

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

Board Members Present via Microsoft Teams:

Gary Goplen
Jim Albrecht, Chairman
Shawn Kessel
Erik Barner
Nathan Davis

Board Members Absent:

Rob Lindberg

Development Fund Staff Present via Microsoft Teams:

Hannah Lange
Jessica Nygaard

Other Attendees:

Shayden Akason
Joshua Teigen

Call to Order

The meeting was called to order by Chairman, Jim Albrecht at 10:05 A.M.

Approval of Minutes

Erik Barner motioned to approve the July 21, 2021 board meeting minutes and the strategic session meeting minutes from July 20 and 21. Gary Goplen seconded the motion. The motion carried unanimously.

Board Introductions and Staffing Updates

CEO Jessica Nygaard informed the board that the Credit and Venture Analyst position has been filled. The board welcomed Executive Director of the North Dakota Indian Affairs Commission Nathan Davis to the board. Mr. Davis introduced himself to the board.

Current Pipeline

Venture Financing Manager Hannah Lange went over the deals in the pipeline.

Financial Report

Ms. Nygaard discussed the financial report. Total cash on hand is \$17,726,539.04. There is \$7,910,995.71 in the Development Fund, \$6,817,722.28 in the Rural Fund, \$179,738.29 in the Development Fund Venture Capital account, \$971,640.17 in New Business Tech, and \$486,667.25 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 \$15,364,863.04.

The total requested amount from the received applications in the pipeline right now is \$3,820,000. There is \$1,820,000 in requests from the Development Fund, \$500,000 from the Rural Fund, \$0 from the Childcare Fund and \$1,500,000 from the Development Fund Venture Capital Account. If all loans are

approved, the North Dakota Development Fund (NDDF) will have \$11,544,863.04 remaining available cash on hand.

Discussion on the amounts in the pipeline. The board noticed a small discrepancy in the requested amounts. The staff fixed the mistake during the discussion.

Motion: Shawn Kessel motioned to approve the financial reports as amended. Erik Barner seconded the motion. The motion carried unanimously.

Job Requirements Removal

Head of Investment and Innovation Shayden Akason provided a review of the change that was discussed during Strategic Session. The board is required to make a formal motion to remove the policy requiring job creation to dictate the amount awarded to a company.

Motion: Gary Goplen motioned to remove the requirement to base funding amounts on the number of jobs created. Nathan Davis seconded the motion. The motion carried unanimously.

Investment Amount

Mr. Akason summarized the discussion that was had during strategic session around increasing the funding limit to \$3 million. Discussion ensued on the topic.

Motion: Erik Barner motioned to increase the maximum funding amount to \$3 million. Gary Goplen seconded the motion. The motion carried unanimously.

Policy and Bylaw Updates

The board discussed the policy they drafted during strategic session related to an end-of-term procedure that shall be followed. The board agreed that the board member whose term is about to expire must provide their notice of intent to renew their term prior to the end of the term. Failure to do so will indicate to the Governor's office that they must find a replacement so as to not have a lapse in board member terms. Should a term expire and the member intends to continue to serve, that individual shall remain on the board until the Governor's office has reappointed or removed that individual from the seat.

The board also discussed documenting that a board term is assigned to the specific board seat and not the individual.

Discussion ensued on changes to the bylaws. The staff will draft language and present it for a vote at the next meeting.

Other

October board meeting:

Discussion ensued on the location of the October board meeting. The board meeting will take place in Fargo. The staff will find a location for the meeting and attempt to schedule a tour of the NDSU Research and Technology Park.

The staff will work to put together an event to honor the board members whose terms have expired in October.

The meeting was moved into executive session pursuant to North Dakota Century Code 10-30.5-07 at 10:52 AM.

Adjourn

With no other business, the meeting was moved out of executive session at 12:01 P.M.

Motion

Motion: Erik Barner motioned to approve the loan to Crusoe RE Holdings LLC as presented. Gary Goplen seconded the motion.

Roll call vote: Gary Goplen – Yes, Jim Albrecht – Yes, Erik Barner – Yes, Shawn Kessel – Yes, Nathan Davis – Yes

All Other Discussion

Mr. Akason informed the board he is working with IT to update the NDDF's website to reflect the changes made during Strategic Session.

Adjourn

With no further discussion, the meeting was adjourned at 12:05 pm.

Respectfully submitted,

Hannah Lange

Venture and Financing Manager