



MINNESOTA

OFFICE OF SCHOOL TRUST LANDS

5 Year Accomplishments Report



Our Work

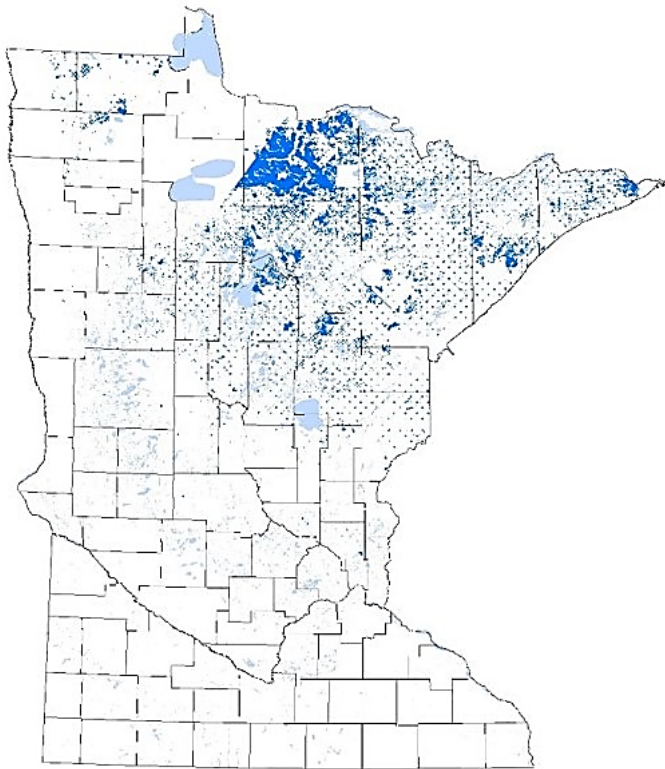


Every public school student in Minnesota has a trust fund to help pay for their education.

We work to optimize their school trust benefits.

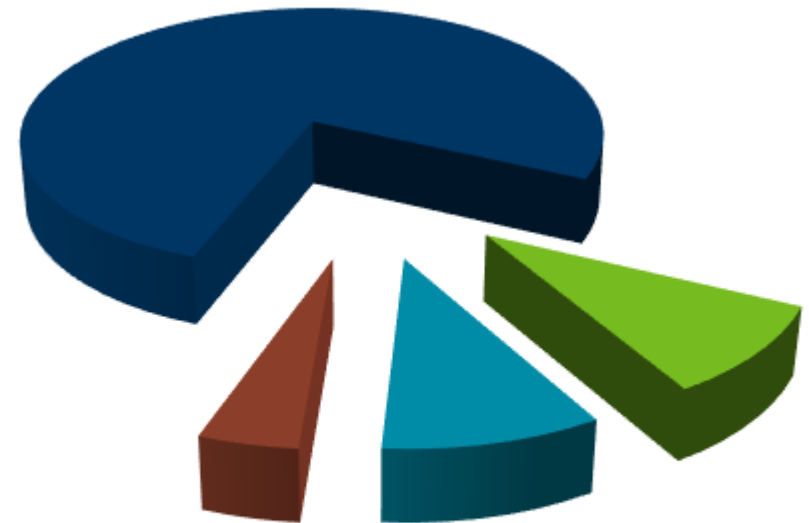
School Trust Portfolio

Real Property Assets



**2.5 million acres +
1 million acres severed mineral rights**

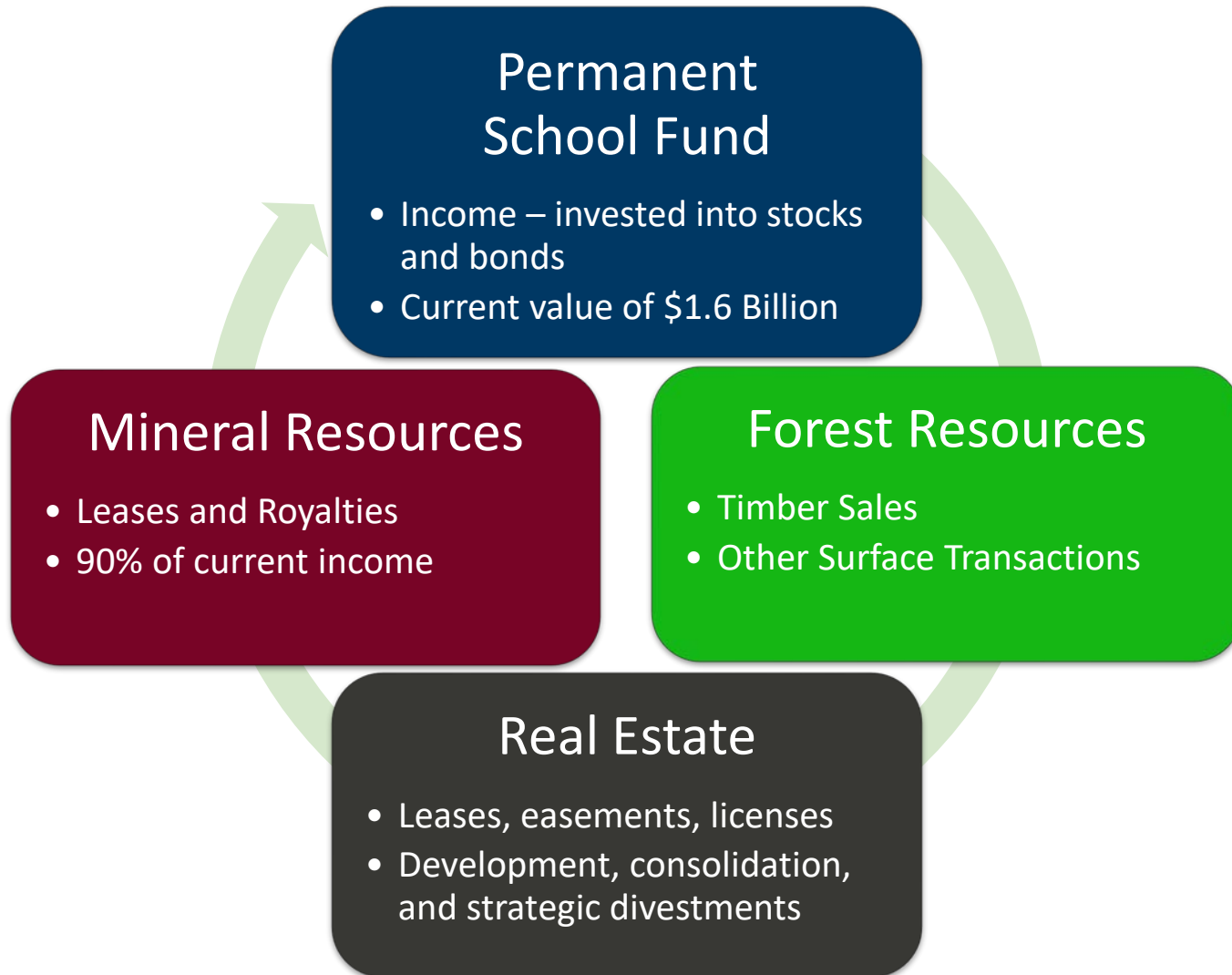
Financial Assets



■ Minerals	■ Forest products
■ Real Estate	■ Investments

Current fund value of \$1.6 billion

School Trust Portfolio



Our Role & Responsibilities

1. Develop long range strategic plans to ensure school trust resources are optimally managed for each generation of beneficiaries
2. Advise the executive and legislative branches on school trust management activities; and
3. Work in conjunction with the Permanent School Fund Commission on legislation to improve school trust assets.





2018-2028 Strategic Plan

Advancing the
school trust legacy
through strategic innovation

mi MINNESOTA
OFFICE OF SCHOOL TRUST LANDS

Strategic Plan Focus Areas



**Operating
Environment**



**Fiduciary
Integrity**



**Innovation
and Strategic
Direction**



**Education and
Communication**



Operating Environment

OSTL operates in a collaborative, efficient and transparent environment

- **Operating Agreement with DNR and Governor**
IMPACT: Robust collaboration to best meet fiduciary duties
- **Administrative Policies and Procedures**
IMPACT: New state office necessitates development of internal processes to efficiently guide our work
- **OSTL Budgetary Structure**
IMPACT: Restructuring to allow for transparent use of funding demonstrates we are prudent financial stewards





Fiduciary Integrity

Trustees act with undivided loyalty to maximize and balance distributions



➤ **BWCAW Land Exchanges**

IMPACT: Replaces 83,000 wilderness acres not earning economic returns with managed timberlands that will generate long-term revenue

➤ **Permanent School Fund Compensation**

IMPACT: \$85 million will be deposited into the fund for future investments, once legislation is passed

➤ **Guidance to Maximize Long-Term Revenue**

IMPACT: Ensures sustainable revenue generation for trust beneficiaries



Innovation & Strategic Direction

Developing strategies to maximize revenue
from new and existing opportunities

➤ **Resource Feasibility Studies**

IMPACT: Understanding potential revenue opportunities will support alternative income sources

➤ **Asset Management Plan**

IMPACT: Creates a 25-year framework to guide long-term school trust lands management

➤ **Ecosystem Services**

IMPACT: Provides environmental benefits plus new revenue opportunities from economically unproductive lands





Education & Communication

All Minnesotans understand that every public school child is a trust beneficiary

➤ **Stakeholder Presentations**

IMPACT: Expands base of Minnesotans who understand school trust lands and how they benefit education

➤ **Legislative Tours**

IMPACT: Allows legislators to receive firsthand knowledge of school trust lands management

➤ **“Trust Fund Baby” Infographic**

IMPACT: Demonstrates how school trust lands contribute to public education, economic vitality and outdoor recreation in Minnesota



Advice & Recommendations



**Estimated
Market
Value**



**Sustainable
Timber Harvest
Analysis**



**Mineral Lease
Royalty
Negotiations**



**Strategic Land
Sales and
Exchanges**

Advice & Recommendations

- **Estimated Market Value of School Trust Lands**
IMPACT: Establishes baseline for future tactics and strategies
- **Sustainable Timber Harvest Analysis**
IMPACT: Safeguards school trust interests when establishing harvest targets
- **Mineral Royalty Negotiations**
IMPACT: Ensures fair royalty payments for the trust while helping to maintain industry viability
- **Strategic Land Sales and Exchanges**
IMPACT: Reduces management costs and increases net returns



Legislative Initiatives



- **Minerals Management Account Modifications**
IMPACT: Net revenues deposited quarterly and invested timely to increase distributions
- **Expedited Land Exchanges**
IMPACT: Allows for more timely and efficient process of land exchanges with county partners
- **Temporary Trustee Authority in Condemnations**
IMPACT: Safeguards the school trust interest in condemnation proceedings

For Additional Information

The screenshot shows the homepage of the Minnesota Office of School Trust Lands. At the top left is the logo with a stylized 'm' and the text 'MINNESOTA OFFICE OF SCHOOL TRUST LANDS'. To the right is a search bar. Below the header is a navigation menu with four items: 'The Lands', 'Management', 'Beneficiaries', and 'Projects'. The main content area features a large photograph of four diverse children with backpacks, smiling. Below the photo is the text 'Contributing to a quality education for Minnesota students' and a set of four numbered navigation buttons. Below this are four content tiles: 'Our Office' (silhouette of a person), 'Revenue Generation' (logs and a truck), 'Revenue Distribution' (map of Minnesota), and 'Asset Management Plan' (word cloud with terms like 'school management', 'trust plan', 'asset management', 'revenue', 'planning', 'business', 'assets', 'future', 'return', 'work', 'agency', 'stakeholder', 'minerals', 'process', 'spatial', 'classes', 'land', 'forests', 'return', 'core', 'return', 'spoor').

mn.gov/school-trust-lands