

**NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT - NENEDD  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, MAY 30, 2018 - 7:15 P.M.**

*City of Norfolk Offices – Training Room, 309 N 5<sup>th</sup> 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 Council of Officials Representatives**
  
- IV. Secretary's Report**
  - A. Approval of May 30, 2018 Agenda & April 25, 2018 Meeting Minutes (as mailed & posted)
  
- V. Treasurer's Report**
  - A. Approval of the April, 2018 Treasurer's Report
  
- VI. Action Items**
  - A. Auditor Selection
  
- VII. Chairman/Board Comments**
  
- VIII. Next Meeting Date:** The Northeast Nebraska Economic Development District Board of Directors will meet on Wednesday, June 27, 2018, at 7:15 pm or following the Northeast Economic Development, Inc. meeting. The meeting will be held at City of Norfolk Offices – Training Room, 309 N 5<sup>th</sup> St, Norfolk, NE 68701
  
- IX. Adjournment**

Shannon Stuchlik\_\_\_\_ Nadine Hagedorn\_\_\_\_ Dan Kathol\_\_\_\_ Judy Mutzenberger\_\_\_\_  
Christian Ohl\_\_\_\_ Rich Jablonski\_\_\_\_ Jim McCarville\_\_\_\_ Dick Pfeil\_\_\_\_ Scott Schaller\_\_\_\_

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

## NENEDD Board Agenda

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**Object:** To approve the May 30, 2018 meeting agenda and the April 25, 2018 meeting minutes

**Contact Person:** Brittany O'Brien, Administrative Assistant

**For:** Action

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**Explanation:** The May 30, 2018 agenda has been posted on the website. The April 25, 2018 meeting minutes were mailed and posted on the website.

**Motion:** To approve the April 25, 2018 meeting agenda and the March 28, 2018 board meeting minutes.

Shannon Stuchlik\_\_\_\_ Nadine Hagedorn\_\_\_\_ Dan Kathol\_\_\_\_ Judy Mutzenberger\_\_\_\_  
Christian Ohl\_\_\_\_ Rich Jablonski\_\_\_\_ Jim McCarville\_\_\_\_ Dick Pfeil\_\_\_\_ Scott Schaller\_\_\_\_

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

Secretary's Report Item IV. A

## NENEDD Board Agenda

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**Object:** Approval of the April, 2018 Treasurer's Report

**Contact Person:** Kristen Rosner, Fiscal Officer

**For:** Action

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**Background:** Northeast Nebraska Economic Development District's (NENEDD) April, 2018 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) 2018 Budget for the nonaccrual accounts, July 1, 2017 through June 30, 2018 Actual, Budget Variance so far this fiscal year and Percent of the Fiscal Year 2018 Budget remaining.

**Explanation: Additional Information:**

Business Loan Principal Received	47,084.13
Housing Rehabilitation Principal Received	478.69
Business Loan Disbursements	

**Restate Net Income** 149,988.03

Year to date Non-Operating Revenue:

Economic Development Administration (EDA) Peer & Conference Revenues	(79,239.00)
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**Year to date Non-Operating Expenditures:**

Donations (Loan Payments to Northeast Economic Development, Inc.)	3,910.74
Economic Development Administration (EDA) Peer & Conference Expenses	79,239.00
Depreciation Expense	3,075.70
Loans Written Off	-
Loans Forgivable Portion	197.40
Actual Year to date Revenue Over (Under) Expenditures	<u>157,171.87</u>

Business Loan Payoffs:  
Client #310012, Kracl Garage: \$31,0698.39

**Motion:** To approve the April, 2018 Treasurer's Report as presented.

Shannon Stuchlik\_\_\_\_ Nadine Hagedorn\_\_\_\_ Dan Kathol\_\_\_\_ Judy Mutzenberger\_\_\_\_  
Christian Ohl\_\_\_\_ Rich Jablonski\_\_\_\_ Jim McCarville\_\_\_\_ Dick Pfeil\_\_\_\_ Scott Schaller\_\_\_\_

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

**Northeast Nebraska Economic Development District**  
**Statement of Financial Position - Overall**  
**As of 04/30/2018**

	Current Period Balance
<b>Assets</b>	
General Cash	
Cash in Bank - Checking	5,808.46
Unrestricted CD-Stanton State Bank #2995	21,808.60
Unrestricted CD-BankFirst #34875	51,873.56
Unrestricted CD-Midwest #882523	26,908.56
Unrestricted CD-Midwest #881867	1,627.87
Unrestricted-BankFirst #1648078	386,765.74
Unrestricted-BankFirst #1648166	79,064.66
Business RLF Cash	
Security Reserve Account CD-EVB #20832	26,783.97
EDA RLF-BankFirst #1648089	716,938.37
NEF RLF-BankFirst #1648100	17,333.72
NE CDBG Regional RLF-BankFirst 1648111	238,296.20
IRP RLF-BankFirst #1648122	240,859.53
HUD Business RLF-BankFirst #1648133	87,804.77
IRP #1 Loan Loss Reserve-BankFirst #1648144	32,760.70
IRP #2 Loan Loss Reserve-BankFirst #1648177	27,638.72
Housing Cash	
Housing Construction-BankFirst #1648188	1,535.36
Accounts Receivable	
Accounts Receivable	113,013.51
Business RLF Loans Receivables	
EDA RLF Loans Receivable	1,236,552.41
NEF RLF Loans Receivable	7,051.19
CDBG Regional RLF Loans Receivable	53,662.64
IRP RLF Loans Receivable	1,160,188.46
HUD RLF Loans Receivable	147,321.71
Housing Notes Receivable	
Regional Rehab Notes Receivable	2,065.21
HUD Rehab Notes Receivable	1,348.63
Other Receivables	
Grants Receivable	6,064.75
Other Receivables	(255.00)
Prepaid Expenses	
Prepaid Expense	3,162.28
Allowances for Uncollectible Accounts	
Allowance for Uncollectible A/R	(13,000.00)
Allowance for Uncollectible Notes	(436,129.13)
Fixed Assets	
Furniture and Equipment	191,037.75
Accumulated Depreciation	(188,981.10)
<b>Total Assets</b>	<b>4,246,912.10</b>
<b>Liabilities</b>	
Accounts Payable	
Accounts Payable	6,796.21
Other Payables	
Other Payables	302.59
Verdigre Housing Payments	(0.45)
Lease Payable	2,617.18
Paryoll Payables	
ADD & Life Payable	70.00

**Northeast Nebraska Economic Development District**  
**Statement of Financial Position - Overall**  
**As of 04/30/2018**

	<b>Current Period Balance</b>
Accrued FICA Payable	3,379.42
Federal Tax Withheld	1,696.34
State Tax Withheld	814.40
457 Withheld	696.76
Health Insurance Payable	(184.95)
Cafeteria Premium Payable	173.48
Unreimbursed Medical Payable	1,680.19
Dependent Care Payable	416.66
Child Support Payable	1,500.00
Annual Leave Payable	15,682.98
HSA Contributions	565.00
Accrued Unemployment	41.14
Accrued Salaries	15,785.47
NEF Loan Payable	
NEF Loan Payable	150,031.60
IRP Loan Payable	
IRP #1 Loan Payable	385,692.71
IRP #2 Loan Payable	330,244.56
Deferred Revenue	
Deferred Revenue - County	890.00
Total Liabilities	918,891.29
Net Assets	
Other	3,328,020.81
Total Net Assets	3,328,020.81
Total Net Assets and Liabilities	4,246,912.10

**Northeast Nebraska Economic Development District**  
Statement of Revenues and Expenditures - Unposted Transactions Included In Report  
From 04/01/2018 Through 04/30/2018

	Current Period Budget	Current Period Actual	Current Period Budget Variance	Total Budget	Current Year Actual	Total Budget Variance	Percent Total Budget \$ Remaining	
<b>Revenues</b>								
400	Federal Grants-EDA	5,833.33	18,249.75	12,416.42	70,000.00	71,665.00	1,665.00	2.38%
405	Dues-Community	13,333.33	0.00	(13,333.33)	160,000.00	159,812.52	(187.48)	(0.12)%
406	Dues-Counties	1,173.33	0.00	(1,173.33)	14,080.00	13,275.00	(805.00)	(5.72)%
407	Dues-Associates	1,095.83	0.00	(1,095.83)	13,150.00	13,600.00	450.00	3.42%
410	State Funding NDED	6,458.33	0.00	(6,458.33)	77,500.00	74,010.59	(3,489.41)	(4.50)%
415	Meeting Income	83.33	0.00	(83.33)	1,000.00	600.00	(400.00)	(40.00)%
418	NED, Inc. Management	14,583.33	14,703.54	120.21	175,000.00	129,447.30	(45,552.70)	(26.03)%
420	General Administration Fees	17,500.00	11,290.26	(6,209.74)	210,000.00	137,723.49	(72,276.51)	(34.42)%
425	Lead Based Paint Inspection	1,500.00	3,321.30	1,821.30	18,000.00	16,979.15	(1,020.85)	(5.67)%
430	Housing Administration Fees	4,583.33	4,071.42	(511.91)	55,000.00	62,867.06	7,867.06	14.30%
433	Construction Management	1,200.00	1,001.51	(198.49)	14,400.00	8,644.17	(5,755.83)	(39.97)%
440	Local RLF Contributions	0.00	600.00	600.00	0.00	19,200.00	19,200.00	0.00%
443	EDA Peer/Conf Revenue	6,603.25	6,064.75	(538.50)	79,239.00	74,201.61	(5,037.39)	(6.36)%
444	Loan Closing Revenue	104.17	48.00	(56.17)	1,250.00	1,062.00	(188.00)	(15.04)%
445	NPAIT Investment Income	183.33	75.74	(107.59)	2,200.00	859.59	(1,340.41)	(60.93)%
451	Business Loan Interest	13,333.33	12,406.26	(927.07)	160,000.00	121,130.72	(38,869.28)	(24.29)%
452	Business Loan Late Fee	50.00	35.00	(15.00)	600.00	510.00	(90.00)	(15.00)%
453	Loan Processing Fee	291.66	1,500.00	1,208.34	3,500.00	4,400.00	900.00	25.71%
454	Annual Servicing Fees	833.33	71.97	(761.36)	10,000.00	6,492.96	(3,507.04)	(35.07)%
460	Special Projects	6,250.00	1,860.00	(4,390.00)	75,000.00	57,672.35	(17,327.65)	(23.10)%
481	Housing Rehab Interest	12.50	4.12	(8.38)	150.00	62.66	(87.34)	(58.23)%
490	Interest Income	750.00	1,174.59	424.59	9,000.00	10,892.02	1,892.02	21.02%
495	In-Kind Contributions	1,250.00	1,250.00	0.00	15,000.00	12,500.00	(2,500.00)	(16.67)%
	<b>Total Revenues</b>	<u>97,005.71</u>	<u>77,728.21</u>	<u>(19,277.50)</u>	<u>1,164,069.00</u>	<u>997,608.19</u>	<u>(166,460.81)</u>	<u>(14.30)%</u>
<b>Expenditures</b>								
500	Salaries and Wages	50,000.00	45,625.28	4,374.72	600,000.00	492,891.59	107,108.41	17.85%
505	Fringe Benefits	12,500.00	10,527.56	1,972.44	150,000.00	109,043.87	40,956.13	27.30%
520	Rent In-Kind	1,250.00	1,250.00	0.00	15,000.00	12,500.00	2,500.00	16.67%
521	Telephone	750.00	439.61	310.39	9,000.00	8,122.35	877.65	9.75%
522	Postage	416.67	524.22	(107.55)	5,000.00	3,540.09	1,459.91	29.20%
523	Office Supplies	833.33	517.65	315.68	10,000.00	8,672.44	1,327.56	13.28%
524	Training	500.00	(54.37)	554.37	6,000.00	3,835.61	2,164.39	36.07%
526	Travel-Staff	2,083.33	5,152.78	(3,069.45)	25,000.00	19,393.10	5,606.90	22.43%
530	Printing/Publishing	41.67	0.00	41.67	500.00	2,018.00	(1,518.00)	(303.60)%
531	Copier Expense	291.67	390.96	(99.29)	3,500.00	3,951.55	(451.55)	(12.90)%
532	Donations	500.00	0.00	500.00	6,000.00	3,910.74	2,089.26	34.82%
535	Computer Maintenance/Software	250.00	0.00	250.00	3,000.00	2,073.25	926.75	30.89%
536	Computer Equipment	1,291.67	2,000.00	(708.33)	15,500.00	3,134.99	12,365.01	79.77%

**Northeast Nebraska Economic Development District**  
Statement of Revenues and Expenditures - Unposted Transactions Included In Report  
From 04/01/2018 Through 04/30/2018

		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	1,016.67	683.95	332.72	12,200.00	9,409.75	2,790.25	22.87%
539	Lead Testing Expense	1,500.00	3,392.65	(1,892.65)	18,000.00	18,289.15	(289.15)	(1.61)%
543	EDA Peer Project	6,603.25	6,064.75	538.50	79,239.00	74,201.61	5,037.39	6.36%
548	Loan Closing Expense	104.17	270.00	(165.83)	1,250.00	2,143.21	(893.21)	(71.46)%
550	Building Maintenance	287.50	288.75	(1.25)	3,450.00	7,283.71	(3,833.71)	(111.12)%
551	Utilities	600.00	0.00	600.00	7,200.00	6,220.99	979.01	13.60%
553	Dues/Memberships	708.33	676.00	32.33	8,500.00	9,095.00	(595.00)	(7.00)%
554	Subscriptions/Reference	41.67	200.00	(158.33)	500.00	1,400.00	(900.00)	(180.00)%
555	Advertising/Marketing	250.00	250.00	0.00	3,000.00	1,560.06	1,439.94	48.00%
556	Insurance	625.00	63.34	561.66	7,500.00	5,669.98	1,830.02	24.40%
560	Legal Services	166.67	0.00	166.67	2,000.00	1,791.46	208.54	10.43%
561	Audit Fees	633.33	0.00	633.33	7,600.00	6,930.00	670.00	8.82%
562	Other Professional Services	416.67	494.00	(77.33)	5,000.00	6,017.89	(1,017.89)	(20.36)%
563	Annual Staff Retreat Expense	41.67	0.00	41.67	500.00	0.00	500.00	100.00%
565	Depreciation Expense	500.00	307.57	192.43	6,000.00	3,075.70	2,924.30	48.74%
567	Annual Meeting Expense	208.33	0.00	208.33	2,500.00	2,204.88	295.12	11.80%
568	Board Meeting Expense	0.00	0.00	0.00	0.00	1,069.45	(1,069.45)	0.00%
572	USDA Interest Expense	641.67	3,479.89	(2,838.22)	7,700.00	7,613.85	86.15	1.12%
573	Microenterprise Interest Exp.	433.33	387.95	45.38	5,200.00	4,437.20	762.80	14.67%
574	RLF Management Contract	416.67	0.00	416.67	5,000.00	2,240.53	2,759.47	55.19%
577	Local RLF Contribution Expense	0.00	0.00	0.00	0.00	58.75	(58.75)	0.00%
580	Loans Written Off	2,083.33	0.00	2,083.33	25,000.00	0.00	25,000.00	100.00%
581	Loans Forgivable Portion	20.00	19.74	0.26	240.00	197.40	42.60	17.75%
590	Miscellaneous	41.67	24.95	16.72	500.00	51.00	449.00	89.80%
602	Vehicle Maintenance	500.00	24.70	475.30	6,000.00	3,571.01	2,428.99	40.48%
	Total Expenditures	<u>88,548.27</u>	<u>83,001.93</u>	<u>5,546.34</u>	<u>1,062,579.00</u>	<u>847,620.16</u>	<u>214,958.84</u>	<u>20.23%</u>
	Total Revenues Over (Under) Expenditures	<u>8,457.44</u>	<u>(5,273.72)</u>	<u>(13,731.16)</u>	<u>101,490.00</u>	<u>149,988.03</u>	<u>48,498.03</u>	<u>47.79%</u>

## NENEDD Board Agenda

**Object:** Auditor Selection

**Contact Person:** Kristen Rosner, Fiscal Officer

**For:** Action

**Background:** Every three years NENEDD is required to procure for auditing services. The Fiscal Officer sent a Request for Proposal (RFP) in May 2018, to eleven firms, of which two submitted proposals. Two other firms submitted their regrets. The Board members, Executive Director, Deputy Director and Fiscal Officer were given the opportunity to review the proposals submitted. The aggregate scores are listed below.

### NENEDD Aggregate Auditor Scoring Sheet

Factors	Scale	Firms	
		Schumacher, Smejkal, Brockhaus & Herley, PC	HBE
Technical Expertise	1-50	40.5	40.5
Firm Capacity	1-50	37.5	39
Time Frame	1-50	39	42
Cost	1-50	42.5	25
Total	Max 200	159.5	146.5

### NED, Inc. Aggregate Auditor Scoring Sheet

Factors	Scale	Firms	
		Schumacher, Smejkal, Brockhaus & Herley, PC	HBE
Technical Expertise	1-35	24	30
Firm Capacity	1-35	27	29
Time Frame	1-35	26	29
Cost	1-35	29	20
Total	Max 140	106	108

NENEDD and NED, Inc. choose different auditors. NENEDD and NED, Inc. have a close working relationship. It would not be efficient for staff to deal with two different auditors. In total Schumacher, Smejkal, Brockhaus & Herley, PC was scored 265.5 points while HBE was scored 254.5 points.

**Motion:**

To appoint Schumacher, Smejkal, Brockhaus & Herley, PC as the NENEDD auditor for the fiscal years ending 2018, 2019 and 2010.

Shannon Stuchlik\_\_\_\_ Nadine Hagedorn\_\_\_\_ Dan Kathol\_\_\_\_ Judy Mutzenberger\_\_\_\_  
Christian Ohl\_\_\_\_ Rich Jablonski\_\_\_\_ Jim McCarville\_\_\_\_ Dick Pfeil\_\_\_\_ Scott Schaller\_\_\_\_

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