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winnesota Department of Natural Resources

500 Lafayette Road · Saint Paul, Minnesota · 55155-4037 Office of the Commissioner

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January 31, 2013

Senator Richard Cohen, Chair, Senate Finance Committee

Senator John Marty, Chair, Senate Environment and Energy Committee

Senator David Tomassoni, Chair, Senate Finance Committee, Environment, Economic Development & Agriculture Division

Representative Lyndon Carlson, Chair, House Ways and Means Committee

Representative David Dill, Chair, House Environment, Energy and Natural Resources Policy Committee

Representative Jean Wagenius, Chair, House Environment, Natural Resources and Agriculture Finance Committee

Dear Committee Chairs:

Minnesota Statutes, section 94.165 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 2012 was \$455,120. The ending balance in fiscal year 2012 was \$623,452.

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.

Nine acquired parcels were sold covering a total of 64 acres with the proceeds credited to the Land Acquisition Account. Included in the sale was the Guthrie Forestry office and adjoining land, as well as a four acre parcel near White Iron Lake. The remaining parcels that were sold were small acres no longer needed for trail purposes or to resolve boundary and survey issues.

Revenues from the land Acquisition Account were used in the purchase of four properties. An easement covering 1.2 acres was purchased in Wadena County for forestry purposes. Installment payments were made on a 10 acres Forest Legacy easement acquired in a prior year on land in Wabasha County. A 0.11 acre parcel was acquired for trail purposes in Stearns County. Finally, 25 acres were acquired in Nicollet County for the Swan Lake wildlife management area.

Further details regarding land sales and receipts are contained in the enclosed Department of Natural Resources Acquisition Account Summary FY 2012; the attached "Exhibit 1" titled Department of Natural Resources Land Acquisition Account Receipts FY2012; and, "Exhibit 2" titled Department of Natural Resources Land Acquisition Account Expenditures FY 2012.

Sincerely

Torce Landwehr Commissioner

¹ **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 Receipts FY 2012

Type of Land Sales Income:	<u>Amount</u>
Timber	. 57,978
Loan Interest	1,140
Sale of Land - Installment Payments	240,894
Reimbursement of Land Sale Costs	. 33,449
Lease Wild Rice	125
Late Fees	13
Lease Fees	2,000
TOTAL	\$335 <u>,599</u>

DEPARTMENT OF NATURAL RESOURCES LAND ACQUISITION ACCOUNT SUMMARY FY 2012*

Balance In	455,120
Prior year encumbrance cancelation	2,040
Receipts	335,599
Expenditures	169,307
Balance Out	623,452

^{*} numbers rounded

Department of Natural Resources Land Acquisition Account Expenditures

FY 2012

Forest management 9	14,899
Parks and Trails management; Trails and Waterways	1,665
Fish & Wildlife: Fish management	3,791
Fish & Wildlife: Wildlife management	8,952
Eco and Water Resources management	<u>0</u>
Total	9,307

Exhibit 2