

**NORTH DAKOTA NATURAL RESOURCES TRUST
FINANCE COMMITTEE MEETING
JANUARY 15TH, 2026
TEAMS/NDNRT CONFERENCE ROOM – BISMARCK, ND**

Board members present were Kristal Stoner, Finance Committee Interim Chairman, Randy Renner, President, and Dave Dittloff. Trust staff members present were Keith Trego, Terry Allbee, Brenda Newton and Kathrin Youngberg. Guests present: John Hagan and Adam Bullock, SEI Investments.

3:00 PM

Kristal called the meeting to order. Roll call was taken and the agenda was reviewed.

John Hagan introduced Adam Bullock, the Trust's new client service director. He then gave the investment performance review. The Trust's Consolidated Portfolio ended the year with a balance of \$41.2 million, up 13.8% YTD. The Trust portfolio generated \$3.3 million in interest, dividends and capital gains. All investments are within the Trust's Investment Portfolio guidelines. John noted that he would like to look at the inflation protection assets and possibly make some changes to those. SEI may conduct a new asset allocation study in the 1st quarter of 2026. Looking at the inflation protection assets will be part of the study. The finance committee did an annual review of the investment policy and John suggested no changes. The committee agreed. The committee also reviewed the Fiscal Policy. John had an edit to the last sentence to clarify how the retained earnings are invested. The committee agreed with the changes. The changes will be presented to the full board next week.

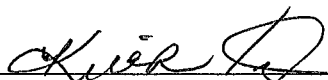
Terry presented a chart showing the Trust's annual expenditures over the past 10 years. He then reviewed the 2025 budget to actuals. The Trust had a record year in expenditures. The biggest driver was grants. The Trust was able to leverage \$2 million of income to expend almost \$10 million.

Terry next reviewed the Trust's investment income earnings over the last 10 years. This year the Trust again had record earnings, the third highest. He then showed the Trust's spending sequence flow chart. Keith made a recommendation to the committee to keep \$2 million for 2026 income, reinvest \$1 million into the retained earning investment account and leave the remaining in the income account at SEI. The committee was in favor of the recommendation, which will be presented to the full board next week.

Terry presented the 2026 proposed budget. The income and expenses are very similar to last year's budget. Terry reviewed each budget category. Keith next elaborated on several budget items. He noted that staff will continue to work on efficiencies, specifically related to grant and customer management. He then updated the committee on the status of the Dakota Water Resources Act Amendment. Currently no movement has been made. Keith notified the committee that the office lease will be ending in 2028 and discussed several future options the Trust could start planning for. He also gave an overview of the Trust's current grants and future grant proposals with the Outdoor Heritage Fund and the National Fish and Wildlife Foundation grants. Kathrin gave an update on proposed activities for the Trust's 40th Anniversary celebration.

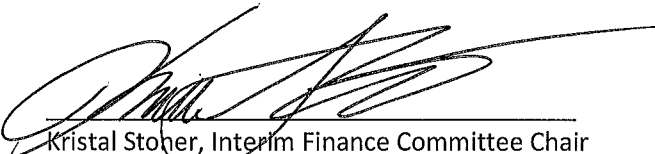
Keith initiated the annual review of the Trust's Pay Plan Policy with the committee. The committee had a question about the unsatisfactory performance section. The wording is unclear and the committee suggested updating the language to be more clear and to also put a paragraph about unsatisfactory performance in the employee handbook. Keith agreed and the staff will work on new language.

The meeting adjourned at 5:10pm



Keith Trego, Executive Director

1/21/26
Date



Kristal Stoner, Interim Finance Committee Chair

1-21-26
Date