



MINNESOTA LAND TRUST

October 18, 2017

Legislative Reference Library
Attn: Acquisitions Department
645 State Office Building
St. Paul, MN 55155-1050

RE: Annual Stewardship and Enforcement Fund Performance Reports to the Legislative-Citizens Commission on Minnesota Resources (LCCMR) and the Lessard-Sams Outdoor Heritage Fund (LSOHC)

To Whom It May Concern:

Enclosed please find two (2) paper copies of Minnesota Land Trust's Annual Financial Reports to the LCCMR and LSOHC on the financial performance of the Land Trust's Stewardship and Enforcement Fund, as required by Minn. Stat.: 2011 Minn. Laws 1st Special Session Chapter 2 Article 3 Section 2 Subd. 19, and Minn. Stat.: Minn. Laws 1st Special Session Chapter 6 Article 1 Section 2 Subd. 15.

Electronic copies of the same documents have been sent to reports@lrl.leg.mn as well.

Please contact me with any questions about this documentation.

Best regards,

A handwritten signature in blue ink, appearing to read 'Wayne Ostlie', is written over the 'Best regards,' text.

Wayne Ostlie
Director of Land Protection



A Report on the Stewardship and Enforcement Fund Performance Related to Outdoor Heritage Fund Appropriations

Fiscal Year 2017

Background

As required by M.L. 2011, First Special Session, Chapter 6, Article 1, Section 2, Subdivision 15, M.S. 97A.056 and subsequent appropriations, the Minnesota Land Trust must report annually on the finances of its Stewardship and Enforcement Fund (Fund) to the Lessard-Sams Outdoor Heritage Council (LSOHC). Below is a summary of the Fund's performance and activity, including deposits and expenditures related to Outdoor Heritage Fund projects. This report covers the Land Trust's Fiscal Year 2017, which is July 1, 2016-June 30, 2017.

Appropriations Covered By Report

Conservation Partners Legacy Grant Program/Mille Lacs Lake (Lyback)

Minnesota Laws 2012, Chapter 264, Article 1, Section 2, Subd. 5(i)

Conservation Partners Legacy Grant Program/Moose Lake

Minnesota Laws 2011, First Special Session, Chapter 6, Article 1, Section 2, Subd. 5(g)

Critical Shoreland Habitat Protection Program

Minnesota Laws 2010, Chapter 361, Article 1, Section 2, Subd. 3(a)

Minnesota Laws 2013, Chapter 137, Article 1, Section 2, Subd. 3(e)

Minnesota Laws 2015, 1st Special Session, Chapter 2, Article 1, Section 2, Subd 3 (e)

Fisheries Habitat Protection on Strategic North Central Minnesota Lakes

Laws of Minnesota 2014, Chapter 256, Article 1, Section 2, Subdivision 5(b)

Metro Big Rivers Habitat

Minnesota Laws 2011, 1st Special Session, Chapter 6, Article 1, Section 2, Subd. 5(d)

Minnesota Laws 2012, Chapter 264, Article 1, Section 2, Subd. 5(b)

Minnesota Laws 2013, Regular Session, Chapter 137, Article 1, Section 2, Subd 5(b)

Minnesota Laws 2016, Chapter 172, Article 1, Section 2, Subd. 5(b)

Mississippi Headwaters Habitat Partnership

Minnesota Laws 2015, 1st Special Session, Chapter 2, Article 1, Section 2, Subd 3(f)

Mississippi River Bluffland Prairie Protection Initiative

Laws of Minnesota 2009, Chapter 172, Article 1, Section 2, Subd. 2(f).

Protecting Sensitive Shorelands in North Central Minnesota

Minnesota Laws 2011, 1st Special Session, Chapter 6, Article 1, Section 2, Subd. 5(e)

Root River Protection and Restoration

Minnesota Laws 2013, Chapter 137, Article 1, Section 2, Subd. 5(c)

Southeast Minnesota Protection and Restoration

Minnesota Laws 2014, Regular Session, Chapter 256, Article 1, Section 2, Subd 3(f)

Minnesota Laws 2016, Chapter 172, Article 1, Section 2, Subd 3(d)

Wetland Habitat Program

Minnesota Laws 2013, Chapter 137, Article 1, Section 2, Subd. 4(e)

Minnesota Laws 2016, Chapter 172, Article 1, Section 2, Subd. 4(d)

Valley Creek Protection Partnership

Minnesota Laws 2010, Chapter 361, Article 1, Section 2, Subd. 5(e)

Stewardship and Enforcement Fund Performance, Deposits and Expenditures

Table 1. FY 2017 Activity in Minnesota Land Trust Stewardship and Enforcement Fund

Stewardship Fund Balance July 1, 2016	FY 2017 Total Deposits – All Sources	FY 2017 Gain/Loss from Investments, Interest & Dividends	FY 2017 Annual Draw for Enforcement and Stewardship Purposes	Stewardship Fund Balance June 30, 2017
\$3,624,861	\$619,653	\$330,436	\$292,000	\$4,300,950

Table 2. OHF-related activity in Minnesota Land Trust’s Stewardship and Enforcement Fund based on 70 OHF-Funded projects (any project with partial OHF funding for project costs and/or stewardship, including those funded by the Conservation Partners Legacy Grant Program).

OHF \$ Deposited FY2017	OHF \$ Deposited All Years	Estimated Overall Stewardship Fund Support for Routine Stewardship of OHF- Funded Projects in FY2017	Estimated Overall Stewardship Fund Support for Non- Routine Enforcement of OHF-Funded Projects in FY2017
\$380,000	\$1,211,000	\$37,960	\$0

Table 3. Average rate of return of the Stewardship and Enforcement Fund

FY2017	3-year	5-year	10-year
8.7%	3.6%	7.6%	4.8%