
<b><u>Miscellaneous Funds</u></b>						
Land Exchange Facilitation Fund (3)	\$671,800	\$1,811,700		\$2,483,500	\$6,312,200	(\$3,828,700)
Nongame Fish and Wildlife Trust Fund (1)	\$252,600	\$559,900		\$812,500	\$717,800	\$94,700
Recreation Improvement Fund	\$736,700	\$983,700		\$1,720,400	\$1,482,000	\$238,400
MacMullan Conference Center	\$100	\$1,073,500		\$1,073,600	\$1,427,600	(\$354,000)

(1) Revenue includes an investment revenue component. The revenue projections provided assume a continued market recovery.

(2) Includes capital outlay authority.

(3) The expenditure level of this fund is determined by the amount of land that is sold. New acquisitions are not advanced until sufficient revenue is generated.