

Minnesota Department of Natural Resources

500 Lafayette Road · Saint Paul, Minnesota · 55155-4037

Office of the Commissioner

651-259-5555



April 12, 2011

Mr. Cal Ludeman
Secretary of the Senate
231 State Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155-1606

Mr. Albin Mathiowetz, Chief Clerk
Minnesota House of Representatives
211 State Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155-1606

Gentlemen:

Attached please find a report to the Legislature relating to the production of planting stock at Minnesota's state forest nurseries. This report is a requirement of *Minnesota Statutes*, section 89.36, subd. 4. It covers the reporting period of Fiscal Year 2010 (July 1, 2009–June 30, 2010). As directed in the statute, the required number of copies of the report has been sent to the Legislative Reference Library as well.

If you have questions regarding this material or need additional information, please contact DNR Forestry Director David Epperly at 651-259-5289 or Nursery Program Manager Olin Phillips at 651-259-5282.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Landwehr'.

Tom Landwehr
Commissioner

c/ Dave Schad, Deputy Commissioner, DNR
Mary McConnell, Assistant Commissioner, DNR
Bob Meier, Special Assistant to the Commissioner for Legislative Affairs, DNR
Dave Epperly, Director, Division of Forestry, DNR
Olin Phillips, Nursery Program Manager, Division of Forestry, DNR
Craig VanSickle, Supervisor, State Forest Nurseries, DNR
Deb Pitt, Assistant Supervisor, State Forest Nurseries, DNR
Senator Bill Ingebrigtsen, Chair, Environment and Natural Resources Committee
Representative Denny McNamara, Chair, Environment, Energy, and Natural Resources Policy
and Finance Committee
Legislative Library (two copies)
DNR Library

Attachment



**Minnesota Department of Natural Resources
Division of Forestry**

State Forest Nursery Program

Fiscal Year 2010 Legislative Report



For more information, contact:

Olin Phillips—Nursery Program Supervisor, (651) 259-5282

Deb Pitt—General Andrews Nursery, (218) 372-3182

Craig VanSickle—Badoura Nursery, (218) 652-2385

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State Forest Nursery Program

Fiscal Year 2010 Executive Summary

Fiscal Year 2010 (FY10) was a challenging one for the State Forest Nursery Program (SFNP). The significant decline in seedling sales that began in Fiscal Year 2009 (FY09) continued to seriously impact the SFNP revenues in FY10. Slightly less than 6 million seedlings produced at the state nurseries were sold in FY10 which was an increase of approximately 800,000 seedlings or 16% over FY09 sales.

Since there was no significant evidence of a short-term rebound in the economy or the demand for conservation grade bare root seedlings produced by the SFNP, a restructuring plan was initiated. This plan was based upon a business analysis of the SFNP initiated in FY09. The focus of the restructuring was to determine a reduced production level that would allow the program to break even financially for the short term pending a rebound in the economy. The current restructuring included the adjustments to staffing and infrastructure that were made during FY10 and will continue in FY11 to insure that the SFNP remains self supporting without relying on major increases in seedling costs. The plan recognized restructuring would result in demands on the nursery account (i.e. layoff and severance) during a period of significantly reduced revenues.

In the restructured nursery operations 75% of future seedling production would come from the Badoura facility and 25% from the General Andrews facility. Maintaining both facilities was a risk reduction goal associated with the potential for disease outbreaks or severe weather events. In FY10 the SFNP staffing was reduced by 2 full time and 12 seasonal positions. This resulted in layoff and severance costs of \$75,000. Additionally, the SFNP buildings were moved into the Department of Natural Resources Facility Management Program to insure that the state's investments facilities were maintained in the event that it became necessary to close one of the facilities. This decision along with the allocation in FY10 of a prorated portion of the Division of Forestry's Shared Services Costs added an increased annual cost of \$ 200,000 to the SFNP budget.

Table 5 (Cash Receipts and Expenditures Forest Nursery Account Fiscal Year 2010), on page 17 of the report, documents that expenditures exceeded revenues by \$475,549. This is only the second time in 10 years that expenditures have exceeded revenues by more than 11%. The Balance Forward in the Nursery Account as shown in Table 5 remains at \$1,085,540. Therefore the current account balance is anticipated to be adequate to maintain the self sufficiency of the nurseries in Fiscal Year 2011.

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Introduction

Minnesota's state forest nurseries began producing conservation-grade seedlings for reforestation in 1932. During the spring of 2010, the total number of seedlings produced from these nurseries exceeded the 1 billion mark. There currently are two state-operated forest nurseries: Badoura Nursery, located 10 miles south of Akeley, and General Andrews Nursery, located three miles north of Willow River.

The Department of Natural Resources is required by law (*Minnesota Statutes*, section 89.36, subd. 4) to annually submit to the Legislature a report on state forest nursery seedling production:

89.36 PRODUCING AND PROCURING PLANTING STOCK

Subd. 4. **Annual report.** The commissioner (of natural resources) shall submit an annual report to the legislature by April 15th of each year relating to the production of planting stock at state nurseries. The report must include the following:

- (1) sale figures;
- (2) income figures; and
- (3) expenses for operations and administration.

Copies of the report must be filed with the Legislative Reference Library and made available to the public.

The commissioner shall also provide any additional information requested by the legislature relating to the production of planting stock at state nurseries.

This law also requires the state forest nurseries to limit their production to not more than 10 million seedlings each year. Additionally, the state forest nurseries buy between 100,000 and 1 million seedlings each year from private producers for resale to its customers. Seedlings purchased from the state forest nurseries can only be planted in Minnesota and must be used to establish or reforest wood lots, windbreaks, and shelterbelts or used for erosion control, soil and water conservation, environmental education, or permanent food and cover for wildlife.



The billionth seedling was lifted the fall of 2008 and stored until spring planting time, April of 2009.

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Sales and Production Summary State Forest Nursery Program

Fiscal Year 2010

Table 1: Trees Produced, Purchased, and Sold

Type	Number	Percent
Trees Produced by State Nurseries and Sold	5,866,570	97.3
Privately Produced Trees Purchased by State Nurseries and Sold	143,100	2.4
Replacement Stock Shipped	17,820	0.3
Total	6,027,490	100

NOTE: 1.35 million containerized seedlings at a cost of \$226,376 were purchased from private nurseries in FY10. These seedlings are used for reforestation and are purchased with bonding dollars. They are not part of the State Nursery program.

Figure 1: Trees Produced, Purchased, and Sold

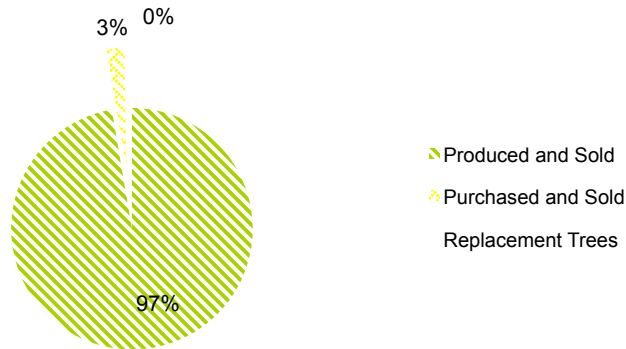


Table 2: Seedling Distribution

Type	Number	Percent
Sales to Public Land	3,678,195	61.0
Sales to Private Lands	2,349,295	39.0
Total	6,027,490	100

NOTE: 1.35 million containerized seedlings at a cost of \$226,376 were purchased from private nurseries in FY10. These seedlings are used for reforestation and are purchased with bonding dollars. They are not part of the State Nursery program.

Figure 2: Seedling Distribution

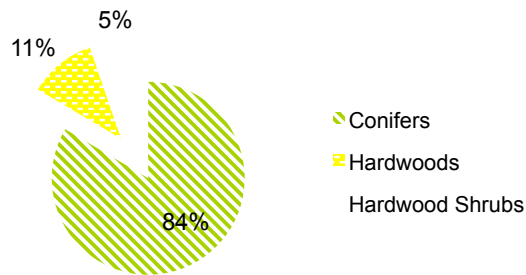


Table 3: Seedling Types

Type	Number	Percent
Conifers (Evergreens)	5,032,890	83.5
Hardwoods (Deciduous)	677,600	11.2
Hardwood Shrubs	317,000	5.3
Total	6,027,490	100

NOTE: 1.35 million containerized seedlings at a cost of \$226,376 were purchased from private nurseries in FY10. These seedlings are used for reforestation and are purchased with bonding dollars. They are not part of the State Nursery program.

Figure 3: Seedling Types



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Summary of FY 2010 by Species and Producer

Product	State			Total Trees Shipped
	Produced Trees Sold	Purchased Trees Shipped	Replacement Trees	
norway pine small	218,800			218,800
norway pine 6"+	1,438,700		6,700	1,445,400
norway pine 12"+	74,750			74,750
norway pine transplants	151,900		2,045	153,945
white pine small	16,500			16,500
white pine 5"+	457,300		500	457,800
white pine IMPROVED	2,000			2,000
white pine transplants	135,700		100	135,800
jack pine	279,600		500	280,100
jack pine IMPROVED	453,700			453,700
white spruce 5"+	354,520		1,400	355,920
white spruce 10"+	63,500			63,500
white spruce IMP small	164,500			164,500
white spruce IMP	660,100		2,000	662,100
white spruce transplants	138,475		300	138,775
black spruce	102,500			102,500
black spruce IMP small	42,000			42,000
black spruce IMP	2,400		500	2,900
black spruce IMP transplants	5,800		300	6,100
balsam fir	53,000			53,000
balsam fir transplants	8,825			8,825
tamarack	103,000			103,000
white cedar	64,900			64,900
white cedar transplants	22,700			22,700
red cedar	1,500		1,875	3,375
red oak	192,500			192,500
bur oak	46,150			46,150
pin oak	5,300			5,300
white oak	97,800			97,800
mixed oak	27,700			27,700
silver maple	28,400			28,400
black maple	1,100			1,100
red maple	800			800
sugar (hard) maple	43,350			43,350
paper birch	34,800	5,000		39,800
yellow birch	400			400

hybrid poplar	30,800	16,000	500	47,300
Siouxland poplar	500			500
cottonwood	19,500			19,500
black walnut	94,400			94,400
bitternut hickory	1,200			1,200
shagbark hickory	4,200			4,200
butternut	7,900			7,900
American chestnut	1,000			1,000
black cherry	0	19,000		19,000
Kentucky coffeetree	500			500
chokecherry	0	26,000		26,000
juneberry	750			750
pin cherry	9,850		700	10,550
wild plum	10,700	13,000	100	23,800
mountain ash	750			750
highbush cranberry	0	10,000		10,000
red osier dogwood	13,000	22,000		35,000
red osier dogwood 18"+	8,900			8,900
gray dogwood	4,950	5,000		9,950
staghorn sumac	0	1,100		1,100
crabapple	0	26,000		26,000
nannyberry	11,500			11,500
4 season wildlife packet	48,200			48,200
hardwood packet	14,800			14,800
pine/spruce packet	34,500			34,500
grouse packet	21,500		300	21,800
wild turkey packet	7,300			7,300
evergreen packet	24,900			24,900
TOTALS	5,866,570	143,100	17,820	6,027,490

Total State Produced Stock Sold	5,866,570
Purchased Stock Sold	143,100
Replacement Trees	17,820
TOTAL STOCK SOLD & REPLACED	6,027,490

Basis of Accounting

The State Forest Nursery Program is operated on a self-sustaining basis so over time, the revenues must cover expenditures. Some seedlings take up to five years to produce. Each year of production, costs are incurred; however, approximately 70 percent of the total cost is incurred in the last year of production for lifting, packing, and shipping. In a given year, sales are defined as the revenues from seedlings *delivered* to customers that year from July 1 through June 30. The costs reported for that year are the production costs for **all** the seedlings in the inventory, not just for those seedlings sold. The nursery production is capped by statute at 10 million seedlings produced for sale per year. In addition, a limited amount of seedlings are purchased from outside for resale to meet demand. As a consequence of the above, a small surplus or deficit may occur in a given year, but over time it must balance.

89.36 PRODUCING AND PROCURING PLANTING STOCK

Subdivision 1. **Production at state nurseries.** The commissioner of natural resources may produce tree planting stock for the purposes of sections 89.35 to 89.39 upon any lands under control of the commissioner which may be deemed suitable and available therefore so far as not inconsistent with other uses to which such lands may be dedicated by law. The commissioner may not produce more than 10,000,000 units of planting stock annually, after January 1, 2003.

Subd. 2. **Purchase of stock.** The commissioner of natural resources may purchase tree planting stock for the purposes herein authorized under the provisions of sections 89.35 to 89.39, or any other applicable law now or hereafter in force.

In a given fiscal year, a significant portion of the "sales" have not been paid into the Forest Nursery Account and realized as cash receipts. So, as of the close of the year, an accounts receivable balance is carried. In addition, receipts from prior years' sales have been realized. Therefore, the cash receipts showing in the state accounting system (MAPS) should not be expected to tie to sales for that fiscal year.

The 2005 Legislature (Special Session) added to statute that up to \$250,000 per year could be used from the forest nursery account for forestry education and technical assistance. In Fiscal Year 2010, no monies were used from the forest nursery account for these purposes.

89.37 DISTRIBUTING PLANTING STOCK

Subd. 4. **Proceeds of sale.** All money received in payment for tree planting stock supplied under this section shall be deposited in the state treasury and credited to a forest nursery account and are available to the commissioner of natural resources for the purposes of sections 89.35 to 89.37, including up to \$250,000 per year for forestry education and technical assistance.

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**Table 4—Statement of Revenues and Costs
Forest Nursery Account
Fiscal Year 2010**

Revenues		
	Total Sales Fiscal Year 2010	\$1,724,351
	Adjustments	(\$175,390)
	Investment Income	\$9,957
	Total Revenues	\$1,558,918
Costs		
	Salary and Other Compensation	\$1,449,062
	Supplies and Expenses	\$320,029
	Equipment and Capital Improvements	\$144,685
	Other Costs	\$250,902
	Total Costs	\$2,164,678
Difference	Revenues Minus Costs	(\$ 605,760)

**Table 5—Cash Receipts and Expenditures
Forest Nursery Account
Fiscal Year 2010**

Balance Forward—In Prior Year			\$1,561,089
Adjusted Balance			\$-0-
Adjusted Balance Forward—In			\$1,561,089
Cash Receipts			
	Cash From AR Collections	\$611,088	
	Cash Sales	\$1,068,084	
	Investment Income	\$9,957	
Fiscal Year 2010 Total Receipts			\$1,689,129
Fiscal Year 2010 Expenditures			(\$2,164,678)
Balance Forward— Out			\$1,085,540

Table 6—Accounts Receivable Reconciliation Forest Nursery Account Fiscal Year 2010		
Accounts Receivable 6/30/09	\$719,428	
Total Sales Fiscal Year 2010	\$1,724,351	
Adjustments*	(\$175,390)	
Total		\$2,268,389
Fiscal Year 2010 Accounts Receivable Collections	\$611,088	
Fiscal Year 2010 Accounts Receivable adjustment (received after 06/30/10)	(28,138)	
Fiscal Year 2009 Accounts Receivable Collections received after 6/30/09	581,919	
Fiscal Year 2010 Cash Sales	\$1,068,084	
Total		\$2,232,953
Accounts Receivable 6/30/10		\$35,436

WIRES reports were used for the billed, collected, and adjustment amounts. WIRES (Web Integrated Revenue/Receivable System) is the Department of Natural Resources revenue/receivable system.

*Adjustments are used to cancel and/or correct invoice amounts and write offs.

Minnesota Department of Natural Resources
Table 7: Appropriation - Allotment Summary
 As Of: 09/30/2010

APPROPRIATION SUMMARY BALANCE INFORMATION

FY: 10 Fund: 203 Appr Unit: 300

<u>Bdat</u>	<u>Auth Opt</u>	<u>Proj/Grant</u>	<u>Indicator</u>	<u>Legal Citation</u>	<u>Section</u>	<u>Status</u>	<u>Type</u>		
Appropriation Name:	FORESTRY NURSERIES ACCOUNT	O	N	MS 089 37 004	426 NATURAL RESOURCES DEPT	A	04		
<u>APPROPRIATION</u>		<u>RECEIPTS</u>		<u>BALANCE FORWARD</u>		<u>ANTIC TRANS</u>		<u>ACTUAL TRANS</u>	
ORIGINAL APPR:	\$ 0.00	ORGNL EST RCPT:	\$ 2,100,000.00	IN:	\$ 1,561,088.90	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
CUR MOD APPR:	0.00	CURNT EST RCPT:	1,687,373.66	OUT:	1,085,541.78	0.00	0.00	0.00	0.00
REDUCTIONS:	0.00	ACTUAL RECEIPTS:	1,689,129.66	TOTAL ALLOTMENTS:	\$ 2,167,048.86	PRE-ENCUMBRANCES:	\$ 0.00	ENCUMBRANCES:	0.00
CANCELLATIONS:	0.00	DED RCPT CAP:	0.00	UNOBLIGATED BAL:	2,372.08	UNLIQUID. CASH BAL:	0.00	EXPENDED AMT:	2,164,676.78
ENC BDGT AUTHY:	\$ 2,164,676.78	SPENDING AUTH:	\$ 2,164,676.78						

Available for Allotment: \$(2,372.08)

Appropriation End Date: 06/30/2010

ALLOTMENT SUMMARY BALANCE INFORMATION

<u>Org</u>	<u>Allotment</u>	<u>Status</u>	<u>Allotted</u>	<u>Pre-Encumbered</u>	<u>Encumbered</u>	<u>Expended</u>	<u>Balance</u>
3738	FORESTRY GEN ANDREWS NURSERY	A	914,768.93	0.00	0.00	914,768.93	0.00
3739	FORESTRY BADOURA NURSERY	A	1,232,279.65	0.00	0.00	1,232,142.43	137.22
3740	TREE IMPROVEMENT	A	20,000.28	0.00	0.00	17,765.42	2,234.86
			\$2,167,048.86	\$0.00	\$0.00	\$2,164,676.78	\$2,372.08

Minnesota Department of Natural Resources

Table 8: Manager's Financial Report

Account Balances As Of: 9/30/2010 (Including Salary Expenditures for Pay Periods Ending On or Before: 9/20/2010)
 Obligated Amounts for Object Classes 1A0 and 1B0 are Current Modified Payroll Obligation Amounts from SEMA4

Orgn: 3738 FORESTRY - PROT - GAN

Allotment	Object Class	Allotted	Salary Obligation	Encumbered	Expended	Balance	% Bal
10 203 3738 300	- FORESTRY GEN ANDREWS NURSERY (Status = A)						
1A0	FULL TIME	178,684.53	(0.53)	0.00	178,684.53	0.00	0.00 %
1B0	PART-TIME, SEASONAL, LABOR SER	306,393.79	(2.79)	0.00	306,393.79	0.00	0.00 %
1C0	OVERTIME PAY	4,802.04	0.00	0.00	4,802.04	0.00	0.00 %
1E0	OTHER BENEFITS	85,909.41	0.00	0.00	85,909.41	0.00	0.00 %
2A0	SPACE RENTAL, MAINT, & UTILITY	24,831.10	0.00	0.00	21,674.74	3,156.36	12.71 %
2B0	REPAIRS, ALTERATIONS, & MAINT	11,000.00	0.00	0.00	9,600.00	1,400.00	12.73 %
2C0	PRINTING AND ADVERTISING	5,000.00	0.00	0.00	4,638.58	361.42	7.23 %
2D0	PROF/TECH SERVICES OUTSIDE VEN	700.00	0.00	0.00	135.00	565.00	80.71 %
2F0	COMMUNICATIONS	22,546.25	0.00	0.00	24,321.22	(1,774.97)	(7.87)%
2G0	TRAVEL & SUBSISTENCE -INSTATE	1,000.00	0.00	0.00	576.98	423.02	42.30 %
2J0	SUPPLIES	118,300.00	0.00	0.00	84,912.03	33,387.97	28.22 %
2K0	EQUIPMENT	84,714.73	0.00	0.00	69,948.99	14,765.74	17.43 %
2M0	OTHER OPERATING COSTS	252,838.15	0.00	0.00	26,755.37	226,082.78	89.42 %
2P0	STATEWIDE INDIRECT COSTS	9,000.00	0.00	0.00	7,334.50	1,665.50	18.51 %
2R0	STATE AGENCY REIMBURSEMENTS	0.00	0.00	0.00	(8,198.25)	8,198.25	0.00 %
2T0	AGENCY DIRECT COST	97,280.00	0.00	0.00	97,280.00	0.00	0.00 %
CLS	EXPENSE BUDGET CLOSING	(288,231.07)	0.00	0.00	0.00	(288,231.07)	0.00 %
Totals for Allotment: 10 203 3738 300		\$914,768.93	\$(3.32)	\$0.00	\$914,768.93	\$0.00	0.00 %
Totals for Fund: 203		\$914,768.93	\$(3.32)	\$0.00	\$914,768.93	\$0.00	
Totals for : 3738		\$914,768.93	\$(3.32)	\$0.00	\$914,768.93	\$0.00	

Minnesota Department of Natural Resources

Table 8: Manager's Financial Report

Account Balances As Of: 9/30/2010 (Including Salary Expenditures for Pay Periods Ending On or Before: 9/20/2010)
 Obligated Amounts for Object Classes 1A0 and 1B0 are Current Modified Payroll Obligation Amounts from SEMA4

Orgn: 3739 FORESTRY - PROT - B.N.

Allotment	Object Class	Allotted	Salary Obligation	Encumbered	Expended	Balance	% Bal
10 203 3739 300	- FORESTRY BADOURA NURSERY (Status = A)						
1A0	FULL TIME	311,335.90	1.10	0.00	311,335.90	0.00	0.00 %
1B0	PART-TIME, SEASONAL, LABOR SER	469,386.19	(1.19)	0.00	469,386.19	0.00	0.00 %
1C0	OVERTIME PAY	11,116.90	0.00	0.00	11,116.90	0.00	0.00 %
1D0	PREMIUM PAY	36.12	0.00	0.00	36.12	0.00	0.00 %
1E0	OTHER BENEFITS	86,938.27	0.00	0.00	81,396.59	5,541.68	6.37 %
2A0	SPACE RENTAL, MAINT, & UTILITY	21,092.08	0.00	0.00	21,419.13	(327.05)	(1.55)%
2B0	REPAIRS, ALTERATIONS, & MAINT	2,000.00	0.00	0.00	2,402.15	(402.15)	(20.11)%
2C0	PRINTING AND ADVERTISING	0.00	0.00	0.00	2,396.65	(2,396.65)	0.00 %
2D0	PROF/TECH SERVICES OUTSIDE VEN	1,650.00	0.00	0.00	1,700.00	(50.00)	(3.03)%
2F0	COMMUNICATIONS	13,000.00	0.00	0.00	11,438.17	1,561.83	12.01 %
2G0	TRAVEL & SUBSISTENCE -INSTATE	700.00	0.00	0.00	2,005.67	(1,305.67)	(186.52)%
2H0	TRAVEL & SUBSISTENCE -OUTSTATE	1,300.00	0.00	0.00	1,247.18	52.82	4.06 %
2J0	SUPPLIES	113,600.00	0.00	0.00	131,560.52	(17,960.52)	(15.81)%
2K0	EQUIPMENT	47,000.00	0.00	0.00	74,736.38	(27,736.38)	(59.01)%
2M0	OTHER OPERATING COSTS	43,944.54	0.00	0.00	4,837.38	39,107.16	88.99 %
2P0	STATEWIDE INDIRECT COSTS	7,500.00	0.00	0.00	7,334.50	165.50	2.21 %
2S0	AGENCY PROVIDED PROF/TECH SERV	3,000.00	0.00	0.00	512.00	2,488.00	82.93 %
2T0	AGENCY DIRECT COST	100,400.00	0.00	0.00	97,281.00	3,119.00	3.11 %
CLS	EXPENSE BUDGET CLOSING	(1,720.35)	0.00	0.00	0.00	(1,720.35)	0.00 %
Totals for Allotment: 10 203 3739 300		\$1,232,279.65	\$(0.09)	\$0.00	\$1,232,142.43	\$137.22	0.01 %
Totals for Fund: 203		\$1,232,279.65	\$(0.09)	\$0.00	\$1,232,142.43	\$137.22	
Totals for : 3739		\$1,232,279.65	\$(0.09)	\$0.00	\$1,232,142.43	\$137.22	

Minnesota Department of Natural Resources

Table 8: Manager's Financial Report

Account Balances As Of: 9/30/2010 (Including Salary Expenditures for Pay Periods Ending On or Before: 9/20/2010)
 Obligated Amounts for Object Classes 1A0 and 1B0 are Current Modified Payroll Obligation Amounts from SEMA4

Orgn: 3740 FORESTRY - NURSERY TREE COOP

Allotment	Object Class	Allotted	Salary Obligation	Encumbered	Expended	Balance	% Bal
10 203 3740 300	- TREE IMPROVEMENT (Status = A)						
2M0	OTHER OPERATING COSTS	4,405.94	0.00	0.00	400.00	4,005.94	90.92 %
5D0	AID/GRANTS TO HIGHER ED INSTIT	20,000.00	0.00	0.00	17,365.42	2,634.58	13.17 %
CLS	EXPENSE BUDGET CLOSING	(4,405.66)	0.00	0.00	0.00	(4,405.66)	0.00 %
Totals for Allotment: 10 203 3740 300		\$20,000.28	\$0.00	\$0.00	\$17,765.42	\$2,234.86	11.17 %
Totals for Fund: 203		\$20,000.28	\$0.00	\$0.00	\$17,765.42	\$2,234.86	
Totals for : 3740		\$20,000.28	\$0.00	\$0.00	\$17,765.42	\$2,234.86	

Minnesota Department of Natural Resources

Table 8: Manager's Financial Report

Account Balances As Of: 9/30/2010 (Including Salary Expenditures for Pay Periods Ending On or Before: 9/20/2010)
 Obligated Amounts for Object Classes 1A0 and 1B0 are Current Modified Payroll Obligation Amounts from SEMA4

Orgn: 3740 FORESTRY - NURSERY TREE COOP

Allotment	Object Class	Allotted	Salary Obligation	Encumbered	Expended	Balance	% Bal
	Grand Total:	\$2,167,048.86	\$(3.41)	\$0.00	\$2,164,676.78	\$2,372.08	

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Table 9: Actual Receipts Report
 Selected Date Range 7/1/2009 to 9/30/2010

2010

Program: 30 FOREST MANAGEMENT

Fund: 203

Appr: 300

Rev Code: 5354 NURSERY SEED CONE

Appropriation Level: 2010 203 300 3000 FORESTRY NURSERIES ACCOUNT, Rev Code 5354 NURSERY SEED CONE \$ 145,715.78

Appropriation Level: 2010 203 300 3738 FORESTRY NURSERIES ACCOUNT, Rev Code 5354 NURSERY SEED CONE \$ 282.50

Rev Code: 5354 NURSERY SEED CONE \$145,998.28

Rev Code: 5355 NURSERY SEEDLINGS

Appropriation Level: 2010 203 300 3000 FORESTRY NURSERIES ACCOUNT, Rev Code 5355 NURSERY SEEDLINGS \$ 1,533,174.04

Rev Code: 5355 NURSERY SEEDLINGS \$1,533,174.04

Rev Code: 8000 ITC INTEREST EARNINGS

Appropriation Level: 2010 203 300 3000 FORESTRY NURSERIES ACCOUNT, Rev Code 8000 ITC INTEREST EARNINGS \$ 9,957.34

Rev Code: 8000 ITC INTEREST EARNINGS \$9,957.34

Appr: 300 \$1,689,129.66

Fund: 203 \$1,689,129.66

Program: 30 FOREST MANAGEMENT \$1,689,129.66

Fiscal Year: 2010 \$1,689,129.66

Grand Total: \$1,689,129.66

There will be an error in returned data if a state payment (PV 2 or 3) did not use accurate transaction line numbers.

Sort Selection: Fiscal Year/Program/Fund/Appr/Revenue Source/Allotment and Rev Code

Parameter Selections: Hide Detail: Yes; Receipt FY- 2010 ; Fund- 203 ; Appropriation Unit- 300 ; Program- 30 ; Rev Source - 5354





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Table 10: WIRES QTRLY A/R BILLINGS, ADJUSTMENT AND WRITE OFF REPORT (BY FUND & REV SOURCE)



ORG: NURSERIES
CREATION DATES: FROM 07/01/09 TO 06/30/10
TRANSACTION TYPE: NURSERIES INVOICES

CE Path: WIRES\Accounts Receivable Quarterly Reports

Revision: 02/11/2010 RJE

Data Date: 10/20/2010 at 7:49 pm

Fund/Revenue Source Customer	Customer #	Transaction Type	Invoice/CM #	Creation Date	Adjustment Activity Fund/Revenue Source	Amount	Adjustments	Write Offs	Billings
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Nurseries

	100 . 1952	(0.04)	0.00	(0.04)	0.00
	100 . 8011	61.70	100.20	(38.50)	0.00
	203 . 5354	141,691.41	(130,756.47)	(76.50)	272,524.38
	203 . 5355	339,186.92	(1,733.50)	(362.58)	341,283.00
	ORG TOTAL:	\$480,939.99	\$(132,389.77)	\$(477.62)	\$613,807.38
	GRAND TOTAL:	\$480,939.99	\$(132,389.77)	\$(477.62)	613,807.38 25



Minnesota Department of Natural Resources

Table 11: WIRES QTRLY A/R COLLECTIONS REPORT (by Fund)

FROM 07/01/2009 TO 06/30/2010

ORG: Nurseries



CE Path: WIRES\Accounts Receivable Quarterly Reports

Revision: 12/27/2007.cjr

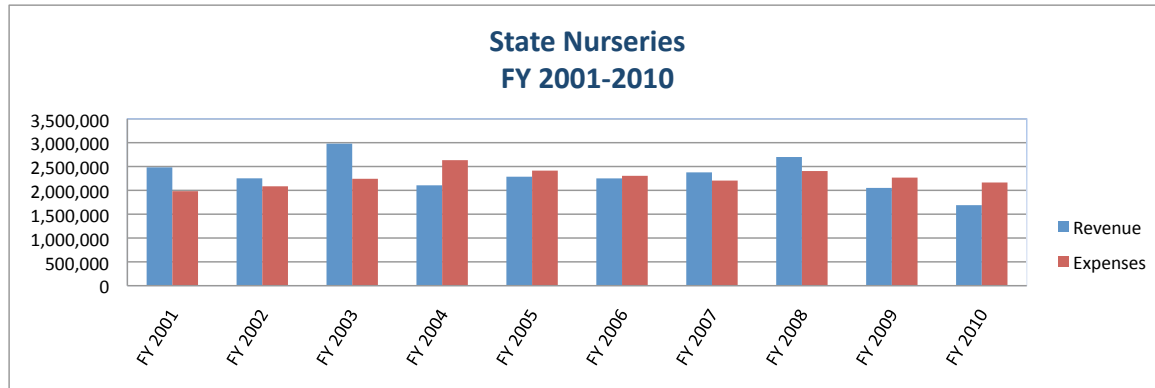
Printed on 10/20/2010

Printed at 7:52:40PM

Revenue Source	Applied Amount
State Tax - No Sub Rev 1952.--	\$14.20
INTEREST OF DELINQ COLLECTIONS - No Sub Rev 8011.--	\$139.43
Fund: 100	\$153.63
NURSERY SEED CONE - No Sub Rev 5354.--	\$214,197.84
NURSERY TREE SALES - No Sub Rev 5355.--	\$950,671.25
Fund: 203	\$1,164,869.09
Nurseries Total:	\$1,165,022.72
Grand Total (Applied):	\$1,165,022.72

**Table 13: State Nurseries Cash Flow Analysis
FY2001-2010**

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	3 Yr Avg	10 Yr Avg
Beg Balance	616,260	1,116,047	1,283,167	2,020,156	1,492,413	1,364,862	1,310,907	1,483,206	1,777,359	1,561,088	1,607,217	1,402,546
Revenues	2,482,320	2,252,099	2,979,569	2,105,466	2,286,199	2,250,851	2,377,173	2,699,200	2,051,069	1,689,130	2,146,466	2,317,308
Expenses	1,982,533	2,084,979	2,242,579	2,633,209	2,413,750	2,304,806	2,204,874	2,405,047	2,267,340	2,164,676	2,279,021	2,270,379
End Balance	1,116,047	1,283,167	2,020,156	1,492,413	1,364,862	1,310,907	1,483,206	1,777,359	1,561,088	1,085,542	1,474,663	1,449,475



DATE: April 12, 2011

LEGISLATIVE REPORT – Cost of Preparation

NAME OF LEGISLATIVE REPORT – Minnesota Department of Natural Resources, Division of Forestry—State Forest Nursery Program; Fiscal Year 2010 Legislative Report

Based on: Legislatively Mandated Report

Minnesota Statute Reference: Minnesota Statutes, section 89.36, subd. 4

Prepared by: Janet Cherney, Division of Forestry, Department of Natural Resources

Phone: 651-259-5254

E-Mail: janet.cherney@state.mn.us

Description of Cost	Further explanation if necessary	Amount
Staff Time	30 hours by three staff	\$1,260.00
Duplication Cost (includes paper)	nominal	
Other:		
TOTAL TO PREPARE REPORT <i>(Note: Right click on amount cell and choose update to complete)</i>		\$1,260.00