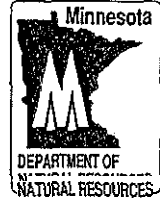


Minnesota Department of Natural Resources  
500 Lafayette Road • St. Paul, MN • 55155-4037



December 3, 2007

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 2007 was \$784,290. The ending balance in Fiscal Year 2007 was \$488,426.

**Lands** acquired with funds from the Land Acquisition Account include approximately 15 acres for the St. Wendel Tamarack Bog SNA in Stearns County, ~~fifteen~~ acres for the Dead Lake WMA in Otter Tail County, and eight acres in Mcleod County for realignment of the Luce Line Trail. Deposits into this account included proceeds from a sale of surplus land on the Luce Line Trail in Mcleod County.

Other receipts deposited into this account included monies from loan interest, timber sales, easements, wild rice leases, principal of previous years' sales, 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 2007; the attached "Exhibit 1" titled Department of Natural Resources Land Acquisition Account Receipts FY2007; and, "Exhibit 2" titled Department of Natural Resources Land Acquisition Account Expenditures FY 2007.

Sincerely,

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

Mark Holsten  
Commissioner

c: Marty Vadis, Kathy Lewis, Bob Meier

<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 86k. 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. HIST: 1984 c 654 art 2 s 91; 1993 c 172 s 49

**DEPARTMENT OF NATURAL RESOURCES  
LAND ACQUISITION ACCOUNT SUMMARY  
FY 2007**

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<b>Balance In</b>	<b>784,290</b>
<b>Receipts</b>	<b>92,503</b>
<b>Expenditures</b>	<b>(385,466)</b>
<b>Balance Out</b>	<b>488,426</b>

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

**FY 2007**

<u>Type of Land Sales Income:</u>	<u>Amount</u>
Lease - Wild Rice Farming .....	737
Loan Interest .....	4,758
Sale of Land - Lump Sum Payments .....	37,482
Sale of land - Installment Payments .....	12,147
Reimbursement of Land Sale Costs .....	31,999
Easements on DNR Land .....	1,000
Timber Sales .....	4,668
Late Charges Leases .....	12
<b>TOTAL .....</b>	<b><u>\$92,503</u></b>

Exhibit 1

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

**FY 2007**

Space Rental .....	50
Printing and Advertising .....	2,584
Supplies (credit) .....	(140)
Other Operating Costs* .....	4,628
Statewide Indirect Costs .....	714
Attorney General Costs .....	1,971
Agency Professional and Technical Service/Architect and Engineering .....	34,905
Land Acquisition Costs .....	323,033
Outside Professional and Technical .....	17,721
<b>TOTAL .....</b>	<b><u>\$385,466</u></b>

\* Other operating costs consist of payments made to the Division of Lands and Minerals Professional Services's account which consists of appraisals by Department staff negotiations, title review, closing activities, coordination, record keeping and financial support, and other fixed costs and taxes associated with title transfer.

Exhibit 2