

**NORTH DAKOTA NATURAL RESOURCES TRUST
BOARD OF DIRECTORS MEETING
JANUARY 23, 2025
TEAMS VIDEO CONFERENCE CALL/NDNRT CONFERENCE ROOM – BISMARCK, ND**

Board members present:

Randy Renner, Board President, North Dakota Chapter of the Wildlife Society representative
Gene Veeder, Board Vice-President, Gubernatorial appointee
Kristal Stoner, Board Interim Secretary/Treasurer, National Audubon Society representative
Dave Dittloff, National Wildlife Federation representative
Jerry Doan, Gubernatorial appointee
Scott Peterson, Board Ex-officio, North Dakota Game and Fish Department representative

Trust staff present:

Keith Trego, Executive Director
Terry Allbee, Business Manager/Biologist
Jesse Beckers, Energy Program Manager
Eric Rosenquist, Conservation Program Manager
Heather Husband, Meadowlark Initiative Coordinator
Rick Warhurst, NAWCA Staff/Biologist
Brenda Newton, Administrative/Conservation Specialist

Others present:

John Hagan, SEI Investment Company
Jay Reiser, Trish Feiring and Darrell Oswald from the North Dakota Grazing Lands Coalition

9:00 AM

Randy called the meeting to order. Roll call was taken. Randy asked for any announcements. Hearing none, Randy called for any changes to the agenda. Hearing none, **Kristal motioned “to approve the agenda.” Gene seconded. All were in favor, motion carried.** Next Brenda reviewed action items from the September 2024 board meeting. Randy asked for any additions or corrections to meeting minutes from the September 2024 board meeting and January 2025 Finance Committee meeting. Hearing none, Randy called for a motion. **Gene motioned “to approve the meeting minutes.” Kristal seconded. All were in favor, motion carried.**

Goal D: Existing & New Partnerships

Rick gave an update on NAWCA. The council awarded \$128.5 million for grants in FY2024, which impacted 440,000 acres. For FY2025, \$135 million is available for grants. Administratively, the chief of the Division of Bird Habitat Conservation retired at the end of the year. A replacement has not yet been announced. Another change includes moving the grant submission dates, beginning in 2025. Normally, grants are submitted in February and July. The new cycle will be July and the following February. This will allow more time for congress to approve the budget. Changes were also made to Canada grant projects. OMB will now be scoring those project. Prior to the change, Canada scored their own projects. NAWCA staff will be meeting in May to discuss the changes and create a scoring system for the Canada grants.

Heather updated the board on the Meadowlark Initiative. All financial assistance funds for the first RCPP have been spent out. \$5.4 million of NRCS EQIP contracts and \$10.2 million of partner contributions were spent out for the Meadowlark Initiative. From 2021-2023 over 17,000 acres of new grass were

atmospheric carbon capture compared to idle grasslands. The study did not collect data on soil organic carbon capture, since several more years would be needed to calculate the results. Jesse discussed handing the study off to NDSU. The board discussed the options and the future of carbon in the state.

Jay Reiser, president of the North Dakota Grazing Land Coalition, started the discussion of having a policy tour next year. Other partners are also interested in helping with a tour, such as the Joint Ventures. There was discussion about how many days and where the tour would take place. Everyone agreed that a good tour takes a lot of time to plan, and a partner committee needs to be created. It was also agreed that NDGLC needs to be the lead, and the Trust will play a role in planning. NDGLC will reach out to Heather and Brenda to schedule a pre-planning meeting to come up with an outline and partner list.

Goal C: Financial Support of Natural Resource Education

Brenda presented an update on the Small Grant Program. In 2024, 12 grants were completed with \$93,028.52 paid out in reimbursements. There is a remaining obligation of \$88,941.28. Brenda reviewed the last five years of grant round allocations. Since the Trust has a low outstanding balance, staff recommend allocating a larger amount this year of \$86,000. Brenda plans to have a meeting with Kristal and Heather in February to review scoring and application questions, marketing, and if there should be a focus topic for the program. Brenda also showed the board draft signs for the Clairmont Family Park in Bismarck. The board approved a small grant in 2022 to pay for interpretive signs in the new park.

Goal E: Trust Administration & Efficiencies

Terry reviewed the Trust's actuals to budget for 2024. The Trust had \$1 million of income last year and the staff prioritized receiving grant reimbursements, which helped maintain cash flow. The Trust was only overspent by \$228,000 for expenses to income. 2024 earnings were used to cover the difference. Terry displayed a graph of the Trust's last ten years of expenditures. 2024 had \$7 million of expenditures, with almost \$5.5 million of that going to on the ground conservation practices. Administration made up 9.3%, which is right on track with previous years. Terry also displayed a summary of staff's accomplishments for the year. Lastly, he informed the board that he has prepared an audit letter for signature so Haga Kommer can begin the Trust's annual audit. The audit results will be presented at the May board meeting.

Terry next presented the proposed 2025 budget. He displayed a table of the last ten years of investment earnings. The 2024 earnings were \$3.4 million. The Finance Committee recommends reinvesting \$1 million back into the Retained Earnings investment account at SEI. Presently, \$2 million of earnings has been transferred into the Trust's bank account for 2025 income. The remaining funds would stay in the income account at SEI for investment fees and funds for next year. Terry displayed the 2025 proposed budget. He noted that the Trust's budget process needs improvement and plans to work on that for upcoming years. Tracking strategic goals to financials will be a priority. The budget categories were reviewed. The 2025 budget is higher than the previous year, reflecting the good earnings. The board discussed new software, vehicle needs and potential donations that are noted in the budget.

John Hagan presented the Trust's investment portfolio performance review and the overall market performance for 2024. The Trust's Consolidated Portfolio was up 9.9% YTD with total assets at \$39.1 million. The portfolio generated the highest income and capital gains amounts since 2021. John noted that the Trust's equities are up 15% YTD. 9 out of 10 of the Trust's investment strategies outperformed their respective indexes in 2024. SEI will review the portfolio's asset allocation after the first quarter, however the portfolio is performing as expected.

Keith continued the discussion on the proposed budget. He intends to put emphasis on efficiencies this year. Our growth in expenditures has increased exponentially and Trust needs to invest in administration processes. Keith noted that salary surveys will also be done this year. He would like a board member to be part of the process. Dave volunteered since he has experience doing the process with his agency. Keith would also like to offload some of Terry's financial duties to Brenda who has shown interest. This would require some of Brenda's administration duties to be taken over. Keith suggested hiring a part-time administration position. He doesn't have a solid proposal for the board yet but would like to bring one to the board by the next board meeting. The board agreed with Keith's suggestions and discussed the timing of staff evaluations.

Keith gave an update on the Dakota Water Resources Act Amendment. It did not get passed before the end of the year due to six holds being placed on the bill. It will now have to be reintroduced by the new congress. Keith did talk with the Bureau of Reclamation. The Trust will be getting a small payment this year, which are the final remaining funds from the DWRA of 2000.

Old Business

Keith presented the current Land Acquisitions policy to the board, adopted in 2001. Keith proposed updating the policy language to reflect the way the Trust would approach a land acquisition now. The Trust has not purchased land in many years and currently only helps facilitate acquisitions by other entities. Keith reviewed the new language and the changes that were made. The board suggested removing the second and part of the third sentences in the second paragraph that related to Trust management capabilities. They also suggested removing the second sentence from the second to last paragraph that discusses appraised values. The board agreed with the changes discussed. **Kristal made the motion "to accept the proposed Land Acquisition Policy with the changes discussed." Gene seconded. All were in favor, motion carried.** Brenda will also post a list of the Trust's land acquisitions to the member area of the website.

Keith next reviewed changes to the current Signature Policy, adopted in 1998. The current policy has no narrative. Keith added narrative and language that states the executive director can designate signature authority to staff in certain situations. The board suggested changing the wording in that section from 'as needed' to 'on non-binding documents'. **Kristal motioned "to accept the new Signature Policy with the changes discussed." Dave seconded. All were in favor, motion carried.**

Keith then presented the current Wetland Policy, adopted in 1999. He proposed to dissolve the policy. The policy does not serve any useful purpose to the Trust anymore. The board discussed that it no longer fits within the Trust current mission, vision and strategic plan goals. **Jerry motioned "to retire the Wetland Policy." Kristal seconded. All were in favor, motion carried.**

Keith lastly presented a change to the current Bylaws. Under Section 7. Committees, it states that changes to committees would be noted in the policy manual. The Trust doesn't have a formal policy manual but instead has many standalone policies. Keith suggested changing the words from 'policy manual' to 'meeting minutes'. The board agreed with the change. **Randy motioned "to make the change of wording in the Bylaws to 'meeting minutes'." Kristal seconded. All were in favor, motion carried.**

Brenda reviewed the new conflict of interest form. She explained the changes, which added check boxes for required annual trainings and policy review. Brenda showed the board where the form, required reading and training link are located in the member area of the website. The board discussed the

changes and agreed with them. It was decided the board will fill out and sign the new form at the next board meeting. Brenda will send out the training portal link and instructions to board and staff soon.

Keith reviewed some of the efficiency priorities staff are planning to work on this year. Staff would like to develop a program management platform that incorporates customer relationship management. Staff also plan to work on file retention and archiving as well as digital file management. All of these tasks will require help from outside consultants. Funds for this have been built into the budget. Keith noted that these tasks will not be finished in 2025, as they are big lift. He also reminded the board of the new timeline for staff evaluations. All evaluations need to be completed before April payables. Brenda gave a demonstration of the online executive director evaluation form. The link is located in the member area of the website. Having an electronic form will make it easier for board members to fill out and the committee to compile answers.

New Business

The Board moved on to the election of officers. Jerry nominated Randy to remain as president. No further nominations were made. **Gene motioned “to reelect Randy as president.” Kristal seconded. All were in favor, motion carried.** Next, Jerry nominated Gene to remain vice-president. No more nominations were made. **Jerry motioned “to reelect Gene as vice-president.” Dave seconded. All were in favor, motion carried.** Randy nominated Kristal for secretary/treasurer. No more nominations were made. **Randy motioned “to elect 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. Randy and Dave will also serve on the Finance Committee. Randy as president is chair of the Evaluation Committee. Jerry, Gene and Scott will remain on the Evaluation Committee.

Kristal brought the 2025 budget up for discussion and approval. She commented that there were still some questions to discuss before the budget is approved. The board discussed the funds noted for the ND Chapter of the Wildlife Society. The board is comfortable leaving the funds in the budget, but they cannot be distributed until the board gets more information from the Chapter’s annual meeting next month. The board also discussed funds noted for partner cooperative agreements. It was decided to keep the amounts the same as the last two-year agreements, but more funds could be added depending on the amount of funds that are distributed to the Chapter. Kristal called for a motion to approve the proposed budget. **Dave moved “to approve the 2025 budget as presented with a footnote to not act on the Chapter funds until more information is presented.” Gene seconded. All were in favor, motion carried.**

Keith updated the board on the open gubernatorial appointee position for the Trust board. The governor suggested appointing Gabe Brown. Keith talked with Gabe and he is not interested in taking on another board position at this time. Keith and Brenda recently corresponded with the Boards and Commissions office. Three applications have been submitted. The board discussed names. Keith will get back in touch with the Boards and Commissions office with the board’s recommendation.

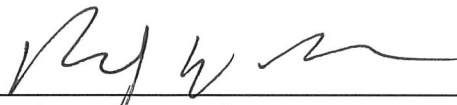
Brenda asked the board for access to the safe deposit box. The Trust holds a safe deposit box at Starion Bank in Bismarck. The box contains organizational articles of incorporations, the deed to properties owned by the Trust and other important documents. Currently, Keith Trego and Terry Allbee are authorized to access the box. Since Brenda handles administrative documents, the board discussed

granting her access to the box. After a brief discussion, Randy Renner motioned “to approve access to the safe deposit box, located at Starion Bank in Bismarck, to Brenda Newton.” Kristal Stoner seconded the motion. No additional discussion was had. All board members voted in favor. The motion carried.

Lastly, the board discussed the spring meeting date. It was decided to have a one-day spring meeting on Thursday, May 8th. Randy motioned “to adjourn the meeting at 3:55pm.” Kristal seconded. All were in favor, motion carried.

Submitted by  _____
Keith Trego, Executive Director

Dated 5/8/25

Approved by  _____
Randy Renner, President

Dated 5/8/25