

# Minnesota Department of Natural Resources

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Office of the Commissioner

651-259-5555



08 - 0792

October 2, 2008

Senator Richard J. Cohen, Chair, Senate Finance Committee  
Senator Satveer S. Chaudhary, Chair Senate Environment and Natural Resources Committee  
Representative Loren Solberg, Chair, House Ways and Means Committee  
Representative Kent Eken, Chair, House Environment and Natural Resources Committee

Dear Committee Chairs:

Minnesota Statutes, section 94.165<sup>1</sup> requires that the Commissioner of Natural Resources report land purchases and sales related to the Land Acquisition Account.

This account was created as a revolving account to fund DNR land acquisitions with the proceeds from the sale of surplus DNR land. The balance forward in the account at the beginning of fiscal year 2008 was \$488,426. The ending balance in fiscal year 2008 was \$224,062.59.

Lands acquired during fiscal year 2008 with funds from the Land Acquisition Account include approximately 81 acres in Pine County from the Amherst H. Wilder Foundation. In 1988, the DNR sold this property to the Wilder Foundation pursuant to Laws 1988, chapter 407. The DNR later repurchased the property during fiscal year 2008 under the provisions of Laws 1988, chapter 407, and the deed. The DNR, through the Department of Administration, has put this property up for sale. Once this property has been sold, the Land Acquisition Account will be reimbursed for the acquisition costs. Monies received from the sale in excess of the costs reimbursed to the account will be deposited into the general fund pursuant to Laws 2005, chapter 156, article 2, section 45, as amended by Laws 2007, chapter 148, article 2, section 76.

Funds from the Land Acquisition Account were also used to acquire fee and easement interests in St. Louis County to secure a segment of the Taconite Trail.

Receipts deposited into this account included monies from loan interest, easements, wild rice leases, principal from sales with installment payments, and reimbursement of land sale costs. Details regarding land sales and receipts are contained in the enclosed Department of Natural Resources Acquisition Account Summary FY 2008; the attached "Exhibit 1" titled Department of Natural Resources Land Acquisition Account Receipts FY2008; and, "Exhibit 2" titled Department of Natural Resources Land Acquisition Account Expenditures FY 2008.

Yours Truly,

A handwritten signature in black ink that reads "Mark Holsten".

Mark Holsten  
Commissioner

copy: Bob Meier, Marty Vadis, Kathy Lewis

<sup>1</sup> **94.165 Land acquisition account.** There is created in the state treasury a land acquisition account. Money in the account is appropriated to the commissioner of natural resources for the acquisition of natural resource lands or interests in lands within the outdoor recreation system established in chapter 86A. The commissioner must file a report to the house ways and means and the senate finance committees and the environment and natural resources committees of the senate and house of representatives by October 1 of each year indicating all purchases and sales from this account.

**DEPARTMENT OF NATURAL RESOURCES  
LAND ACQUISITION ACCOUNT SUMMARY  
FY 2008**

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<b>Balance In</b>	<b>488,426.00</b>
<b>Receipts</b>	<b>32,793.40</b>
<b>Expenditures</b>	<b>(297,156.81)</b>
<b>Balance Out</b>	<b>224,062.59</b>

**Department of Natural Resources Land Acquisition Account Receipts**

**FY 2008**

<u>Type of Land Sales Income:</u>	<u>Amount</u>
Lease - Wild Rice Farming.....	231.00
Loan Interest.....	3,666.78
Sale of Land - Installment Payments.....	19,159.97
Reimbursement of Land Sale Costs.....	9,235.65
Easements on DNR Land.....	500.00
<b>TOTAL.....</b>	<b><u>\$32,793.40</u></b>

**Exhibit 1**

**Department of Natural Resources Land Acquisition Account Expenditures**

**FY 2008**

Printing and Advertising.....	2,202.94
Other Operating Costs*.....	9,194.52
Statewide Indirect Costs.....	980.65
Attorney General Costs.....	171.70
Agency Professional and Technical Service/Architect and Engineering.....	21,935.00
Land Acquisition Costs.....	248,922.00
Outside Professional and Technical.....	13,750.00
<b>TOTAL.....</b>	<b><u>\$297,156.81</u></b>

\* Other operating costs consist of payments made to the Division of Lands and Minerals Professional Services=s account which consists of closing activities, record keeping, and fixed fees and taxes associated with title transfer .

Exhibit 2