

NORTH DAKOTA NATURAL RESOURCES TRUST
BOARD OF DIRECTORS MEETING
JANUARY 21, 2026
TEAMS VIDEO CALL/NDNRT CONFERENCE ROOM – BISMARCK, ND

Attendees: Board members Randy Renner, Gene Veeder, Jerry Doan, Dave Dittloff, Kristal Stoner and Greg Sandness were present. Ex-officio representative Casey Anderson, Deputy Director of ND Game and Fish Department, was present for Jeb Williams. Trust staff present were Keith Trego, Terry Allbee, Jesse Beckers, Eric Rosenquist, Heather Husband, Rick Warhurst, Brenda Newton and Kathrin Youngberg. Others in attendance included John Hagan of SEI Investment Company and Andrea Gue of the Bureau of Reclamation.

9:15 a.m.

Randy called the meeting to order. Roll call was taken. Greg Sandness, the Board's newest member, was introduced and welcomed. Randy asked for any announcements. Hearing none, Randy called for any changes to the agenda. Hearing none, **Kristal motioned to approve the agenda, Dave seconded. All were in favor, the motion carried.** Keith reviewed the action items from the August 20, 2025 Board of Directors meeting, which were completed. He also discussed an action item that arose from the January 15, 2026 Finance Committee meeting. Randy asked for any additions or corrections to the August 2025 Board meeting minutes or January 2026 Finance Committee minutes. Hearing none, Randy called for a motion. **Dave motioned to approve the August 2025 Board meeting minutes and January 2026 Finance Committee minutes. Kristal seconded. All were in favor, motion carried.**

Goal E: Trust Administration & Efficiencies

John Hagan of SEI Investments presented the Trust's investment portfolio performance review and overall market performance for 2025. The Trust's Consolidated Portfolio was up 13.8%, with total assets valued at \$42.1 million. The portfolio generated income and capital gains of \$3.4 million in 2025, a similar level to 2024. Last year's decision by the Board to reinvest \$1 million into the retained earnings account created additional income for 2025, with very good market timing. U.S. stocks did better, benefiting from the weaker dollar and lower interest rates. SEI will remain defensive because of market volatility. U.S. stocks will have a better position in 2026. Inflation will tick up in the later part the year. Interest rates are expected to lower but not aggressively. Tariffs may create a market headwind. John believes the Trust should be positioned to have good investment returns in 2026 but may not be as good as the last two years. SEI will factor in the potential for increased inflation and other factors in their next asset allocation study.

Terry presented a graph of the Trust's last 10 years of expenditures and reviewed the Trust's actuals to budget for 2025. The Trust had \$9.7 million in income and \$9.7 million in expenditures, a record year, compared to \$7 million in activity last year. The Trust has seen significant increases in financial activity over the last five years, due to successful grant applications. The Trust was able to leverage \$2 million of investment income into expenditures of near \$10 million. State grants of \$6.2 million are driving income numbers, with much less exposure to federal grants (\$600k). The Trust has invested in efficiencies such as time tracking software, program development, and equipment upgrades. Admin costs are up a bit from 2024. Seventy-six percent of the budget went to on-the-ground conservation, which has been an equivalent percentage to the last 5 years.

Keith reviewed Trust highlights in 2025 including adding a new Board member and staff member, surpassing 500,000 acres of habitat delivery, exceeding \$24 million in Outdoor Heritage Fund grants, assisting with development of the new Governor's Legacy Soil Health and Habitat Program, new timekeeping software, initial planning for the Trust's 40th anniversary in 2026, rebalancing admin and business activities, renewing coop agreements for Rick and Heather, completing RCPP Phase 1, working with NDGF on easements, and the truck lease.

Terry next presented the proposed budget for 2026, which is the same approach as last year. It seeks opportunities with the excess income and leveraging dollars effectively. We will continue to invest in efficiencies and administration. Fund management holdings for partners might see some impact from federal dollars being down. Of all categories, energy is up the most, with the highest amount of dollars and most opportunity. The 2026 Trust budget is \$12.9 million, up slightly from \$12.2 million last year.

Terry displayed a table of the Trust's last 10 years of investment income earnings. The 2025 earnings were \$3,363,627, the third highest. At its January meeting, the Finance Committee recommended keeping \$2 million for 2026 income, reinvesting \$1 million into the retained earnings investment account at SEI, and leaving the remaining in the income account at SEI for 2026 operations. The Board reviewed the Trust's Investment Policy and determined no changes are necessary at this time. **Kristal presented proposed changes to the Fiscal Policy. Randy motioned to approve the changes. Greg seconded. All were in favor, motion carried.**

Goal A: New & Existing Programs

Jesse gave an update on Bakken 2, which has been completed. Around 68,000 acres of private lands were enhanced, as well as 70,000 acres on public lands as part of the \$3.4 million grant. Bakken 3 has a reduced budget and will focus on reclamation and grazing systems.

Terry reviewed a chart and map of all Outdoor Heritage Fund projects the Trust has engaged in since 2014, which involves 26 grants and includes 1,200 plus projects covering nearly 510,000 acres in 49 out of 53 counties in the state. In 2025, there were 106 projects covering about 50,000 acres in 34 counties. A suggestion was made to separate out specific project type by county on the map.

The Trust's OHF grant submission history was reviewed. Four grants were completed in 2025, with plans to complete five grants in 2026. The Trust had no grant application in Round 27 (fall 2025). There was over \$15 million in grant requests in this round, with \$8.1 million approved. There is \$6.8 million left this biennium through three more rounds. The Trust will propose three OHF grants in 2026, two in the spring and one in the fall.

Keith mentioned there is conversation among some partners about advocating to lift the OHF artificial cap. Trust Board and staff discussed pulling metrics and examples by legislative district or county to show how many OHF project funds went to each district and how OHF funds have driven local economies and benefited businesses (such as local farm supply/hardware stores and implement dealers). Highlighting the leverage created by adding federal dollars was also recommended.

Goal B: Convene Stakeholders to Address Grassland Loss

Jesse gave an update on the NFWF Grassland Resilience and Conservation Initiative (GRACI) grant application that was submitted. The Trust was not selected in the first round of applicants but was asked to rework

portions of the grant and resubmit for the next round. Jesse will be applying in the spring for an Oil & Gas Research Council grant. Eric discussed the Northern Great Plains grant, with two potential opportunities: juniper management in the Badlands and the USFWS partners program. Keith updated on discussions with USDA/NRSC and also a contact who is working with a group of private funders focused on carbon, soil health and conservation. Keith reported on an extension of the Farm Bill, in which CRP was left out. Senators Thune and Klobuchar have introduced a marker bill on CRP.

Goal C: Financial Support of Natural Resource Education

Kathrin and Brenda presented on the Trust's Small Grant Program. In 2025, six grants were completed with \$92,218 paid out in reimbursements. There is a remaining obligation of \$91,821. The last five years of grant round allocations were reviewed. Staff recommended allocating \$84,000 for the program in 2026, a slight increase from last year. Grant applications are due by April 10. All Board members and staff will be invited to review and score grants. Proposals and scoring sheets will be shared with the Board and staff.

Goal D: Existing & New Partnerships

Rick gave an update on NAWCA. This past fall, Congress passed the Wetlands Conservation and Access Improvement Act of 2025, reauthorizing PR interest funds to be directed to NAWCA through 2033. In 2026, these total \$96 million. In July 2025, 36 grant proposals requesting \$98 million in funding for U.S. projects were received in Round 1, with only \$62 million available. Seventeen projects were recommended for funding by the NAWCA Council. Three million was set aside for small grants. In January 2026, the Senate passed a budget that contains a \$49 million Congressional allocation for NAWCA. Notice of funding opportunities for Round 2 are way behind schedule. There is one vacant position on the Council (the Pacific Flyway nomination has been submitted to the Secretary of Interior for approval). Rick is now the most tenured person on the Council and will be the staff team lead. The new scoring process for Canada has not been reviewed or approved.

Heather discussed the Meadowlark Initiative (MI), including the structure of her position supported by federal, state and Trust funding. She now has access to RCPP funding and will lean more heavily on this funding this year. She has developed 1 year, 5 year and 10 year workplans for the MI. In 2026, she plans to develop a new MI website, establish an advisory committee, develop additional outreach materials, host regional partner meetings, connect more with partners including Soil Conservation Districts, and plan and attend outreach/partner events to reach key audiences, including Prairie Day on June 6, 2026.

Old Business

Keith discussed there could potentially be positive funding implications for the Trust in the \$50 million authorization for the Eastern North Dakota Alternate Water Supply (ENDAWS) project, part of FY 2026 appropriations legislation HR6938 recently passed by the Senate and going to the President for signature. Kristal asked that Senator Hoeven and Cramer's press releases on the passage of HR6938 be shared so she can provide to policy staff.

Keith gave an update on organizational efficiencies including continued interest in exploring a CRM and project management software, a digital file management system, and a process for archiving files, which will be a multi-year project. Dave noted the long-term value in writing policies/procedures down so new employees are familiar with expectations.

Staff evaluations will take place in mid March 2026. Potential pay increases would be effective April 1. Keith will conduct staff evaluations. The Evaluation Committee will be involved in Keith's evaluation, which will be online.

Brenda reviewed the annual conflict of interest form and training to be completed by both staff and Board members. A section on personal auto insurance was added to the form. Brenda will email Board members and staff with the form and a link to the training portal. Board members and staff are asked to complete the training videos and email their completed form to Brenda by the May Board meeting.

Kathrin presented initial ideas to highlight the Trust's 40th anniversary in 2026, including a new logo, video and partner appreciation event. There was discussion about holding the event in conjunction with the fall Board meeting. Trust staff will contact local venues to see what dates in late September or October are available.

New Business

The Board moved on to the election of officers. Jerry nominated Randy to remain as president. No further nominations were made. **Jerry motioned to reelect Randy as president. Kristal seconded. All were in favor, motion carried.** Next, Jerry nominated Gene to remain as vice-president. No more nominations were made. **Jerry motioned to reelect Gene as vice-president. Kristal seconded. All were in favor, motion carried.** Randy nominated Kristal to remain as secretary/treasurer. No more nominations were made. **Randy motioned to reelect Kristal as secretary/treasurer. Jerry seconded. All were in favor, motion carried.** The new Board of Director officers are as stated, Randy Renner as president, Gene Veeder as vice-president and Kristal Stoner as secretary/treasurer.

Next, committee members for the Finance and Evaluation Committees were decided. Kristal as secretary/treasurer is chair of the Finance Committee. Dave and Gene will continue serving on the Finance Committee, and Greg will replace Randy. **Randy motioned to authorize Greg to be granted check-signing authority on the Trust's bank account. Kristal seconded. All were in favor, the motion carried.**

Randy as president is chair of the Evaluation Committee. Jerry, Gene and Casey will remain on the Evaluation Committee.

Kristal brought the 2026 budget up for discussion and approval. She discussed the Finance Committee's recommendation to move \$2 million from the SEI income account to the Starion checking account, reinvest \$1 million into the retained earnings investment account, and leave the remaining in the income account at SEI. **Randy motioned to accept the Finance Committee's recommendation. Jerry seconded. All were in favor, the motion carried.**

Kristal called for a motion to approve the proposed 2026 budget. **Dave moved to approve the 2026 budget as presented. Randy seconded. All were in favor, motion carried.**

There was discussion about updating the unsatisfactory performance language in the Pay Plan Policy and adding information on unsatisfactory performance to the Employee Handbook (based on discussion at the January 15, 2026 Finance Committee meeting). Trust staff will make changes to the language and send it to Board members to review before the May Board meeting, so it can be discussed at the meeting.

Brenda discussed the new Mastercard credit cards available for Board members, and that all receipts should be submitted to her. Expense reports for the Board meeting should also be sent to her.

Keith discussed the office space lease, which runs through October 2028. There was discussion about potential future options to consider, such as staying in the current space, leasing a different space, buying a building or building new. The Board suggested doing a cost/economic analysis of the different options, for discussion at the May Board meeting.

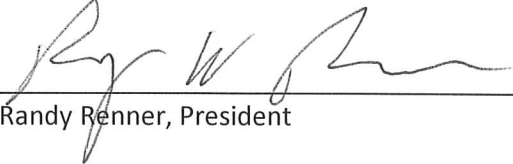
Keith presented the plaque for the 2025 Outstanding Rangeland Management Partner Award that Trust staff received from the US Department of Agriculture – Forest Service (Dakota Prairie Grasslands) last fall.

2026 spring and fall meeting dates were discussed. Tuesday, May 12 will be the date of the spring meeting. The fall meeting date will be selected once a date for the 40th Anniversary partner appreciation event is determined, so Board members can participate in this event.

Kristal motioned to adjourn the meeting at 3:57 p.m. Greg seconded. All were in favor, motion carried.

Submitted by 
Keith Trego, Executive Director

Dated 5/12/26

Approved by 
Randy Renner, President

Dated 5/12/26