

MARIANAS PUBLIC LAND TRUST

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

CITIZEN CENTRIC REPORT – FISCAL YEAR 2020

REPORT SUMMARY



This annual report summarizes the responsibilities, activities, and operating outcomes for 2020. The Trust is responsible for prudently investing the principal received from Department of Public Lands (DPL) from their 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.

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 \$48,491,986.

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.

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
Peter Q. Cruz
Maria T. Pangelinan

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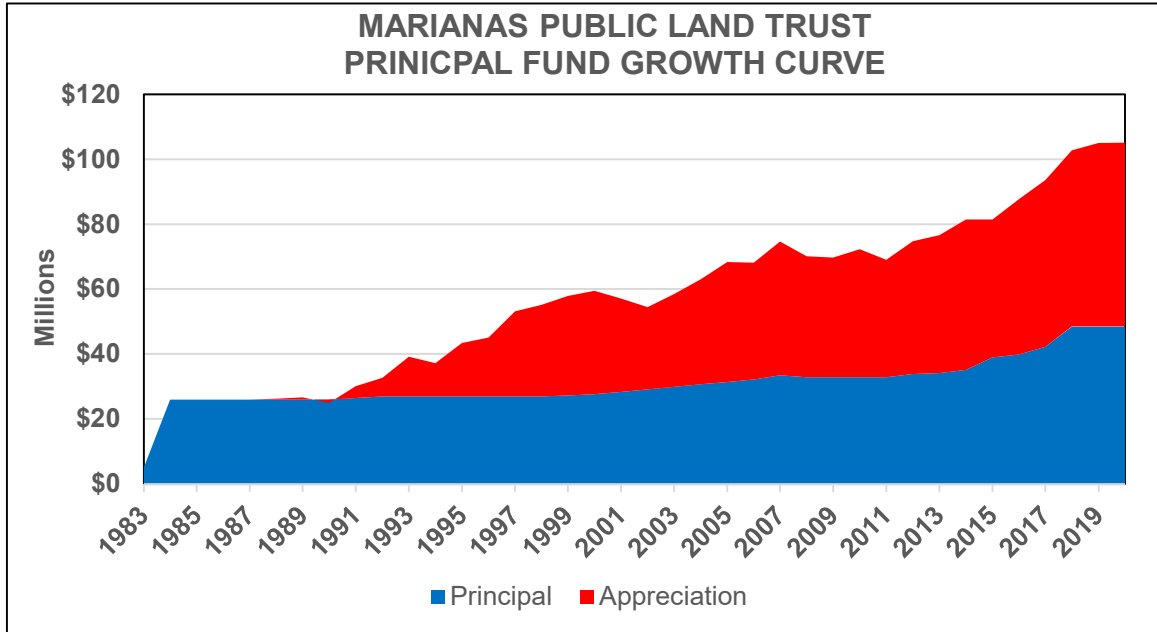


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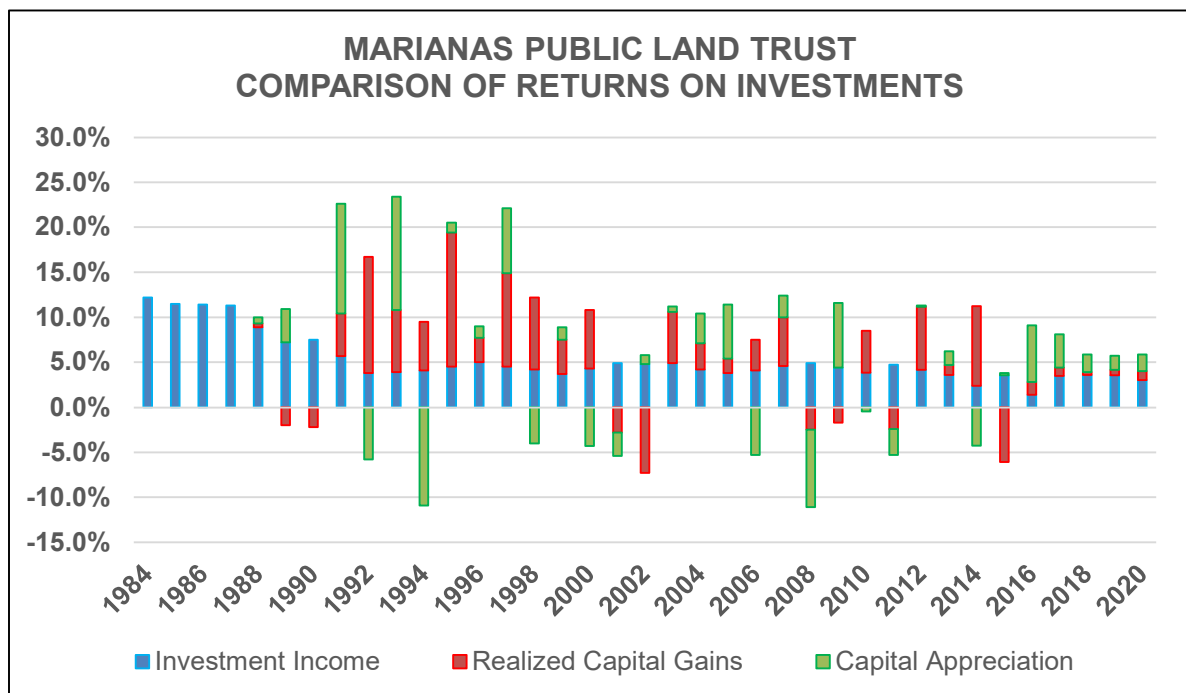
OUR PROGRESS

MPLT has grown the principal, since its inception in 1983, through capital gains and security appreciation by \$56,605,277.

MPLT's principal fund, for both the General and Park, is currently \$108.9 million. This balance is 2.2 times more than the original principal contributions received from MPLC, etc. This principal growth has occurred while making cumulative distributions to the beneficiaries of \$71.9 million since inception.



The following is a chart of MPLT's historical return since inception.



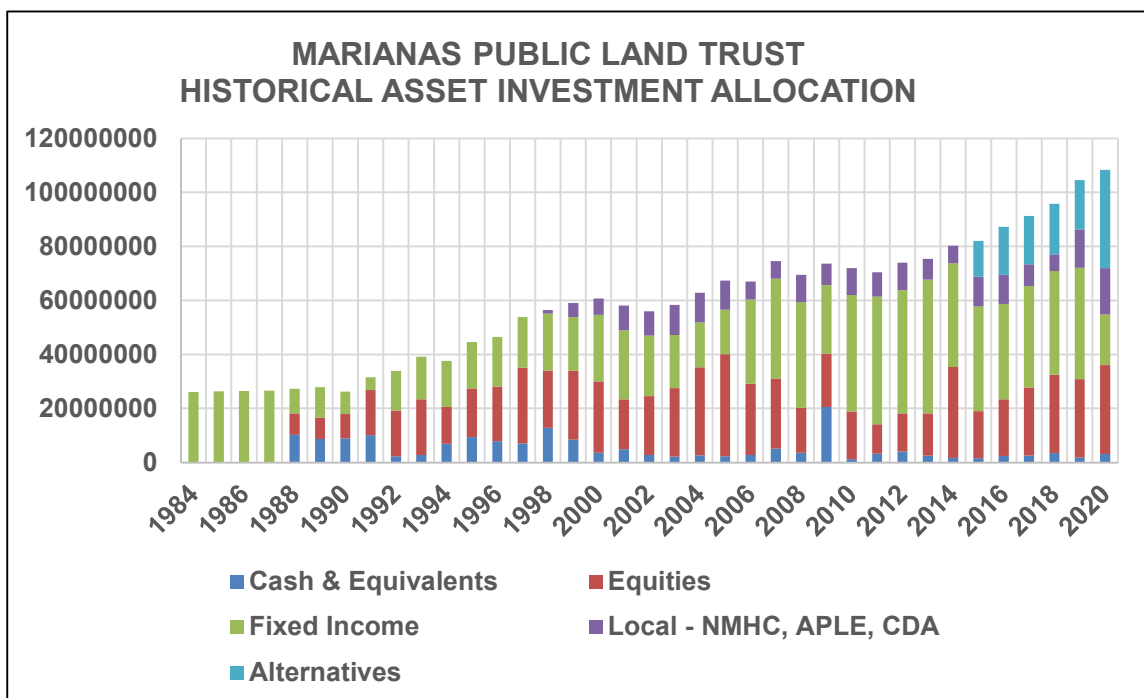


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OUR FINANCES

The financial statement summary of MPLT’s financial position as well as the statement of revenues, expenses, and changes in net position for the years ending September 30, 2020, and 2019 are as follows:

Statement of Net Position		
	2020	2019
Assets	\$108,933,167	\$105,238,604
Liabilities	655,248	141,341
Net Position	108,277,919	105,097,263
Total Liabilities & Net Position	\$108,933,167	\$105,238,604
Statement of Revenues, Expenses, and Changes in Net Position		
	2020	2019
Revenues	\$6,296,529	\$5,990,526
Expenses	(1,105,944)	(1,211,235)
Distribution to Beneficiaries	(2,009,929)	(2,380,575)
Change in Net Position	3,180,656	2,398,716
Beg. of Year Net Position	105,097,263	102,698,547
End of Year Net Position	\$108,277,919	\$105,097,263

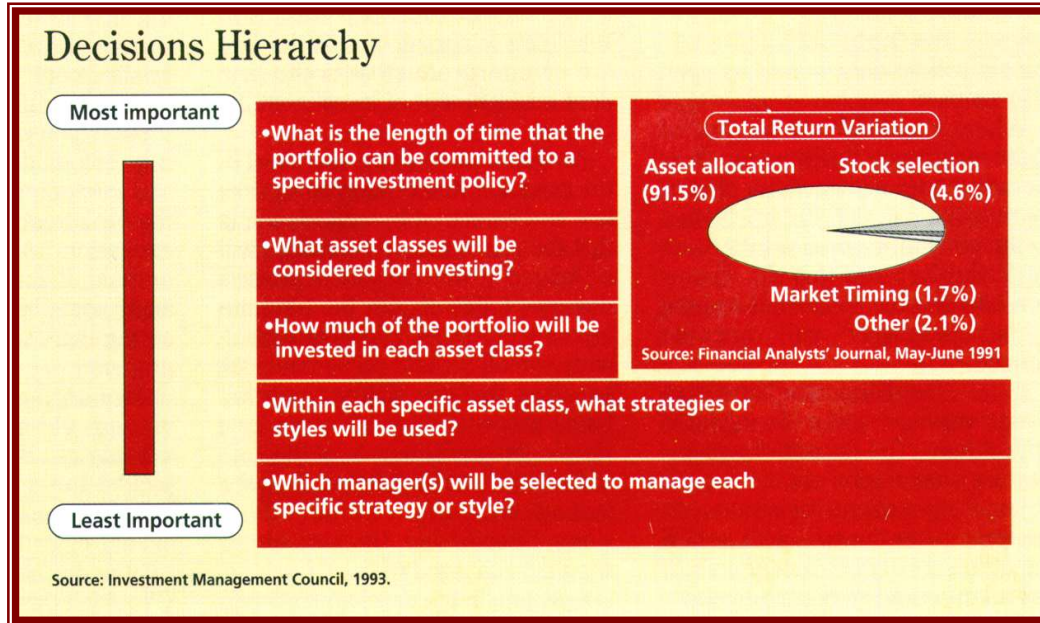


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LOOKING AHEAD

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 their related benchmarks. The asset allocation is the primary driver of annual returns. This is demonstrated by the following “decisions hierarchy” graphic.



In addition to making distributions to the Trust’s beneficiaries, the Trust also supports the CNMI government by making loans to provide various funding needs. The following is a summary of the support given provided:

DATE	INVESTMENT DESCRIPTION	PURPOSE	AMOUNT
2001	Northern Marianas Housing Corporation	Long Term Mortgage Financing	\$10,000,000
2002	APPLE	Non-profit NMD Student Tuition Program	\$154,924
2008	Commonwealth Utilities Corporation	Secure Stand-by Generators	\$3,500,000
2011	Commonwealth General Fund	Payment of Utility bills and other operating cost	\$4,000,000
2012	Commonwealth Healthcare Corporation	Line of Credit to sustain operations	\$3,000,000
2012	Commonwealth Healthcare Corporation	Electronic Health Records	\$328,655
2014	Commonwealth General Fund	CUC Stipulated Orders per Federal Court Judgement	\$5,000,000
2016	Tinian Mayor’s Office	Federal Judicial Judgement	\$1,349,368
2019	Commonwealth General Fund	Typhoon Yutu FEMA related expenditures	\$15,000,000