

North Dakota Natural Resources Trust
Board of Directors - Strategic Planning Discussions
September 8th, 2021
Zoom Video Conference & NDNRT Conference Room – Bismarck, ND

Attendees: Board members Randy Renner, Duane Hauck, Gene Veeder, Jerry Doan, Dave Dittloff and Marshall Johnson were present. Ex-officio representative Scott Peterson, Deputy Director of ND Game and Fish Department, was present for Director Jeb Williams. Trust staff present were Keith Trego, Terry Allbee, Jesse Beckers, Eric Rosenquist, Rick Warhurst and Brenda Newton.

8:30am

Marshall called the meeting to order. Roll call was taken. Marshall asked for any announcements or changes to the agenda. Marshall welcomed the newest member, Gene Veeder, to the board. He then asked for a motion **“to approve the agendas.” Randy moved and Duane seconded. All were in favor, motion carried.** Marshall asked for any additions or corrections to the May 2021 Meeting Minutes. Marshall called for a motion **“to approve the minutes.” Jerry motioned and Randy seconded. All were in favor, motion carried.**

Keith reviewed the history of the Trust Strategic Plans. Keith gave a summary of each Strategic Plan, from 1994 to present, noting board members, goals and priorities, and who prepared each plan. The Trust is on the eighth Strategic Plan since its inception. The board discussed how the strategic plans have gone from being very broad to more specific, regarding goals and priorities, over time. This has helped the Trust become a more effective organization.

Next, Keith presented the history of the Trust’s staffing. A chart was displayed that showed the number of full-time and part-time employees of the Trust from 1998 to present. There have been 15 total employees at the Trust since Keith was hired as Executive Director in 1998. At that time, there were 4 FT and 3 PT employees. Currently, the Trust has 5 FT employees and 1 PT employee. Terry explained in more detail how the number of employees relates to the Trust Fiscal History. He displayed the same employee history chart but included lines for income, expenditures and on the ground funds. Income and expenditures have increased more than 3 times since 1998, however FT staffing has only increased by 1 person. Terry highlighted some key projects and income years for the Trust. He also noted that the Trust has changed to the current investment income sweeping in 2009. The Trust’s project related income has increase sustainably as a result of Outdoor Heritage Fund grant approvals. Gene asked to explain energy offsets funds the Trust has received. Keith reviewed the first offset contribution the Trust received and how that set the groundwork for others that have been received since.

Keith reviewed the history of Trust staffing decisions and the efforts he goes through to inform the Board of how he makes staffing change decisions. He explained that changes are discussed with the Finance Committee prior to the January Board meeting, where the annual budget is approved. He also noted that each year the budget includes extra money for increased staffing and changes. Keith referenced the example of January 2020. A Board Memo was distributed prior to the Board meeting that noted adding a new staffing position. Keith then explained how the staff uses the approved budget as a policy document. Items changed, included or removed from the annual budget provide guidance to the staff for the year. Staffing changes, current and new project budgets are examples of items approved when the budget is approved. Keith asked the board for comments and if they liked this approval process. Dave noted that most organizations operate this way and expressed that the Board should view the budget as a policy document and not just a fiscal numbers document. Marshall and Randy agreed this was a good refresher to note going forward into the next Board and Strategic Plan meetings.

Keith presented the current Strategic Plan to the Board. He reviewed the format and that it was prepared by the Board and staff. Keith next made note of the bullet points and questions on page seven of the plan, which list how the Trust is unique and ask how the Trust use can this to its advantage. Keith also pointed out the budget projections table on page fifteen and suggested it be included in future plans.

Terry further discussed the projected budget table. He presented a chart that compared the projected five-year budget to the Trust's actual budgets from the past five years. Terry explained that in most years, the Trust's actual income was higher and actual expenditures were lower than the project numbers.

Keith went on to review each of the five strategic priorities listed in the current Strategic Plan. He also presented a Strategic Priorities Web that illustrates how current Trust activities and programs fit into each Plan priority. Randy commented how some of the Strategic Plan priorities could be condensed, expanded upon and made more relevant. Marshall noted that the Trust's activities are wide ranging and fit under a large umbrella. He proposed that the Board and staff think about, throughout the next few months, if the Trust should or could focus its efforts, in regards to the knowledge of the staff.

Keith next gave the Board an overview of the Trust enabling Statues. He quickly reviewed the documents and language. The Garrison Diversion Reformulation Act of 1986 was the enabling statue that created the Trust. The Dakota Water Resources Act (DWRA) of 2000 changed the name of the Trust from the ND Wetlands Trust to the ND Natural Resources Trust and added grassland protection to the mission. The DWRA also allocated an additional \$25 Million in federal funding to the Trust. In 2009, the DWRA was reopened under the Energy & Water Development & Related Agencies Appropriation Act of 2010. This change allowed the Trust to spend investment principle to operate, if needed. Keith also reviewed the Bureau of Reclamation Agreement, which is renewed with the Trust every 5 years.

Keith moved on to discuss the Trust's Bylaws and some items that could be added or changed within them. The first item Keith noted was that the Ex-officio board position that was approved by the board in July 1998. The change was never added to the Bylaws. The second item noted was the naming of an audit committee. No formal audit committee has been established. These duties have previously been handled by the Finance Committee. Randy suggested that it be reworded. Brenda noted a few more changes regarding the wording of meeting notices. Jerry also asked about the board vacancies wording in the current Bylaws. The board then discussed how the board should handle vacancies and what steps the leaving board member should take to notify the appointing authority, Board and staff. Marshall asked that the Trust staff to create a draft Bylaws document with suggested changes and send it to Randy and him for first review, before presenting it to the full Board. Keith also noted that it might be helpful if the Board also reviews the enabling statues and BoR agreement for any wording changes. Terry noted that the BoR agreement is currently in the renewal process, so this would be a good time to note any changes. Marshall suggested that a Bylaws & Policy committee be formed to review the enabling statues and Bylaws documents for changes. Marshall motioned **"to make a committee to review enabling documents and bylaws."** Duane moved and Dave seconded. It was decided that that Dave, Randy, Marshall and Gene would be on the committee. Duane suggested that the changes be completed by the January board meeting. **All were in favor, motion carried.** The board adjourned for lunch at 11:00am.


The board reconvened at 11:30am. Keith started off the afternoon session examining the process for creating the 2022-2027 Strategic Plan. He noted there are several pathways the board could use to help develop the plan such as, a 360 review, talking to partners and other organizations, and gathering input from former board members or the original Trust creation team. Marshall recommended that we explore an outside consultant. Gene and Randy agreed. The board and staff discussed possible consultants to use. Marshall noted that we will need an RFP before contacting any potential consultants. He asked if the staff would develop this document. Marshall asked if a committee or core group should be set up and regular meeting can be scheduled, that the whole board can also participate in. Marshall suggested that by mid-October, the staff draft an RFP and the

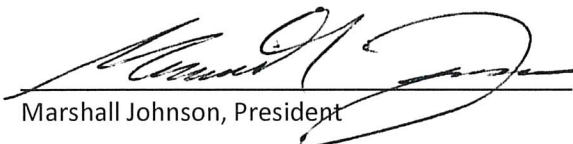
Board gather names of possible consultants and forward them to the staff. At the next meeting, next steps can be decided.

The board further discussed what type of questions to ask a consultant. Randy and Duane asked what information can a consultant gather from partners and what types of questions should be asked. Marshall asked: Should a 360 review be conducted? Does this infer a drastic change in direction? The Trust has commitments such as grants and programs that need to be upheld. Dave noted that a drastic change doesn't have to be made, but the state of conservation has changed in North Dakota. Those factors should be considered when looking at the direction of the Trust. Duane noted that to cue in on exactly what makes the Trust unique, in regard to the conservation world, more exploration is needed. Randy mentioned that the Trust doesn't have a vision statement. The Board also discussed how the Trust is a strong facilitator. The question, when is it good be a facilitator and when is it good to be a partner, was asked. Should there be rules or priorities defined for each role?

The Board decided that the next meeting should be in mid-October, where a timeline to hire a consultant will be determined. Before then, the staff will draft an RFP and the Board will explore possible consultants. The Board discussed questions the consultant could ask other entities to help develop the next strategic plan, such as: What can we do better? What role can you envision as the best role of the Trust, facilitator or partner? What does the Trust do right? It was also noted that these inquiries should be confidential and that we should include landowners, as well as organizations. It was suggested that a subcommittee be developed to review the RFP the staff puts together. The Board decided that the staff can reach out to the whole board when the draft is completed.

Marshall called for a motion **"to adjourn the meeting at 12:38pm."** Duane moved and Randy seconded. All were in favor, motion carried.

Submitted by  _____ Dated 1/25/22
Keith Trego, Executive Director

Approved by  _____ Dated 1/24/22
Marshall Johnson, President