

**MINNESOTA LAND TRUST**

**FINANCIAL STATEMENTS AND**  
**INDEPENDENT AUDITOR'S REPORT**

For The Years Ended  
June 30, 2021 and 2020

**MINNESOTA LAND TRUST**  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Minnesota Land Trust  
Saint Paul, Minnesota

We have audited the accompanying financial statements of Minnesota Land Trust (a not-for-profit corporation), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. For the year ended June 30, 2021, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. For the year ended June 30, 2020, we conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Minnesota Land Trust as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying information listed as supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2021, on our consideration of Minnesota Land Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Minnesota Land Trust's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Minnesota Land Trust's internal control over financial reporting and compliance.



REDPATH AND COMPANY, LTD.  
St. Paul, Minnesota

October 29, 2021

## **FINANCIAL STATEMENTS**

**MINNESOTA LAND TRUST**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2021 and 2020

**Statement 1**

	<u>2021</u>	<u>2020</u>
Assets:		
Cash and cash equivalents	\$590,589	\$911,507
Capital campaign - promises to give, net	373,556	569,792
Contributions and grants receivable	2,620,013	2,308,989
Deposits and other	26,311	27,186
Furniture and equipment, net	28,544	38,257
Investments	12,207,878	8,219,639
Land held for resale	29,500	164,000
Land held for resale - conservation	29,260	29,260
Land held for conservation	134,000	134,000
Beneficial interest in real property	811,200	788,400
	<u>16,850,851</u>	<u>13,191,030</u>
Total assets		
	<u>\$16,850,851</u>	<u>\$13,191,030</u>
Liabilities and net assets:		
Liabilities:		
Accounts payable	\$506,206	\$64,468
Accrued expenses	168,943	155,524
Refundable advance - PPP loan	-	354,400
Total liabilities	<u>675,149</u>	<u>574,392</u>
Net assets:		
Without donor restrictions	6,474,017	3,278,841
With donor restrictions	<u>9,701,685</u>	<u>9,337,797</u>
Total net assets	<u>16,175,702</u>	<u>12,616,638</u>
	<u>\$16,850,851</u>	<u>\$13,191,030</u>
Total liabilities and net assets		

The accompanying notes are an integral part of these financial statements.

**MINNESOTA LAND TRUST**  
**STATEMENTS OF ACTIVITIES**  
For The Years Ended June 30, 2021 and 2020

**Statement 2**

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:						
Contributions and grants:						
Capital campaign	\$ -	\$1,061,162	\$1,061,162	\$ -	\$1,080,527	\$1,080,527
All other	639,295	245,184	884,479	1,687,526	318,078	2,005,604
Government grant and contract revenue:						
ENRTF	48,099	24,000	72,099	43,710	-	43,710
OHF	13,307,794	539,000	13,846,794	5,738,301	443,000	6,181,301
PPP loan forgiveness	354,400	-	354,400	-	-	-
All other	1,138,650	120,000	1,258,650	384,577	24,000	408,577
Special events:						
Contribution	129,852	-	129,852	142,655	-	142,655
Other	86,782	-	86,782	31,100	-	31,100
Less: direct expenses	(20,208)	-	(20,208)	(10,757)	-	(10,757)
Fees for service	65,759	-	65,759	12,705	-	12,705
Other revenue	18,276	-	18,276	19,963	-	19,963
Gain (loss) on sale of land	(30,612)	-	(30,612)	-	-	-
Interest and dividends	174,663	9,774	184,437	159,163	10,565	169,728
Change in fair value of investments	1,818,069	111,706	1,929,775	205,526	14,219	219,745
Net assets released from restrictions:						
Satisfaction of program restrictions	1,746,938	(1,746,938)	-	413,150	(413,150)	-
Total support and revenue	<u>19,477,757</u>	<u>363,888</u>	<u>19,841,645</u>	<u>8,827,619</u>	<u>1,477,239</u>	<u>10,304,858</u>
Expenses:						
Program services	15,504,933	-	15,504,933	7,035,541	-	7,035,541
Management and general	467,491	-	467,491	406,513	-	406,513
Fund development	310,157	-	310,157	376,446	-	376,446
Total expenses	<u>16,282,581</u>	<u>0</u>	<u>16,282,581</u>	<u>7,818,500</u>	<u>0</u>	<u>7,818,500</u>
Change in net assets	3,195,176	363,888	3,559,064	1,009,119	1,477,239	2,486,358
Net assets - beginning of year	<u>3,278,841</u>	<u>9,337,797</u>	<u>12,616,638</u>	<u>2,269,722</u>	<u>7,860,558</u>	<u>10,130,280</u>
Net assets - end of year	<u>\$6,474,017</u>	<u>\$9,701,685</u>	<u>\$16,175,702</u>	<u>\$3,278,841</u>	<u>\$9,337,797</u>	<u>\$12,616,638</u>

The accompanying notes are an integral part of these financial statements.

MINNESOTA LAND TRUST  
STATEMENTS OF FUNCTIONAL EXPENSES  
For The Years Ended June 30, 2021 and 2020

Statement 3  
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	2021				Total
	Program Services	Management and General	Fund Development	Total Supporting Services	
Expenses:					
Salaries	\$1,241,323	\$215,273	\$187,057	\$402,330	\$1,643,653
Payroll taxes and benefits	271,445	68,826	37,182	106,008	377,453
Other staff expenses	2,118	4,581	695	5,276	7,394
Total personnel costs	1,514,886	288,680	224,934	513,614	2,028,500
Travel	44,214	80	1,762	1,842	46,056
Memberships, dues, licenses	9,459	1,478	1,573	3,051	12,510
Meeting expense	269	2,785	4,413	7,198	7,467
Board expense	-	284	-	284	284
Rent and building maintenance	117,597	22,232	13,492	35,724	153,321
Office expense	108,810	20,272	15,792	36,064	144,874
Depreciation	14,199	2,684	1,629	4,313	18,512
Postage and delivery	14,524	2,159	32,506	34,665	49,189
Printing and photocopying	8,721	1,546	3,083	4,629	13,350
Insurance	-	33,975	-	33,975	33,975
Project expenses	3,793,753	-	2,451	2,451	3,796,204
Project expenses - conservation easement and land acquisition	9,802,750	-	-	-	9,802,750
Contracted services	35,672	36,479	4,822	41,301	76,973
Audit and accounting	-	53,748	-	53,748	53,748
External grants	17,300	-	-	-	17,300
Special events	-	-	20,208	20,208	20,208
Miscellaneous expense	22,779	1,089	3,700	4,789	27,568
Total expenses	15,504,933	467,491	330,365	797,856	16,302,789
Less: expenses included with revenues on the statement of activities:					
Special event direct expenses	-	-	(20,208)	-	(20,208)
Total expenses included in the expense section on the statement of activities	\$15,504,933	\$467,491	\$310,157	\$797,856	\$16,282,581
Percentage	95%	3%	2%	5%	100%

The accompanying notes are an integral part of these financial statements.



MINNESOTA LAND TRUST  
STATEMENTS OF FUNCTIONAL EXPENSES  
For The Years Ended June 30, 2021 and 2020

Statement 3  
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	2020				
	Program Services	Supporting Services			Total
		Management and General	Fund Development	Total Supporting Services	
Expenses:					
Salaries	\$1,202,969	\$197,768	\$204,078	\$401,846	\$1,604,815
Payroll taxes and benefits	245,423	62,491	36,253	98,744	344,167
Other staff expenses	5,648	3,253	523	3,776	9,424
Total personnel costs	1,454,040	263,512	240,854	504,366	1,958,406
Travel	70,622	1,506	3,692	5,198	75,820
Memberships, dues, licenses	17,447	2,588	4,273	6,861	24,308
Meeting expense	1,729	4,283	1,095	5,378	7,107
Board expense	-	1,333	-	1,333	1,333
Rent and building maintenance	111,343	17,130	14,275	31,405	142,748
Office expense	103,024	15,315	16,638	31,953	134,977
Depreciation	14,743	2,268	1,890	4,158	18,901
Postage and delivery	13,428	1,829	45,004	46,833	60,261
Printing and photocopying	19,001	2,868	5,673	8,541	27,542
Insurance	-	39,058	-	39,058	39,058
Project expenses	2,339,679	-	-	-	2,339,679
Project expenses - conservation easement and land acquisition	2,831,000	-	-	-	2,831,000
Contracted services	25,381	33,905	42,454	76,359	101,740
Audit and accounting	-	20,350	-	20,350	20,350
External grants	15,000	-	-	-	15,000
Special events	-	-	10,757	10,757	10,757
Miscellaneous expense	19,104	568	598	1,166	20,270
Total expenses	7,035,541	406,513	387,203	793,716	7,829,257
Less: expenses included with revenues on the statement of activities:					
Special event direct expenses	-	-	(10,757)	(10,757)	(10,757)
Total expenses included in the expense section on the statement of activities	\$7,035,541	\$406,513	\$376,446	\$782,959	\$7,818,500
Percentage	90%	5%	5%	10%	100%

The accompanying notes are an integral part of these financial statements.

**MINNESOTA LAND TRUST**  
**STATEMENTS OF CASH FLOWS**  
For The Years Ended June 30, 2021 and 2020

**Statement 4**

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$3,559,064	\$2,486,358
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	18,512	18,901
Realized and unrealized gain on investments	(1,929,775)	(219,745)
(Increase) decrease in assets:		
Capital campaign - promises to give, net	196,236	104,644
Contributions and grants receivables	(311,024)	(987,932)
Land held for resale	134,500	(164,000)
Deposits and other	875	9,076
Beneficial interest in real property	(22,800)	(35,900)
Increase (decrease) in liabilities:		
Accounts payable	441,738	(39,363)
Accrued expenses	13,419	58,236
Refundable advance - PPP loan	(354,400)	354,400
Net cash provided by operating activities	<u>1,746,345</u>	<u>1,584,675</u>
Cash flows from investing activities:		
Purchase of furniture and equipment	(8,799)	(13,765)
Purchase of investments, including re-invested income	(2,455,236)	(2,775,110)
Proceeds from sale of investments	396,772	368,000
Net cash used by investing activities	<u>(2,067,263)</u>	<u>(2,420,875)</u>
Net increase (decrease) in cash and cash equivalents	(320,918)	(836,200)
Cash and cash equivalents - beginning of year	<u>911,507</u>	<u>1,747,707</u>
Cash and cash equivalents - end of year	<u>\$590,589</u>	<u>\$911,507</u>

The accompanying notes are an integral part of these financial statements.

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**Note 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

**A. DESCRIPTION**

Minnesota Land Trust (Land Trust) is a Minnesota nonprofit corporation and a 501(c)(3) public charity with a mission to protect and restore Minnesota's most vital natural lands in order to provide wildlife habitat, clean water, outdoor experiences and scenic beauty for generations to come. The Land Trust accomplishes this mission through the following three strategies.

**PROTECTION:** Since 1991, the Land Trust has been working with landowners and local communities to protect and restore Minnesota's cherished but increasingly threatened lands and waters primarily through establishing, creating, and monitoring perpetual conservation easements – recorded legal agreements that protect the land's natural and scenic features by restricting its use and development. Although the landowner retains ownership of the land and is responsible for its ongoing maintenance, the Land Trust holds the conservation easement and accepts responsibility for monitoring compliance with the terms of the easement and for defending the easement should the terms be threatened or violated.

As of June 30, 2021, the Land Trust has completed 630 land protection projects, permanently protecting 70,743 acres and 2,126,258 feet of shoreline since its founding in 1991.

**RESTORATION:** The Land Trust's restoration work continued to expand in this fiscal year. The Land Trust continued work on the St. Louis River Restoration Initiative; developing the Interstate Island Restoration Project and continuing to work on Perch Lake and Grassy Point revegetation. The Land Trust's Private Lands Restoration Program Manager continues to expand the partnership with USFWS, restoring hundreds of acres of prairie and wetlands across western and southern Minnesota. Finally, the Land Trust helped lead a conversation regarding the future restoration and management of the St. Louis River through its Landscape Conservation Design process, which included multiple local, state, federal, and tribal entities.

**ENGAGEMENT:** The Land Trust's engagement work with the City of Duluth largely concluded in this fiscal year. The outdoor recreation projects the City has invested in with the Land Trust's help are nearing completion: The Grand Avenue Nordic Center opened in November 2018 with expansions in the following years; the St. Louis River National Water Trail was finally adopted; the mini-master plan for Quarry Park was passed; and several new segments on the Duluth Traverse multi-use trail were completed. The Land Trust has been participating in state-wide discussions on the Governor's Task Force for an Outdoor Recreation Office as well as a task force on the future of the Spirit Mountain Recreation Area in Duluth.

M.L. 2011, First Special Session, Chapter 2, Article 3, Subdivision 19 and M.L. 2011, First Special Session, Chapter 6, Article 1, Section 2, Subdivision 15, and subsequent appropriations funded by the Environment and Natural Resources Trust Fund (ENRTF) and the Outdoor Heritage Fund (OHF) contain language governing conservation easement stewardship and reporting requirements. This language mandates that money appropriated under these sections for easement monitoring and enforcement may be spent only on activities included in an easement monitoring and enforcement plan contained within the work program (for ENRTF) or accomplishment plan (for OHF). Money received for monitoring and enforcement, including earnings on the money received, shall be kept in a monitoring and enforcement fund held by the organization and dedicated to monitoring and enforcing conservation easements within Minnesota. Within 120 days after the close of the entity's fiscal year, an entity receiving appropriations for easement monitoring and enforcement must provide annual financial reports to the Legislative-Citizens Commission on Minnesota Resources and to the Lessard-Sams Outdoor Heritage Council on the easement monitoring and enforcement fund. Money appropriated under these sections for monitoring and enforcement of easements and earnings on the money appropriated shall revert to the state if: (1) the easement transfers to the state; (2) the holder of the easement fails to file an annual

**MINNESOTA LAND TRUST**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021 and 2020

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report and then fails to cure that default within 30 days of notification of the default by the state; or (3) the holder of the easement fails to comply with the terms of the monitoring and enforcement plan contained within the accomplishment plan and fails to cure that default within 90 days of notification of the default by the state.

**B. NET ASSETS**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net assets without donor restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

*Net assets with donor restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Land Trust reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

**C. PROMISES TO GIVE**

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in subsequent years are reported at the present value of estimated future cash flows, determined using approximate interest rates applicable to long-term government securities as of June 30 of the year in which the promises are received.

The Land Trust uses the allowance method to determine uncollectible unconditional pledges receivable. The allowance is based on 5% of the pledged amount. Promises to give are presented net of allowance for doubtful accounts of \$19,661 and \$31,041 for the years ended June 30, 2021 and 2020, respectively.

At June 30, 2021 and 2020 the present value discount on long-term pledges was considered immaterial and therefore was not recorded.

**D. REVENUE AND REVENUE RECOGNITION**

The Land Trust recognizes contributions and support revenue when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and right of return, are not recognized until the conditions on which they depend have been met. Verbal promises to give are considered to be conditional, and are not recorded unless confirmed in writing.

The Land Trust receives various government grants that are generally cost-reimbursable agreements, which are conditional upon certain performance requirements and/or the incurrence of allowable qualifying expenditures. Revenue is recognized as qualifying expenditures are incurred, or other contractual

**MINNESOTA LAND TRUST**  
NOTES TO FINANCIAL STATEMENTS  
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conditions are met. Cash received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. No refundable advances were recorded as of June 30, 2021 and 2020. At June 30, 2021, cost-reimbursable grants approximating \$35,200,000 have been awarded but not recognized in the accompanying financial statements. Expenditures under government contracts are subject to review by the granting authority.

Fees for service are recognized at a point in time when the underlying service has been provided. Other revenue consists of funds from annual assessments of homeowner associates and an easement release, and are recognized at a point in time, when the assessments took place or the easement release was received.

Special event revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Land Trust recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place and the contribution element of the special event revenue immediately, unless there is a right of return if the special event does not take place.

**E. CASH AND CASH EQUIVALENTS**

For purposes of the statements of cash flows, the Land Trust considers cash on hand and on deposit in banks, money market mutual funds and investments purchased with maturity of three months or less to be cash equivalents.

At times, bank balances may be in excess of the Federal Deposit Insurance Corporation (FDIC) limit. The Land Trust has not experienced any losses in such accounts. Management believes it is not exposed to any significant credit risk on cash and cash equivalents.

**F. INVESTMENTS**

Investments are presented at their fair values based on quoted values in published sources. As it is the Land Trust's policy to sell all donated securities upon receipt, donated securities are reported in the statements of activities at the gross proceeds resulting from sales, which approximates the fair value at the date of contribution. Realized and unrealized gains and losses from investments are reflected in the statements of activities.

**G. RECEIVABLES**

Receivables are stated at the amount management expects to collect from balances outstanding at year end. Accounts receivable are evaluated on a case-by-case basis to determine if they are delinquent. Based on management's assessment of the outstanding balances, it has concluded that losses on balances outstanding at year end, if any, will not be material. No allowance for uncollectible amounts is provided since all amounts were deemed collectible.

#### **H. FURNITURE AND EQUIPMENT**

Furniture and equipment is stated at cost or, if donated, at the estimated fair value at the date of the gift. The Land Trust uses a capitalization threshold of \$1,500. Depreciation is computed using the straight-line method over the estimated useful life of the furniture and equipment – three to seven years. Depreciation expense was \$18,512 and \$18,901 for the years ended June 30, 2021 and 2020, respectively.

#### **I. CONSERVATION EASEMENTS**

Conservation easements accepted or purchased by the Land Trust are not recognized as assets or revenues in the accompanying financial statements because the Land Trust does not have fee title to the properties and there are no expected future economic benefits. If purchased, the costs of conservation easements are expensed when the easements are acquired.

#### **J. BENEFICIAL INTEREST IN REAL PROPERTY**

The Land Trust is the remainder beneficiary of a grantor-retained life estate. Under the terms of the Retained Life Estate agreement dated December 20, 2017, the donors executed a deed giving the Land Trust a remainder interest in their 31.41-acre homestead, while retaining the right to occupy and maintain the property during their lifetime. The life estate will terminate automatically one year after the husband's death. The beneficial interest in real property is recorded at an estimated fair value of \$811,200 and \$788,400 at June 30, 2021 and 2020, respectively.

#### **K. DONATED SERVICES, MATERIAL, FACILITIES AND EQUIPMENT**

The value of contributed services is recognized in the financial statements if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Land Trust receives donated services from a large number of volunteers assisting it in providing management and programmatic services, including approximately 2,160 and 2,400 hours of time contributed for easement monitoring and land protection work for the years ended June 30, 2021 and 2020, respectively. Since the value of the services did not meet the criteria for financial statement recognition, no amounts have been recognized in the accompanying statement of activities for these services for either 2021 or 2020.

Contributions of materials and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the use of the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions.

#### **L. INCOME TAXES**

The Land Trust has received notification that it qualifies as a tax-exempt organization under Section 501(c)(3) of the U.S. Internal Revenue Code and corresponding provisions of State law and, accordingly, is not subject to federal or state income taxes. However, any unrelated business income may be subject to taxation. The Land Trust has not had any material unrelated business income.

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A tax expense or benefit from an uncertain income tax position (including tax-exempt status) may be recognized only when it is more likely than not that the position will be sustained upon examination by taxing authorities. Management believes the Land Trust has no uncertain income tax positions that would result in an accrual, expense or benefit under the more likely than not standard.

**M. ALLOCATION OF FUNCTIONAL EXPENSES**

Costs of providing programs and supporting service activities have been summarized on a functional basis in the statements of functional expenses. Salaries and related costs are allocated between the program and supporting service categories based upon the estimated time expended by the employees in those categories. Other costs are allocated according to management's estimates or on a direct basis.

**N. LAND**

The Land Trust categorizes land that it owns in fee title in one of three categories:

- Land held for resale: Land without conservation value that has been given to the Land Trust to sell with proceeds going to support Land Trust conservation programs.
- Land held for resale - conservation: Land with conservation value that the Land Trust holds with the intent of selling or conveying the land to another conservation entity or with appropriate conservation restrictions.
- Land held for conservation: Land with conservation value, also known as nature preserves, which the Land Trust has no current plans to sell or transfer.
- As described in Note 7, the Land Trust is a remainder beneficiary of a grantor-retained life estate.

Donated land is recorded at estimated fair value at the time of donation using property tax assessments or appraisals and other information.

**O. USE OF ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**MINNESOTA LAND TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2021 and 2020

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**Note 2 LIQUIDITY AND AVAILABILITY**

The Land Trust's financial assets available within one year of the balance sheet date for general expenditures are as follows at June 30:

	<u>2021</u>	<u>2020</u>
Financial assets	\$15,792,036	\$12,009,927
Less those unavailable for general expenditures within one year, due to:		
Donor-imposed restrictions:		
Restricted by donor with purpose restrictions *	(8,404,018)	(8,062,930)
Restricted by donor in perpetuity	(323,207)	(323,207)
Board designations:		
Acquisition **	(377,068)	(435,394)
Stewardship and Enforcement	(4,565,093)	(1,388,074)
Endowment	<u>(50,000)</u>	<u>(50,000)</u>
 Total	 <u><u>\$2,072,650</u></u>	 <u><u>\$1,750,322</u></u>

\* Excludes nonfinancial assets with purpose restrictions of \$974,460 and \$951,660 at June 30, 2021 and 2020, respectively.

\*\* Excludes nonfinancial assets with board designations of \$29,500 and \$164,000 at June 30, 2021 and 2020, respectively.

The Land Trust structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. Additionally, the Land Trust maintains a line of credit as disclosed in Note 10.



**MINNESOTA LAND TRUST**  
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**Note 3 INVESTMENTS**

Investment detail at June 30 is as follows:

	2021			Total
	Acquisition	Stewardship and Enforcement	Endowment	
Fixed income mutual funds	\$570,891	\$3,875,635	\$207,236	\$4,653,762
Equity mutual funds	-	7,168,477	385,639	7,554,116
<b>Total</b>	<b>\$570,891</b>	<b>\$11,044,112</b>	<b>\$592,875</b>	<b>\$12,207,878</b>

  

	2020			Total
	Acquisition	Stewardship and Enforcement	Endowment	
Fixed income mutual funds	\$528,214	\$2,526,878	\$158,179	\$3,213,271
Equity mutual funds	-	4,668,352	338,016	5,006,368
<b>Total</b>	<b>\$528,214</b>	<b>\$7,195,230</b>	<b>\$496,195</b>	<b>\$8,219,639</b>

**Note 4 PROMISES TO GIVE RECEIVABLE**

**A. UNCONDITIONAL**

Unconditional promises to give are expected to be collected as follows at June 30:

	2021	2020
Due in one year	\$274,217	\$310,833
Due in two to five years	119,000	290,000
<b>Total</b>	<b>393,217</b>	<b>600,833</b>
Less: allowance	(19,661)	(31,041)
<b>Total</b>	<b>\$373,556</b>	<b>\$569,792</b>

**MINNESOTA LAND TRUST**  
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**B. CONDITIONAL**

When the pledge correspondence clearly indicates the pledge is conditional, it is not reflected as contribution revenue in the statement of activities until the related contribution is collected. Upon acquisition of conservation easements, occasionally the Land Trust asks the individual landowners to make voluntary contributions for the future stewardship and enforcement of the easements. Stewardship conditional promises to give that are likely to be collectible at June 30, 2021 and 2020 were approximately \$0 and \$3,500, respectively. Capital Campaign conditional promises to give that are likely to be collected at June 30, 2021 and 2020 were approximately \$68,750 and \$639,000, respectively.

**Note 5 FURNITURE AND EQUIPMENT**

Furniture and equipment consisted of the following at June 30:

	<u>2021</u>	<u>2020</u>
Computer equipment	\$84,265	\$75,466
Office equipment	36,721	36,721
Furniture and fixtures	7,986	7,986
Total	<u>128,972</u>	<u>120,173</u>
Less: accumulated depreciation	<u>(100,428)</u>	<u>(81,916)</u>
Net furniture and equipment	<u><u>\$28,544</u></u>	<u><u>\$38,257</u></u>

**Note 6 NET ASSETS**

**A. WITHOUT DONOR RESTRICTIONS - BOARD DESIGNATED**

Net assets without donor restrictions are as follows at June 30:

	<u>2021</u>	<u>2020</u>
Undesignated	\$703,276	\$92,962
Board designated:		
Operations	749,080	1,165,000
Land and easement acquisition	406,568	599,394
Stewardship and enforcement	4,565,093	1,371,485
Endowment	<u>50,000</u>	<u>50,000</u>
Total	<u><u>\$6,474,017</u></u>	<u><u>\$3,278,841</u></u>

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**B. WITH DONOR RESTRICTIONS**

Net assets with donor restrictions were available for the following purposes at June 30:

	2021		
	Purpose Restricted	Permanent in Nature	Total
Capital campaign	\$2,071,083	\$ -	\$2,071,083
General conservation	199,265	-	199,265
Land and easement acquisitions	1,138,931	-	1,138,931
Endowment	191,210	323,207	514,417
Stewardship and enforcement	5,777,989	-	5,777,989
Total	<u>\$9,378,478</u>	<u>\$323,207</u>	<u>\$9,701,685</u>

  

	2020		
	Purpose Restricted	Permanent in Nature	Total
Capital campaign	\$2,461,880	\$ -	\$2,461,880
General conservation	284,584	-	284,584
Land and easement acquisitions	1,086,030	-	1,086,030
Endowment	98,188	323,207	421,395
Stewardship and enforcement	5,083,908	-	5,083,908
Total	<u>\$9,014,590</u>	<u>\$323,207</u>	<u>\$9,337,797</u>

**Note 7 ENDOWMENT FUND**

**A. GENERAL**

The endowment fund consists of two funds with donor restrictions created to provide long-term operating support of the Land Trust. Additionally, the endowment fund contains assets that have been designed by the board as a “quasi-endowment”.

**B. INTERPRETATION OF RELEVANT LAW AND ACCOUNTING PRESENTATION**

The Board of Directors of the Land Trust has interpreted the State of Minnesota’s enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the Land Trust to consider the following factors in making a determination to appropriate or accumulate endowment funds with donor restrictions unless there are explicit donor stipulations to the contrary:

1. The duration and preservation of the fund.
2. The purposes of the Organization and the endowment fund.
3. General economic conditions.
4. The possible effect of inflation or deflation.

**MINNESOTA LAND TRUST**  
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5. The expected total return from income and the appreciation of investments.
6. Other resources of the Organization.
7. The investment policy of the Organization.

For accounting purposes only, the Land Trust retains in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Land Trust in a manner consistent with the standard of prudence prescribed by UPMIFA.

**C. FINANCIAL INFORMATION**

Endowment net asset composition by type of fund for 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Endowment:		
Board designated	\$50,000	\$50,000
Available for appropriation	172,609	95,318
Permanent in nature	216,207	216,207
Judd Lake:		
Available for appropriation	18,601	2,870
Permanent in nature	<u>107,000</u>	<u>107,000</u>
Total	<u><u>\$564,417</u></u>	<u><u>\$471,395</u></u>

**MINNESOTA LAND TRUST**  
NOTES TO FINANCIAL STATEMENTS  
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Endowment fund activity for 2021 and 2020 is as follows:

	Board Designated	With Donor Restrictions		Total
		Purpose Restricted	Permanent in Nature	
Net assets - June 30, 2019	\$ -	\$98,204	\$323,207	\$421,411
Investment return:				
Interest and dividends	-	10,561	-	10,561
Change in fair value	-	14,219	-	14,219
Total investment return	0	24,780	0	24,780
Contributions and transfers	50,000	-	-	50,000
Appropriation for expenditure	-	(24,796)	-	(24,796)
Net assets - June 30, 2020	50,000	98,188	323,207	471,395
Investment return:				
Interest and dividends	-	9,774	-	9,774
Change in fair value	-	111,706	-	111,706
Total investment return	0	121,480	0	121,480
Contributions and transfers	-	-	-	-
Appropriation for expenditure	-	(28,458)	-	(28,458)
Net assets - June 30, 2021	\$50,000	\$191,210	\$323,207	\$564,417

**D. INVESTMENT RETURN OBJECTIVES AND RISK PARAMETERS**

The Land Trust has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Land Trust must hold in perpetuity or for a donor-specified period(s).

**E. ENDOWMENT DISTRIBUTION POLICY**

The Land Trust's policy is that distributions are determined based on the value of the Endowment Fund as of the end of the prior fiscal year. Distributions of up to 5% of the fund value may be made annually for support of operating expenses.

**F. FUNDS WITH DEFICIENCIES**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Land Trust to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in net assets without donor restrictions. For fiscal years ending June 30, 2021 and 2020, there were no funds with deficiencies.

**Note 8 STEWARDSHIP AND ENFORCEMENT FUND**

**A. GENERAL**

The stewardship and enforcement fund operates as a quasi-endowment and consists of funds without donor restrictions and funds with donor restrictions.

The stewardship and enforcement fund has been created to meet two needs: to provide a long-term, ongoing source of income to cover the annual costs associated with monitoring and managing the portfolio of conservation easements and protected areas, and to be available to cover extraordinary expenses associated with managing, upholding or defending an easement should its terms or validity be at risk.

**B. FINANCIAL INFORMATION**

Stewardship and enforcement net asset composition by type of fund for 2021 and 2020 is as follows:

	2021		Total
	Without Donor Restrictions	With Donor Restrictions	
Board designated	\$4,565,093	\$ -	\$4,565,093
Donor restricted:			
General conservation	-	5,777,989	5,777,989
Capital campaign	-	1,172,244	1,172,244
<b>Total</b>	<b>\$4,565,093</b>	<b>\$6,950,233</b>	<b>\$11,515,326</b>
	2020		Total
	Without Donor Restrictions	With Donor Restrictions	
Board designated	\$1,371,485	\$ -	\$1,371,485
Donor restricted:			
General conservation	-	5,083,908	5,083,908
Capital campaign	-	1,036,956	1,036,956
<b>Total</b>	<b>\$1,371,485</b>	<b>\$6,120,864</b>	<b>\$7,492,349</b>

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Stewardship and enforcement fund activity for 2021 and 2020 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets - June 30, 2019	\$584,313	\$4,774,896	\$5,359,209
Investment return:			
Interest and dividends	145,200	-	145,200
Change in fair value	196,680	-	196,680
Total investment return	341,880	0	341,880
Contributions/grants/fees for service	-	494,593	494,593
Capital campaign transfer in	-	800,000	800,000
Contributions/grants transfer in	792,292	51,375	843,667
Appropriation for expenditure	(347,000)	-	(347,000)
Net assets - June 30, 2020	1,371,485	6,120,864	7,492,349
Investment return:			
Interest and dividends	170,677	-	170,677
Change in fair value	1,820,831	-	1,820,831
Total investment return	1,991,508	0	1,991,508
Contributions/grants/fees for service	24,000	696,081	720,081
Capital campaign transfer in	-	133,288	133,288
Contributions/grants transfer in	1,550,100	-	1,550,100
Appropriation for expenditure	(372,000)	-	(372,000)
Net assets - June 30, 2021	\$4,565,093	\$6,950,233	\$11,515,326

**C. INVESTMENT AND DISTRIBUTION POLICY**

The Land Trust has adopted investment and spending policies for the stewardship and enforcement fund assets that attempt to provide a predictable stream of funding to programs supported by the fund while seeking to maintain the purchasing power of the fund assets.

The Land Trust's policy is that up to 5% of the value of the stewardship and enforcement fund at the end of the prior fiscal year can be spent annually to meet ongoing conservation easement stewardship needs and obligations. With the approval of the Board of Directors, additional funds can be used to meet expenses associated with managing, upholding or defending an easement or other interest in land held by the Land Trust.

For accounting purposes, the Land Trust's policy for amounts appropriated for expenditure is to first use amounts without donor restrictions until depleted and then funds with donor restrictions. Investment income and losses are fully allocated to without donor restrictions.

**MINNESOTA LAND TRUST**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021 and 2020

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**Note 9 LEASE AGREEMENTS**

The Land Trust leases office space in St. Paul, Minnesota under a lease agreement that was set to expire January 31, 2020. In August 2018, the Land Trust renewed this lease agreement through September 30, 2025. Minimum monthly lease payments start October 1, 2018 at \$8,233 and will increase 2.5% annually for the remainder of the lease period.

On June 17, 2019 the Land Trust entered into a lease agreement for office space in Duluth, Minnesota through April 30, 2024. Minimum monthly lease payments start September 1, 2019 at \$2,855 increasing \$70 annually for the remainder of the lease period.

Future minimum payments for noncancellable operating leases, including the renewed lease, is as follows:

Years Ending June 30,	Amount
2022	\$141,823
2023	145,306
2024	142,446
2025	113,873
2026	28,643
Thereafter	-
Total	<u>\$572,091</u>

Rent expense, including operating expenses, for the years ended June 30, 2021 and 2020, for all operating leases, was \$153,321 and \$142,748, respectively.

**Note 10 LINE OF CREDIT**

The Land Trust has a revolving line of credit agreement with a commercial bank that matures on July 11, 2021. The agreement provides for borrowing up to \$700,000, subject to a borrowing base maximum as determined by the bank. Interest on the line of credit is set at the Prime rate +1% (4.25% at June 30, 2021). The line of credit is secured by all assets of the Land Trust and is subject to financial and nonfinancial covenants. At June 30, 2021 and 2020, there was \$0 outstanding on the line of credit.

On July 11, 2021, The Land Trust renewed the line of credit through July 11, 2022. The renewed agreement provides for borrowing up to \$300,000, subject to a borrowing base maximum as determined by the bank, with interest at the Prime rate +1%.

**Note 11 RETIREMENT PLAN**

Employees of the Land Trust meeting certain eligibility requirements are eligible to participate in a contributory 401(k) retirement plan whereby the Land Trust contributes up to 2% of the participants' compensation on a matching basis. Contributions to the Plan were \$33,871 and \$31,648 during the years ended June 30, 2021 and 2020, respectively.



**MINNESOTA LAND TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2021 and 2020

**Note 12 FAIR VALUE MEASUREMENTS**

Under GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy categorized into three levels based on the inputs used. Generally, the three levels are as follows:

- Level 1 – Quoted prices in active markets for identical assets.
- Level 2 – Significant other observable inputs.
- Level 3 – Significant unobservable inputs.

Assets and liabilities that are measured at fair value on a recurring basis are as follows at June 30:

	June 30, 2021		
	Level 1	Level 2	Total
Investments:			
Fixed income mutual funds	\$4,653,762	\$ -	\$4,653,762
Equity mutual funds	7,554,116	-	7,554,116
Beneficial interest in real property	-	811,200	811,200
 Total	 \$12,207,878	 \$811,200	 \$13,019,078
	June 30, 2020		
	Level 1	Level 2	Total
Investments:			
Fixed income mutual funds	\$3,213,271	\$ -	\$3,213,271
Equity mutual funds	5,006,368	-	5,006,368
Beneficial interest in real property	-	788,400	788,400
 Total	 \$8,219,639	 \$788,400	 \$9,008,039

Mutual funds are valued using quoted prices in active markets and the beneficial interest in real property is valued using significant other observable inputs.

**MINNESOTA LAND TRUST**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021 and 2020

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**Note 13 PPP LOAN FORGIVENESS**

On April 16, 2020, the Land Trust received a \$354,400 forgivable loan from the US Small Business Administration (SBA) under the Paycheck Protection Program created by Section 1102 of the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”). Loan proceeds are to be used for payroll costs and other expenses as permitted by the CARES Act.

The Land Trust determined that underlying conditions were met and recognized contribution revenue under FASB ASC 958-605 upon submitting the forgiveness application to the SBA on January 20, 2021. The Land Trust received notification of full forgiveness from the SBA on August 19, 2021.

Expenditures claimed under this program are subject to review and audit by the SBA for six years from the date of loan forgiveness. Management believes that any liability for disallowances, which may arise as a result of an audit, would not be material.

**Note 14 SUBSEQUENT EVENTS**

Subsequent to year end, the Land Trust renewed their line of credit agreement through July 11, 2022. See Note 10 for further details.

Management has evaluated subsequent events for recognition or disclosure through October 29, 2021, the date that the financial statements were available to be issued.

## **SUPPLEMENTAL INFORMATION**

**MINNESOTA LAND TRUST**  
**SCHEDULES OF FINANCIAL POSITION BY FUND**  
June 30, 2021 and 2020

**Schedule 1**  
**Page 1 of 2**

	2021				Total
	Operating	Acquisition	Stewardship and Enforcement	Endowment	
<b>Assets:</b>					
Cash and cash equivalents	\$590,589	\$ -	\$ -	\$ -	\$590,589
Interfund transfers in transit	146,243	(29,999)	(87,786)	(28,458)	-
Capital campaign - promises to give, net	373,556	-	-	-	373,556
Contributions, grants and other receivables	2,059,113	1,900	559,000	-	2,620,013
Deposits and other	26,311	-	-	-	26,311
Furniture and equipment, net	28,544	-	-	-	28,544
Investments	-	570,891	11,044,112	592,875	12,207,878
Land held for resale	-	29,500	-	-	29,500
Land held for resale - conservation	-	29,260	-	-	29,260
Land held for conservation	-	134,000	-	-	134,000
Beneficial interest in real property	-	811,200	-	-	811,200
<b>Total assets</b>	<b>\$3,224,356</b>	<b>\$1,546,752</b>	<b>\$11,515,326</b>	<b>\$564,417</b>	<b>\$16,850,851</b>
<b>Liabilities and net assets:</b>					
<b>Liabilities:</b>					
Accounts payable	\$504,953	\$1,253	\$ -	\$ -	\$506,206
Accrued expenses	168,943	-	-	-	168,943
<b>Total liabilities</b>	<b>673,896</b>	<b>1,253</b>	<b>0</b>	<b>0</b>	<b>675,149</b>
<b>Net assets:</b>					
Without donor restrictions	\$1,452,356	406,568	4,565,093	50,000	6,474,017
With donor restrictions	1,098,104	1,138,931	6,950,233	514,417	9,701,685
<b>Total net assets</b>	<b>2,550,460</b>	<b>1,545,499</b>	<b>11,515,326</b>	<b>564,417</b>	<b>16,175,702</b>
<b>Total liabilities and net assets</b>	<b>\$3,224,356</b>	<b>\$1,546,752</b>	<b>\$11,515,326</b>	<b>\$564,417</b>	<b>\$16,850,851</b>

**MINNESOTA LAND TRUST**  
**SCHEDULES OF FINANCIAL POSITION BY FUND**  
June 30, 2021 and 2020

**Schedule 1**  
**Page 2 of 2**

	2020				Total
	Operating	Acquisition	Stewardship and Enforcement	Endowment	
<b>Assets:</b>					
Cash and cash equivalents	\$911,507	\$ -	\$ -	\$ -	\$911,507
Interfund transfers in transit	(15,547)	40,347	-	(24,800)	-
Capital campaign - promises to give, net	551,792	-	18,000	-	569,792
Contributions, grants and other receivables	2,027,786	1,203	280,000	-	2,308,989
Deposits and other	27,186	-	-	-	27,186
Furniture and equipment, net	38,257	-	-	-	38,257
Investments	-	528,214	7,195,230	496,195	8,219,639
Land held for resale	-	164,000	-	-	164,000
Land held for resale - conservation	-	29,260	-	-	29,260
Land held for conservation	-	134,000	-	-	134,000
Beneficial interest in real property	-	788,400	-	-	788,400
<b>Total assets</b>	<b>\$3,540,981</b>	<b>\$1,685,424</b>	<b>\$7,493,230</b>	<b>\$471,395</b>	<b>\$13,191,030</b>
<b>Liabilities and net assets:</b>					
<b>Liabilities:</b>					
Accounts payable	\$63,587	\$ -	\$881	\$ -	\$64,468
Accrued expenses	155,524	-	-	-	155,524
Note payable - PPP loan	354,400	-	-	-	354,400
<b>Total liabilities</b>	<b>573,511</b>	<b>0</b>	<b>881</b>	<b>0</b>	<b>574,392</b>
<b>Net assets:</b>					
Without donor restrictions	1,257,962	599,394	1,371,485	50,000	3,278,841
With donor restrictions	1,709,508	1,086,030	6,120,864	421,395	9,337,797
<b>Total net assets</b>	<b>2,967,470</b>	<b>1,685,424</b>	<b>7,492,349</b>	<b>471,395</b>	<b>12,616,638</b>
<b>Total liabilities and net assets</b>	<b>\$3,540,981</b>	<b>\$1,685,424</b>	<b>\$7,493,230</b>	<b>\$471,395</b>	<b>\$13,191,030</b>

**MINNESOTA LAND TRUST**  
**SCHEDULES OF ACTIVITIES BY FUND**  
For The Years Ended June 30, 2021 and 2020

**Schedule 2**  
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	2021				Total
	Operating	Acquisition	Stewardship and Enforcement	Endowment	
Support and revenue:					
Contributions and grants:					
Capital campaign	\$1,059,162	\$ -	\$2,000	\$ -	\$1,061,162
All other	820,295	53,103	11,081	-	884,479
Government grants:					
ENRTF	47,999	100	24,000	-	72,099
OHF	3,505,344	9,802,450	539,000	-	13,846,794
PPP loan forgiveness	354,400	-	-	-	354,400
All other	1,138,650	-	120,000	-	1,258,650
Special events:					
Contribution	129,852	-	-	-	129,852
Other	86,782	-	-	-	86,782
Less: direct expenses	(20,208)	-	-	-	(20,208)
Fees for service	41,759	-	24,000	-	65,759
Other revenue	18,276	-	-	-	18,276
Gain (loss) on sale of land		(30,612)			(30,612)
Interest and dividends	153	3,833	170,677	9,774	184,437
Change in fair value of investments	-	(2,762)	1,820,831	111,706	1,929,775
Interfund transfers in (out), net	(1,119,643)	(163,287)	1,311,388	(28,458)	-
Total support and revenue	<u>6,062,821</u>	<u>9,662,825</u>	<u>4,022,977</u>	<u>93,022</u>	<u>19,841,645</u>
Expenses:					
Program services	5,702,183	9,802,750	-	-	15,504,933
Management and general	467,491	-	-	-	467,491
Fund development	310,157	-	-	-	310,157
Total expenses	<u>6,479,831</u>	<u>9,802,750</u>	<u>0</u>	<u>0</u>	<u>16,282,581</u>
Change in net assets	(417,010)	(139,925)	4,022,977	93,022	3,559,064
Net assets - beginning of year	<u>2,967,470</u>	<u>1,685,424</u>	<u>7,492,349</u>	<u>471,395</u>	<u>12,616,638</u>
Net assets - end of year	<u>\$2,550,460</u>	<u>\$1,545,499</u>	<u>\$11,515,326</u>	<u>\$564,417</u>	<u>\$16,175,702</u>

**MINNESOTA LAND TRUST**  
**SCHEDULES OF ACTIVITIES BY FUND**  
For The Years Ended June 30, 2021 and 2020

**Schedule 2**  
**Page 2 of 2**

	2020				Total
	Operating	Acquisition	Stewardship and Enforcement	Endowment	
Support and revenue:					
Contributions and grants:					
Capital campaign	\$1,080,527	\$ -	\$ -	\$ -	\$1,080,527
All other	1,778,111	199,900	27,593	-	2,005,604
Government grants:					
ENRTF	43,710	-	-	-	43,710
OHF	2,907,201	2,831,100	443,000	-	6,181,301
All other	384,577	-	24,000	-	408,577
Special events:					
Contribution	142,655	-	-	-	142,655
Other	31,100	-	-	-	31,100
Less: direct expenses	(10,757)	-	-	-	(10,757)
Fees for service	12,705	-	-	-	12,705
Other revenue	19,963	-	-	-	19,963
Interest and dividends	3,684	10,279	145,200	10,565	169,728
Change in fair value of investments	520	8,326	196,680	14,219	219,745
Interfund transfers in (out), net	(1,459,534)	137,667	1,296,667	25,200	-
Total support and revenue	<u>4,934,462</u>	<u>3,187,272</u>	<u>2,133,140</u>	<u>49,984</u>	<u>10,304,858</u>
Expenses:					
Program services	4,204,541	2,831,000	-	-	7,035,541
Management and general	406,513	-	-	-	406,513
Fund development	376,446	-	-	-	376,446
Total expenses	<u>4,987,500</u>	<u>2,831,000</u>	<u>0</u>	<u>0</u>	<u>7,818,500</u>
Change in net assets	(53,038)	356,272	2,133,140	49,984	2,486,358
Net assets - beginning of year	<u>3,020,508</u>	<u>1,329,152</u>	<u>5,359,209</u>	<u>421,411</u>	<u>10,130,280</u>
Net assets - end of year	<u><u>\$2,967,470</u></u>	<u><u>\$1,685,424</u></u>	<u><u>\$7,492,349</u></u>	<u><u>\$471,395</u></u>	<u><u>\$12,616,638</u></u>