



MARIANAS PUBLIC LAND TRUST

COMMONWEALTH OF THE NORTHERN
MARIANA ISLANDS

CITIZEN CENTRIC REPORT – **FISCAL YEAR 2021** **REPORT SUMMARY**

This annual report summarizes the responsibilities, activities and operating outcomes for 2021. The Trust is responsible for prudently investing the principal received from Department of Public Lands (DPL) from the leasing of public lands. The Trust is divided into two parts, the General Trust Fund (GF) and the Park Trust Fund (PF). The GF net investment revenue is distributed annually to the CNMI General Revenue Fund. The Park Trust Fund was established in accordance with the Covenant. The initial principal received from the leasing of lands to the United States Government designated \$2 million for the maintenance and development of an American Memorial Park. The PF net investment revenue is distributed for this purpose on a periodic basis.

MPLT's goals and objectives are to manage its funds in accordance with investment standards pursuant to the Commonwealth Constitution.

Marianas Public Land Trust (MPLT) is a Constitutional Trust whose primary purpose is to manage the net revenues from the leasing of CNMI public lands.

The Department of Public Lands (DPL) is responsible for the management of the CNMI public lands.

MPLT Trustees

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Pedro R. DL Guerrero, Vice
Chairman

Vianney B. Hocog, Treasurer
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CITIZEN CENTRIC REPORT FOR FISCAL YEAR 2021

OUR PROGRESS

MPLT is responsible for the investing the public land revenue distributed by DPL on an annual basis. Part of this process is to ensure that the correct amount is received in accordance with the Constitution. This is an on-going process requiring review and analysis of their financial reports and audited financial statements. The total amount of distributions received to date from DPL is \$53,460,053.39.

MPLT's primary mission is to invest these funds and grow the principal while distributing the net investment income to the CNMI General Fund and to the American Memorial Park.

HIGHLIGHTS

MPLT's principal fund, for both the General and Park, is currently \$130.7 million. This balance is 2.4 times more than the original principal contributions received from MPLC, etc. This principal growth has occurred while making cumulative distributions to the beneficiaries of \$73,584 million since inception.

MPLT has grown the principal, since its inception in 1983, thorough capital gains and security appreciation by \$ 77,258,338 million.

FUNDS RECEIVED BY MPLT

Date Received	Amount
July 19, 1983	\$5,000,000
January 20, 1984	100,000
February 17, 1984	14,080,046
April 13, 1984	5,958,700
August 27, 1984	803,856
May 22, 1991	500,000
December 20, 1991	500,000
September 19, 2007	1,250,000
August 4, 2008	3,500,000
November 23, 2011	1,000,000
December 31, 2013	307,109
June 6, 2014	996,743
December 31, 2014	5,000,000
April 11, 2016	800,334
February 1, 2018	866,339
September 17, 2018	1,501,174
May 3, 2019	3,000,000
May 6, 2019	345,700
May 15, 2019	2,414,477
August 19, 2019	567,508
March 16, 2021	4,451,471
July 28, 2021	<u>516,596</u>

Total:

\$53,460,053



CITIZEN CENTRIC REPORT FOR FISCAL YEAR 2021

FINANCIAL STATEMENT SUMMARY STATEMENT OF NET POSITION

	2021	2020
ASSETS:	\$131,874,693	\$108,933,167
LIABILITIES:	1,101,744	655,248
NET POSITION:	130,772,949	108,277,919
TOTAL LIABILITIES AND NET POSITION:	\$131,874,693	\$108,933,167

STATEMENT OF REVENUE AND EXPENSES CHANGES IN NET POSITION

	2021	2020
REVENUE:	\$2,746,327	\$6,296,529
NET INCREASE IN FAIR VALUE OF INVESTMENTS:	16,964,354	
DPL DISTRIBUTION:	4,968,067	
LOAN LOSSES RECOVERY:	476,610	
EXPENSES:	(1,117,896)	(1,105,944)
DISTRIBUTION TO BENEFICIARY:	(1,542,439)	(2,009,929)
CHANGE IN NET POSITION:	22,495,023	3,180,656
BEG. YEAR NET POSITION:	108,277,919	105,097,263
END YEAR NET POSITION:	\$130,772,949	\$108,277,919

*Please note that net increase in fair value is a security type valuation increase and is subject to change and is dependent on market activity. This is not an addition to cash but a depiction of investment activity for FY 21 reflected in financial statements for review.

*DPL Distribution is funding remitted to MPLT from public land leases proceeds for the purposes of investment for the beneficiaries.

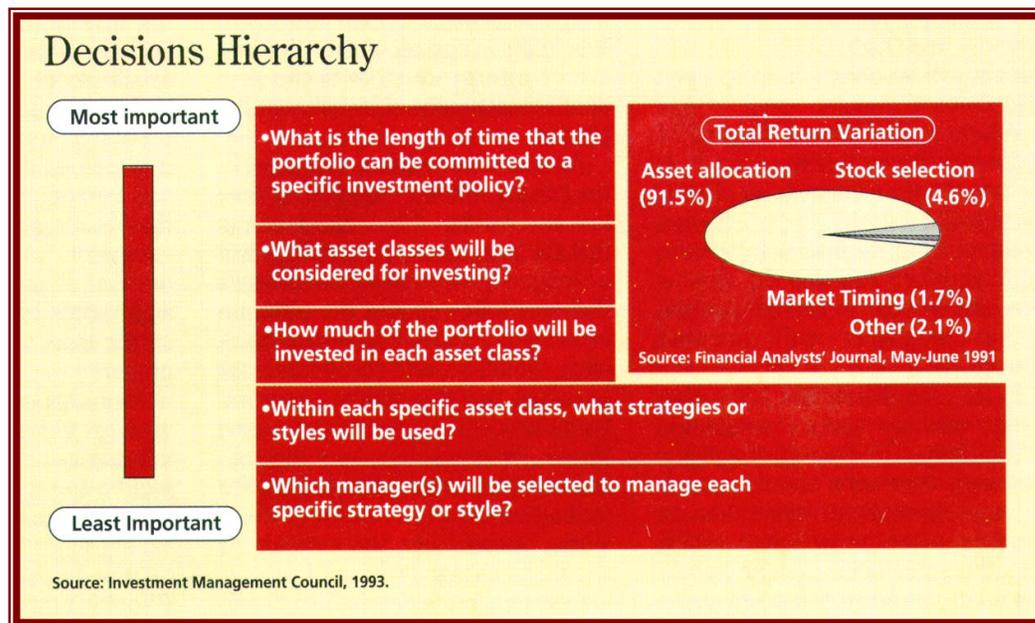
*Loan Losses Recovery is recovery of principal amounts for further investment and not included in DNI.



CITIZEN CENTRIC REPORT FOR FISCAL YEAR 2021 LOOKING AHEAD

MPLT will continue to follow its mandate to invest and manage the principal of the Trust. Part of its duties is to monitor the investment managers to ensure that the asset allocation is performing in accordance with the related benchmarks.

The asset allocation is the primary driver of annual returns. This demonstrated by the following “decision’s hierarchy” graph.



In addition to making distributions to the Trust beneficiaries, the Trust also supports the CNMI government by making loans in order to provide various funding needs. In 2007 took back an \$8.5 million loan to Northern Marianas Housing Corporation, which provided housing loans. The current value of this loan is \$2.7 million. In 2018 a term loan was made to the Commonwealth Health Center in the amount of \$2,850,000 in order to provide working capital. This loan is being paid off over eight years on a monthly basis. In FY 2019, due to the devastation caused by Typhoon Yutu, the Trust made a loan in the amount of \$15M in order pay typhoon related vendors. It is in this manner that MPLT provides financial support in addition to annual distributions to its beneficiaries.