

**North Dakota Development Fund
Board of Directors Meeting Minutes
July 21, 2021
10:00 A.M. – 12:00 P.M.**

Board Members Present via Microsoft Teams:

Matt Dunlevy
Gary Goplen
Jim Albrecht, Chairman
Shawn Kessel
Rob Lindberg
Erik Barner

Board Members Absent:

Terri Zimmerman

Development Fund Staff Present via Microsoft Teams:

Hannah Lange
Jessica Nygaard

Other Attendees:

Tonya Forderer

Call to Order

The meeting was called to order by Chairman, Jim Albrecht at 10:03 A.M.

Approval of Minutes

Gary Goplen motioned to approve the June 10, 2021 board meeting minutes. Erik Barner seconded the motion. The motion carried unanimously.

Staffing Updates

Interim CEO, Jessica Nygaard informed the board that Ty Oakland is no longer with the NDDF. The Venture and Credit Analyst position has been reopened and interviews will begin this week.

Current Pipeline

Venture Financing Manager, Hannah Lange, went over the deals in the pipeline. Matt Dunlevy disclosed his involvement with Mobile Recon.

Financial Report

Ms. Nygaard discussed the financial report. Total cash on hand is \$19,652,767.09. There is \$7,910,995.71 in the Development Fund, \$7,289,457.25 in the Rural Fund, \$3,009,552.73 in the Development Fund Venture Capital account, \$971,640.17 in New Business Tech, and \$440,155.04 in the Childcare Fund. There are \$2 million in CDs at the bank. Total unfunded commitments are \$2,303,569.00. Cash remaining after unfunded commitments is \$17,349,198.09.

The total requested amount from the received applications in the pipeline right now is \$4,715,000.00. There is \$2,140,000 in requests from the Development Fund, \$500,000 from the Rural Fund, \$75,000 from the Childcare Fund and \$2,000,000 from the Development Fund Venture Capital Account. If all

loans are approved, the North Dakota Development Fund (NDDF) will have \$10,330,629.09 remaining available cash on hand.

Discussion ensued on the unfunded commitments. The board suggested adding language to future terms that removes the ability of companies to draw on committed funds after one year.

Motion: Erik Barner motioned to approve the financial reports as presented. Rob Lindberg seconded the motion. The motion carried unanimously.

Board Elections

The board elections were struck from the agenda as the Governor has not yet appointed all open board seats. Elections will happen at a later date.

The meeting was moved into executive session pursuant to North Dakota Century Code 10-30.5-07 at 10:21 A.M.

Adjourn

With no other business, the meeting was moved out of executive session at 11:42 A.M.

Motion

Motion: Rob Lindberg motioned to approve a \$500,000 convertible note to 701x, Inc. as presented by the staff with the removal of the contingency on LIFT financing, changing the initial disbursement to be at financing, and changing the second disbursement reequipment to be raising an additional \$500,000 from Mr. Biffert, LIFT, or another investor. Shawn Kessel seconded the motion.

Roll call vote: Gary Goplen – Yes, Jim Albrecht – Abstain, Erik Barner – Abstain, Shawn Kessel – Yes, Rob Lindberg – Yes

All Other Discussion

There was no other discussion.

Adjourn

With no further discussion, the meeting was adjourned at 11:46 pm.

Respectfully submitted,

Hannah Lange

Venture and Financing Manager