

NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT - NENEDD
BOARD OF DIRECTORS MEETING
WEDNESDAY, APRIL 24, 2019 - 7:15 P.M.

City of Norfolk Offices – Training Room, 309 N 5th St, Norfolk, NE 68701

The Chairman and Board of Directors reserve the right to adjourn into closed session as per Section 84-1410 of the Nebraska Open Meetings Act.

AGENDA

- I. Call to Order:** Inform the public about the location of the Open Meetings Act and that it is accessible to the public (LB 898).
- II. Roll Call**
- III. Introduction of Guests**
- IV. Secretary’s Report**
 - A. Consideration of approval of the April 24, 2019, agenda and March 27, 2019, meeting minutes
- V. Treasurer’s Report**
 - A. Consideration for acceptance of the March 2019 treasurer’s report as presented
- VI. Action Items**
 - A. Consideration for approval to appoint a 2019-2020 budget/nominating committee
- VII. Discussion Items**
 - A. Quarterly Loan Review
- VIII. Chairman/Board Comments**
- IX. Next Meeting Date:** The Northeast Nebraska Economic Development District Board of Directors will meet on Wednesday, May 29, 2019, at 7:15 pm or following the Northeast Economic Development, Inc. meeting. The meeting will be held at the following location:

City of Norfolk Offices – Training Room, 309 N 5th St, Norfolk, NE 68701
- X. Adjournment**

NENEDD Board Agenda

Object: Approve the April 24, 2019, agenda and the March 27, 2019, meeting minutes.

Contact Person: Brittany O'Brien, Administrative Assistant

For: Action

Explanation: The April 24, 2019, agenda has been posted on the website. The March 27, 2019, meeting minutes have been posted on the website.

Motion: Consideration for approval of the April 24, 2019, meeting agenda and the March 27, 2019, board meeting minutes.

Dick Pfeil _____ Rich Jablonski _____ Glen Ellis _____ Nadine Hagedorn _____
Christian Ohl _____ Judy Mutzenberger _____ Dan Kathol _____ Jim McCarville _____ Loren Kucera _____

Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

NENEDD Board Agenda

Object: Acceptance of the March 2019 Treasurer's Report

Contact Person: Kristen Rosner, Fiscal Officer

For: Action

Background:

Northeast Nebraska Economic Development District's (NENEDD) March 2019 Statement of Financial Position and the Statement of Revenues and Expenditures that reflect the monthly Budget, Actual and Budget Variance. Also stated is the Fiscal Year (FY) 2019 Budget for the nonaccrual accounts, July 1, 2018 through June 30, 2019 Actual, Budget Variance so far this fiscal year and Percent of the Fiscal Year 2019 Budget remaining.

Explanation:

Additional Information:

Business Loan Principal Received	15,061.77
Housing Rehabilitation Principal Received	-
Business Loan Disbursements	250,000.00

Restate Net Income

Year to date Non-Operating Revenue:	61,595.03
N/A	

Year to date Non-Operating Expenditures:

Donations (Loan Payments to Northeast Economic Development, Inc.)	1,868.49
Depreciation Expense	3,833.03
Loans Written Off	15,021.04
Loans Forgivable Portion	177.66
Actual Year to date Revenue Over (Under) Expenditures	<u>82,495.25</u>

Business Loan Disbursements:
Talon Capital, LLC, Wayne: \$250,000.00

Motion: Consideration for acceptance of the March 2019 treasurer's report as presented.

Dick Pfeil _____ Rich Jablonski _____ Glen Ellis _____ Nadine Hagedorn _____
Christian Ohl _____ Judy Mutzenberger _____ Dan Kathol _____ Jim McCarville _____ Loren Kucera _____

Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

Northeast Nebraska Economic Development District
 Statement of Revenues and Expenditures - Unposted Transactions Included In Report
 From 03/01/2019 Through 03/31/2019

		Current Period Budget	Current Period Actual	Current Period Budget Variance	Total Budget	Current Year Actual	Total Budget Variance	Percent Total Budget \$ Remaining
Revenues								
400	Federal Grants-EDA	5,833.33	0.00	(5,833.33)	70,000.00	52,500.00	(17,500.00)	(25.00)%
405	Dues-Community	13,333.33	0.00	(13,333.33)	160,000.00	159,968.08	(31.92)	(0.02)%
406	Dues-Counties	1,173.33	222.50	(950.83)	14,080.00	13,572.50	(507.50)	(3.60)%
407	Dues-Associates	1,133.33	0.00	(1,133.33)	13,600.00	12,550.00	(1,050.00)	(7.72)%
410	State Funding NDED	5,833.33	0.00	(5,833.33)	70,000.00	69,569.96	(430.04)	(0.61)%
415	Meeting Income	83.33	0.00	(83.33)	1,000.00	655.00	(345.00)	(34.50)%
418	NED, Inc. Management	14,583.33	15,498.25	914.92	175,000.00	155,602.25	(19,397.75)	(11.08)%
420	General Administration Fees	27,095.83	5,816.94	(21,278.89)	325,150.00	95,493.43	(229,656.57)	(70.63)%
425	Lead Based Paint Inspection	1,500.00	0.00	(1,500.00)	18,000.00	10,718.50	(7,281.50)	(40.45)%
430	Housing Administration Fees	3,618.75	3,840.50	221.75	43,425.00	46,632.08	3,207.08	7.39%
433	Construction Management	3,916.25	885.00	(3,031.25)	46,995.00	14,105.68	(32,889.32)	(69.98)%
440	Local RLF Contributions	0.00	600.00	600.00	0.00	5,400.00	5,400.00	0.00%
444	Loan Closing Revenue	104.16	0.00	(104.16)	1,250.00	740.00	(510.00)	(40.80)%
445	NPAIT Investment Income	83.33	88.99	5.66	1,000.00	1,100.60	100.60	10.06%
451	Business Loan Interest	13,333.33	10,617.33	(2,716.00)	160,000.00	101,760.59	(58,239.41)	(36.40)%
452	Business Loan Late Fee	50.00	0.00	(50.00)	600.00	35.00	(565.00)	(94.17)%
453	Loan Processing Fee	291.66	0.00	(291.66)	3,500.00	5,400.00	1,900.00	54.29%
454	Annual Servicing Fees	833.33	335.49	(497.84)	10,000.00	4,785.31	(5,214.69)	(52.15)%
460	Special Projects	0.00	1,947.45	1,947.45	0.00	5,007.45	5,007.45	0.00%
481	Housing Rehab Interest	6.66	0.00	(6.66)	80.00	9.89	(70.11)	(87.64)%
490	Interest Income	1,083.33	1,387.89	304.56	13,000.00	14,241.90	1,241.90	9.55%
491	Miscellaneous Income	0.00	0.00	0.00	0.00	390.30	390.30	0.00%
495	In-Kind Contributions	1,250.00	1,250.00	0.00	15,000.00	11,250.00	(3,750.00)	(25.00)%
	Total Revenues	<u>95,139.94</u>	<u>42,490.34</u>	<u>(52,649.60)</u>	<u>1,141,680.00</u>	<u>781,488.52</u>	<u>(360,191.48)</u>	<u>(31.55)%</u>
Expenditures								
500	Salaries and Wages	50,916.66	48,956.24	1,960.42	611,000.00	451,638.07	159,361.93	26.08%
505	Fringe Benefits	12,333.33	10,520.64	1,812.69	148,000.00	103,917.44	44,082.56	29.79%
520	Rent In-Kind	1,250.00	1,250.00	0.00	15,000.00	11,250.00	3,750.00	25.00%
521	Telephone	750.00	1,353.44	(603.44)	9,000.00	7,965.42	1,034.58	11.50%
522	Postage	333.33	154.42	178.91	4,000.00	2,287.05	1,712.95	42.82%
523	Office Supplies	833.33	702.95	130.38	10,000.00	7,618.59	2,381.41	23.81%
524	Training	833.33	198.00	635.33	10,000.00	10,813.52	(813.52)	(8.14)%
526	Travel-Staff	2,333.33	4,939.42	(2,606.09)	28,000.00	18,227.77	9,772.23	34.90%
530	Printing/Publishing	183.33	0.00	183.33	2,200.00	2,018.00	182.00	8.27%
531	Copier Expense	400.00	0.00	400.00	4,800.00	1,708.62	3,091.38	64.40%
532	Donations	333.33	177.26	156.07	4,000.00	1,868.49	2,131.51	53.29%
535	Computer Maintenance/Software	250.00	65.00	185.00	3,000.00	3,853.39	(853.39)	(28.45)%
536	Computer Equipment	958.33	48.16	910.17	11,500.00	7,425.52	4,074.48	35.43%

Northeast Nebraska Economic Development District
Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 03/01/2019 Through 03/31/2019

		Current Period Budget	Current Period Actual	Current Period Budget Variance	Total Budget	Current Year Actual	Total Budget Variance	Percent Total Budget \$ Remaining
538	Software Maintenance	1,016.66	566.88	449.78	12,200.00	6,396.49	5,803.51	47.57%
539	Lead Testing Expense	1,500.00	0.00	1,500.00	18,000.00	11,465.00	6,535.00	36.31%
548	Loan Closing Expense	104.16	310.45	(206.29)	1,250.00	2,024.65	(774.65)	(61.97)%
550	Building Maintenance	287.50	533.75	(246.25)	3,450.00	3,022.93	427.07	12.38%
551	Utilities	600.00	1,156.05	(556.05)	7,200.00	5,211.75	1,988.25	27.61%
553	Dues/Memberships	750.00	716.67	33.33	9,000.00	6,488.68	2,511.32	27.90%
554	Subscriptions/Reference	250.00	0.00	250.00	3,000.00	3,520.00	(520.00)	(17.33)%
555	Advertising/Marketing	250.00	620.00	(370.00)	3,000.00	1,899.17	1,100.83	36.69%
556	Insurance	625.00	0.00	625.00	7,500.00	6,160.98	1,339.02	17.85%
560	Legal Services	166.66	0.00	166.66	2,000.00	1,727.78	272.22	13.61%
561	Audit Fees	633.33	0.00	633.33	7,600.00	7,280.00	320.00	4.21%
562	Other Professional Services	583.33	419.67	163.66	7,000.00	2,728.51	4,271.49	61.02%
563	Annual Staff Retreat Expense	41.66	0.00	41.66	500.00	325.52	174.48	34.90%
565	Depreciation Expense	500.00	400.97	99.03	6,000.00	3,833.03	2,166.97	36.12%
567	Annual Meeting Expense	208.33	0.00	208.33	2,500.00	2,380.17	119.83	4.79%
568	Board Meeting Expense	125.00	0.00	125.00	1,500.00	0.00	1,500.00	100.00%
572	USDA Interest Expense	600.00	3,856.93	(3,256.93)	7,200.00	3,856.93	3,343.07	46.43%
573	Microenterprise Interest Exp.	283.33	248.64	34.69	3,400.00	2,696.75	703.25	20.68%
574	RLF Management Contract	416.66	90.00	326.66	5,000.00	780.00	4,220.00	84.40%
577	Local RLF Contribution Expense	0.00	0.00	0.00	0.00	80.38	(80.38)	0.00%
580	Loans Written Off	2,083.33	0.00	2,083.33	25,000.00	15,021.04	9,978.96	39.92%
581	Loans Forgivable Portion	20.00	19.74	0.26	240.00	177.66	62.34	25.98%
590	Miscellaneous	41.66	10.00	31.66	500.00	25.00	475.00	95.00%
602	Vehicle Maintenance	500.00	35.90	464.10	6,000.00	2,199.19	3,800.81	63.35%
	Total Expenditures	<u>83,294.91</u>	<u>77,351.18</u>	<u>5,943.73</u>	<u>999,540.00</u>	<u>719,893.49</u>	<u>279,646.51</u>	<u>27.98%</u>
	Total Revenues Over (Under) Expenditures	<u>11,845.03</u>	<u>(34,860.84)</u>	<u>(46,705.87)</u>	<u>142,140.00</u>	<u>61,595.03</u>	<u>(80,544.97)</u>	<u>(56.67)%</u>

Northeast Nebraska Economic Development District
Statement of Financial Position - Overall - Unposted Transactions Included In Report
As of 03/31/2019

	Current Period Balance
Assets	
General Cash	
Cash in Bank - Checking	8,092.83
Unrestricted CD-Stanton State Bank #2995	21,808.60
Unrestricted CD-BankFirst #34875	52,313.38
Unrestricted CD-Midwest #882523	27,097.43
Unrestricted CD-Midwest #881867	1,646.74
Unrestricted-BankFirst #1648078	355,869.32
Unrestricted-BankFirst #1648166	79,721.78
Business RLF Cash	
Security Reserve Account CD-EVB #20832	27,329.48
EDA RLF-BankFirst #1648089	575,215.88
NE CDBG Regional RLF-BankFirst 1648111	245,089.56
IRP RLF-BankFirst #1648122	172,727.24
HUD Business RLF-BankFirst #1648133	102,463.70
IRP #1 Loan Loss Reserve-BankFirst #1648144	45,498.36
IRP #2 Loan Loss Reserve-BankFirst #1648177	27,848.12
Housing Cash	
Housing Construction-BankFirst #1648188	1,537.74
Accounts Receivable	
Accounts Receivable	73,656.12
Business RLF Loans Receivables	
EDA RLF Loans Receivable	1,408,536.51
CDBG Regional RLF Loans Receivable	47,314.68
IRP RLF Loans Receivable	1,213,531.15
HUD RLF Loans Receivable	140,525.95
Housing Notes Receivable	
Regional Rehab Notes Receivable	296.69
Prepaid Expenses	
Prepaid Expense	6,911.14
Allowances for Uncollectible Accounts	
Allowance for Uncollectible A/R	(24,000.00)
Allowance for Uncollectible Notes	(418,611.85)
Fixed Assets	
Furniture and Equipment	205,739.37
Accumulated Depreciation	(181,455.45)
Total Assets	4,216,704.47
Liabilities	
Accounts Payable	
Accounts Payable	2,958.71
Other Payables	
Other Payables	302.59
Lease Payable	13,624.80
Paryoll Payables	
ADD & Life Payable	70.00
Accrued FICA Payable	6,878.00
Federal Tax Withheld	3,446.61
State Tax Withheld	2,522.37
457 Withheld	719.10
Miscellaneous	12.46
Health Insurance Payable	123.86
Cafeteria Premium Payable	173.57

Northeast Nebraska Economic Development District
Statement of Financial Position - Overall - Unposted Transactions Included In Report
As of 03/31/2019

	Current Period Balance
Unreimbursed Medical Payable	(225.00)
Dependent Care Payable	834.33
Child Support Payable	1,500.00
Annual Leave Payable	17,513.97
HSA Contributions	737.50
Accrued Unemployment	491.97
Accrued Salaries	16,312.95
NEF Loan Payable	
NEF Loan Payable	94,169.99
IRP Loan Payable	
IRP #1 Loan Payable	357,712.14
IRP #2 Loan Payable	330,244.56
Total Liabilities	850,124.48
Net Assets	
Other	3,366,579.99
Total Net Assets	3,366,579.99
Total Net Assets and Liabilities	4,216,704.47

NENEDD Board Agenda

Object: To appoint a Budget and Nominating Committee

Contact Person: Thomas L. Higginbotham/Tina M. Engelbart

For: Action

Background: On an annual basis a budget committee is appointed to review and recommend to the full board of directors the next fiscal year's budget as prepared by staff. On an annual basis a nominating committee is appointed to review and recommend to the full board of directors' new board members and new officers.

Explanation: Beginning in 2019 staff would like to combine these two committee's which in turn will be more efficient and timelier as staff meeting with the committee's via email and phone. Last fiscal year the Budget committee consisted of Shannon Stuchlik, Dick Pfeil, Jim McCarville and Christian Ohl. The Nominating committee consisted of Nadine Hagedorn and Scott Schaller.

Staff is looking for three volunteers to serve on the budget/nominating committee.

Motion: Consideration for approval to appoint a 2019-2020 budget/nominating committee.

Dick Pfeil_____ Rich Jablonski_____ Glen Ellis_____ Nadine Hagedorn_____
Christian Ohl_____ Judy Mutzenberger_____ Dan Kathol_____ Jim McCarville_____ Loren Kucera_____

Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

NENEDD Board Agenda

Object: Quarterly Loan Review

Contact Person: Kristen Rosner, Fiscal Officer/Jeff Christensen, Business Loan Specialist

For: Discussion

Background: Following are the loan receivables for all NENEDD funding sources on the loans that have been closed.

NENEDD Quarterly Loan Review

As of: 4/16/2019

Loan Num	Loan Amt	Balance	Payment	1 Payment	2 Payments	3 Payments	Over 3	Total Due	Lt Days	Notes
0313	59,500.00	24,618.88	427.79	0.00	0.00	0.00	0.00	0.00	0	
0421	75,500.00	33,161.27	540.91	0.00	0.00	0.00	0.00	0.00	0	
0607	75,000.00	13,418.03	632.89	0.00	0.00	0.00	0.00	0.00	0	
0700	100,000.00	24,293.95	843.86	0.00	0.00	0.00	0.00	0.00	0	
4011	7,106.72	276.95	19.74	0.00	0.00	0.00	0.00	0.00	0	
301011	32,000.00	3,578.58	339.41	0.00	0.00	0.00	0.00	0.00	0	
301014	65,000.00	32,428.24	514.02	0.00	0.00	0.00	0.00	0.00	0	
307009	32,500.00	9,459.56	274.25	0.00	0.00	0.00	0.00	0.00	0	
307010	35,000.00	10,101.64	295.35	0.00	0.00	0.00	0.00	0.00	0	
307013	80,000.00	24,519.21	675.09	0.00	0.00	0.00	0.00	0.00	0	
307014	35,000.00	11,839.05	295.35	0.00	0.00	0.00	0.00	0.00	0	
309006	26,400.00	11,773.50	222.78	0.00	0.00	0.00	0.00	0.00	0	
310001	100,000.00	46,727.61	790.79	0.00	0.00	0.00	0.00	0.00	0	
310016	30,000.00	5,993.58	325.58	0.00	0.00	0.00	0.00	0.00	0	
311007	100,000.00	59,890.83	843.86	0.00	0.00	0.00	0.00	0.00	0	
312001	100,000.00	61,728.85	843.86	0.00	0.00	0.00	0.00	0.00	0	
312002	39,600.00	13,289.41	429.76	0.00	0.00	0.00	0.00	0.00	0	
312003	100,000.00	67,807.69	843.86	0.00	0.00	0.00	0.00	0.00	0	
312004	30,000.00	11,405.65	325.58	0.00	0.00	0.00	0.00	0.00	0	March - May payments deferred for 3-month rescheduling (guidelines allow one rescheduling approved by staff)
314001	60,000.00	44,728.81	474.48	0.00	0.00	0.00	0.00	0.00	0	
314002	141,000.00	121,815.85	969.92	0.00	0.00	0.00	0.00	0.00	0	
314003	156,000.00	100,744.14	1,442.83	0.00	0.00	0.00	0.00	0.00	0	
314005	140,000.00	119,840.68	963.04	0.00	0.00	0.00	0.00	0.00	0	
314006	200,000.00	169,826.63	1,375.77	0.00	0.00	0.00	0.00	0.00	0	
314007	175,000.00	149,441.94	1,203.80	0.00	0.00	0.00	0.00	0.00	0	
314008	35,000.00	30,200.03	240.76	0.00	0.00	0.00	0.00	0.00	0	
314009	250,000.00	214,049.31	1,719.72	0.00	0.00	0.00	0.00	0.00	0	
314010	35,000.00	29,885.55	240.76	0.00	0.00	0.00	0.00	0.00	0	
315002	15,000.00	10,500.04	155.46	0.00	0.00	0.00	0.00	0.00	0	
315003	70,000.00	62,798.17	481.52	0.00	0.00	0.00	0.00	0.00	0	
316001	40,000.00	36,216.65	275.15	0.00	0.00	0.00	0.00	0.00	0	
316002	100,000.00	91,600.18	687.89	0.00	0.00	0.00	0.00	0.00	0	

NENEDD Quarterly Loan Review

As of: 4/16/2019

Loan Num	Loan Amt	Balance	Payment	1 Payment	2 Payments	3 Payments	Over 3	Total Due	Lt Days	Notes
316004	29,000.00	25,196.52	229.33	0.00	0.00	0.00	0.00	0.00	0	
316005	36,600.00	31,308.14	289.43	0.00	0.00	0.00	0.00	0.00	0	
316006	120,000.00	91,497.54	1,243.66	0.00	0.00	0.00	0.00	0.00	0	
316007	19,000.00	14,817.71	196.91	0.00	0.00	0.00	0.00	0.00	0	
317002	32,400.00	29,058.21	256.22	0.00	0.00	0.00	0.00	0.00	0	
317003	150,000.00	147,622.11	1,031.83	0.00	0.00	0.00	0.00	0.00	0	
317004	60,000.00	57,577.83	412.73	0.00	0.00	0.00	0.00	0.00	0	
317005	38,000.00	35,945.30	300.50	0.00	0.00	0.00	0.00	0.00	0	
318001	140,000.00	135,228.35	963.04	0.00	0.00	0.00	0.00	0.00	0	
318002	150,000.00	150,000.00	1,031.83	0.00	0.00	0.00	0.00	0.00	0	
319001	50,000.00	49,761.32	343.94	0.00	0.00	0.00	0.00	0.00	0	
319002	250,000.00	250,000.00	1,514.95	0.00	0.00	0.00	0.00	0.00	0	
319004	130,000.00	130,000.00	1,028.03	0.00	0.00	0.00	0.00	0.00	0	
Totals	3,744,606.72	2,795,973.49	28,558.23	0.00	0.00	0.00	0.00	0.00		
% of balance in default		0.00%								
Number of loans		45								