

NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT

Board of Directors Meeting

NENEDD Office

111 S 1st St, Norfolk, NE 68701

Wednesday, January 28th, 2009, 7:30 p.m.

Minutes

I. Call to Order: The Northeast Nebraska Economic Development District Board of Directors meeting was called to order at 8:00 p.m. by Jeff Scherer, Chairman. Jeff Scherer informed the public about the location of the Open Meetings Act and that it is accessible to the public (LB 898). The chairman recommended amending the agenda. *Under New Business, move agenda item C. RLF Interest Rate Discussion to item A. and also move Business RLF Loan, item #2 Hilltop Drugs Etc, Inc Collateral Change move to Old Business after item A. RLF Report.*

II. Roll Call: Tom Higginbotham read roll call. The following were present:

Jeff Scherer, NENEDD Chairman, Smeal Fire Apparatus	Kelvin Wurdeman, NENEDD Vice-Chairman, Wayne County Commissioner	Vicki Saunders, NENEDD Secretary/Treasurer, City of Norfolk
John Lohr, NENEDD Board Member, Private Representative, Columbus	Hank Thieman, NENEDD Board Member, Petersburg (by phone)	Kendrick Marshall, NENEDD Board Member, Nebraska Workforce Development
Tina Welding, NENEDD Board Member, West Point Chamber of Commerce (by phone)	Luis Lucar, NENEDD Board Member, Lucar Video Productions (by phone)	

Board Members Absent: Bob Hartwig, NENEDD Board Member, Fremont

Others Present:

Gaylord Wilcox, NED, Inc. President, 1 st National Bank of Schuyler/Howells	Wilfred Henry, NED, Inc. Vice President, Goldenrod Hills, Norfolk	Lisa Walters, NED Inc Secretary/Treasurer, FRHS
Mike Crosley, NED, Inc. Board Member, Santee Sioux Nation	Rick Uhlir, NED, Inc. Board Member, Madison County	Russ Wilcox, NED, Inc. Board Member, Midwest Bank
Tom Higginbotham, NENEDD	Tina Engelbart, NENEDD	Patsy Taylor, NENEDD
Brenda Anderson, NENEDD	Holly Sisson, NENEDD	Jeff Christensen, NENEDD
Mickella Brabec, NENEDD	Troy Weyhrich	

III. Secretary's Report: Tina Welding made the motion to approve the agenda, as amended and the December 2008 minutes as mailed. Kelvin Wurdeman seconded the motion. Motion carried.

IV. Treasurer's Report: Patsy Taylor presented the December 2008 Treasurer's Report.

V. Old Business:

A. RLF Report: Holly Sisson presented the RLF report. Kendrick Marshall made a motion to accept the RLF report as presented. John Lohr seconded the motion. Motion carried.

B. Hilltop Drugs Etc., Inc Collateral Change: Holly Sisson reported that the owners of Hilltop Drugs Etc., Inc would like to exclude their husbands' names from required life insurance policies. The question also came up as to the need to file a lien on the owners' stocks in HuskerAg. Hank Thieman made a motion to exclude the husbands from the life insurance policies and to file a lien on the HuskerAg stocks. Vicki Saunders seconded the motion. Motion carried.

VI. New Business:

A. RLF Interest Rate Discussion: John Lohr made a motion to change the RLF interest rate from 6% to 5% for six months effective 1/1/2009. Kelvin Wurdeman seconded the motion. Motion carried.

B. Business RLF Loan: Troy & Heidi Weyhrich d/b/a Renegade Stores, LLC – Norfolk, NE

The Northeast RLF Board recommended approval for a loan of \$100,000, contingent upon having the same investor that is personally guaranteeing the BankFirst loan also personally guarantee the NENEDD loan, to Troy & Heidi Weyhrich, d/b/a Renegade Stores, LLC, for working capital and inventory. John Lohr made a motion to approve the loan of \$100,000 without the contingency of the personal guarantee. Vicki Saunders seconded the motion. BankFirst in Norfolk has approved a loan of \$330,000. The bank will secure its loan with a primary lien on all business property and equipment. BankFirst will require a security agreement on all inventory. BankFirst will also have a personal guaranty from Mr. & Mrs. Weyhrich and one of the investors. NENEDD will lend \$100,000 for working capital and inventory. NENEDD's loan will have a term of 7 years at an interest rate of 5.00% (fixed). NENEDD will have a subordinate lien position to the bank on all business and personal property. The equity investors will be subordinate to BankFirst and NENEDD. NENEDD will also file a Deed of Trust on Mr. & Mrs. Weyhrich's personal residence as additional collateral for this loan. NENEDD will require life insurance on Mr. & Mrs. Weyhrich for the amount of the loan for the life of the loan and a personal guarantee will be required from Mr. & Mrs. Weyhrich. Motion carried.

C. DPA Guidelines Amendment: Kelvin Wurdeman made a motion to make an amendment to the DPA guidelines to read "*repayment of down payment assistance loans will be due upon the resale or transfer of title.*" Kendrick Marshall seconded the motion. Motion carried.

D. Quarterly Loan Review: Patsy Taylor and Tom Higginbotham reviewed the NENEDD loans.

E. Loan Write Off - Loan #0406: Patsy Taylor briefly discussed loan #0406; the client cannot be located; certified mail has been returned unopened and the client's bank accounts have been closed. Gaylord Wilcox asked if 1099 forms were sent to the loans which had been written off. Patsy Taylor said she needed to speak with NENEDD's auditors and will report back at the next meeting. John Lohr made a motion to write off loan #0406 in the amount of \$16015.95. Kendrick Marshall seconded the motion. Motion carried.

VII. Chairman's/Board Comments:

Next meeting: *Tuesday, February 24th, 2009 at the Uptown Brewery, 801 10th St, Stanton, NE 68779 at 7:30 p.m.*

VIII. Adjournment: There being no further business, Jeff Scherer adjourned the meeting at 9:15 p.m.