

NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, DECEMBER 18, 2019 - 7:00 P.M.

City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701
West Point Chamber of Commerce – 200 Anna Stalp Ave., West Point, NE 68788
City of Hartington Offices – Conference Room, 107 W. State St., Hartington, NE 68739
The Wakefield Civic Center – 407 E. 7th, Wakefield, NE 68784
City of Columbus Offices – 1st Floor Mayor’s Office, 2424 14th Street, Columbus, NE 68601

The President 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 for approval of the December 18, 2019, Agenda and the November 20, 2019, meeting minutes.
- V. Discussion Item**
 - A.** November 2019 Treasurer’s Report.
- VI. Action Items**
 - A.** Consideration to accept Northeast Economic Development, Inc. Audit.
 - B.** Consideration to close Security Bank accounts
- VII. President/Board Comments**
- VIII. Next Meeting Date:** The next Northeast Economic Development, Inc. Board of Directors meeting will be at 7 p.m. on Wednesday, January 29, 2020. The meeting will be held via conference call.
- IX. Adjournment**

Jim McCarville_____ John Lohr_____ Brad Albers_____ Mike Frank_____
Jerry Engdahl_____ Shannon Stuchlik_____ Megan Weaver_____

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

NED, Inc. Board Agenda

Object: Approve of the December 18, 2019, Agenda and the November 20, 2019, meeting minutes

Contact Person: Thomas L. Higginbotham Jr., Executive Director

For: Action

Explanation: The December 18, 2019, agenda has been posted on the website. The November 20, 2019, meeting minutes have been posted on the website.

Motion: Consideration for approval of the December 18, 2019, Agenda and the November 20, 2019, meeting minutes.

Jim McCarville_____ John Lohr_____ Brad Albers____ Mike Frank_____
Jerry Engdahl_____ Shannon Stuchlik_____ Megan Weaver_____
Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

IV. Secretary's Report A.

NED, Inc Board Agenda

Object: November 2019 Treasurer's Report

Contact Person: Kristen Rosner, Fiscal Officer

For: Discussion

Background: Northeast Economic Development, Inc.'s (NED, Inc) November 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 2019 Budget for the nonaccrual accounts, July 1, 2019, through June 30, 2020, Actual, Budget Variance so far this fiscal year and Percent of the fiscal year 2020 Budget remaining.

Explanation:

Additional Information:

Business Loan Principal Received	\$35,429.96
Housing Rehab Principal Received	7,880.10
Down Payment Assistance (DPA) Principal Received	490.00
New Construction Principal Received	-
Business Loan Disbursements	-
Housing Rehab Loan Disbursements (2)	26,227.60
Down Payment Assistance (DPA) Loan Disbursements	-
New Construction Loan Disbursement	-

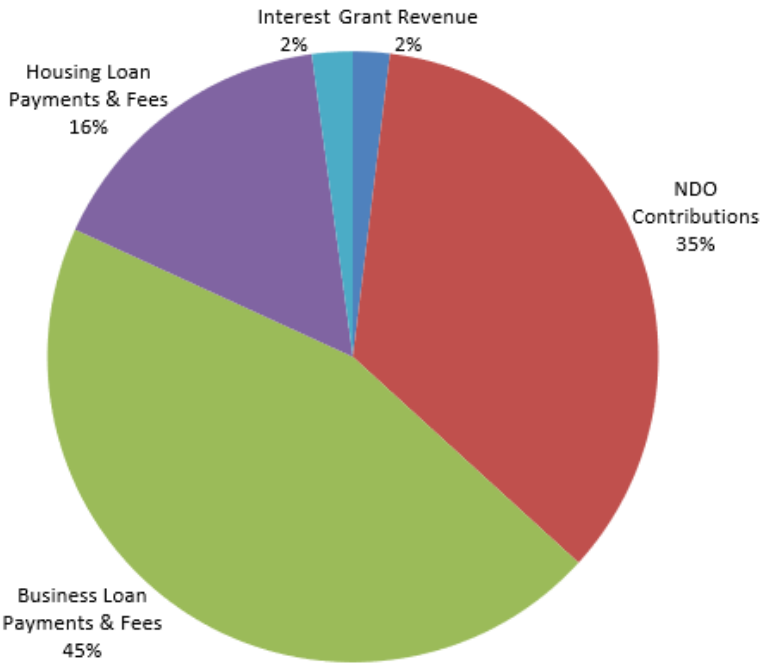
Housing Rehab Loan Payoff:
Client #100677, \$3,210.78

Snapshot of the Statement of Financial Position November 30, 2019

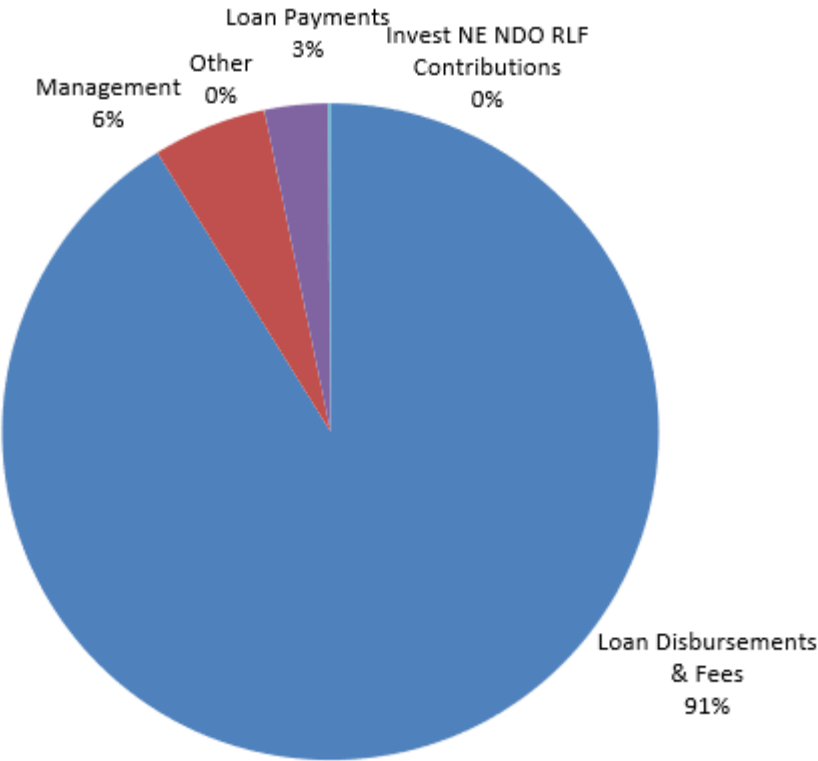
Assets	Liabilities & Net Assets
Housing Loan Receivables, \$790,673.63	
Business Loan Receivables, \$4,171,236.71	Net Assets, 6,248,038.07
Housing Cash, \$951,676.76	
Business RLF Cash, \$1,108,652.95	
Cash, \$300,462.75	Notes Payable, 1,179,845.50 Other, 11,856.45

Revenue & Expenses by Type July 2019 – November 2019

Revenue



Expenses



NED, Inc.
Statement of Financial Position - Unposted Transactions Included In Report
As of 11/30/2019

	<u>Current Period Balance</u>
Assets	
General Cash	
Cash in Bank-BF #1695334	300,462.75
Business RLF Cash	
IRP Loan Fund-BankFirst 7884171	12,873.50
RLF-BankFirst 7884203	31,263.45
IRP Loan Loss Reserve-BankFirst 7884195	15,961.06
RBEG Loans-BankFirst 7884203	84,854.36
NDO Loan Fund-Security Bank 229970	707.41
RMAP Loan Fund-BankFirst #7898549	8,146.56
#88841889-Midwest Bank-NEF Loan Loss Reserve	12,626.55
IRP #2 Loan Fund-Bank First #7898560	175,578.01
RMAP LLR Fund-BankFirst #8571	17,190.59
NDO Loan Fund-Security Bank 833851	102,642.18
NE Micro Loan-BankFirst #7911287	253,555.28
BF NDO Defederalized	287,409.21
#7911287 - NE Micro Loan #2	30,609.18
NED, Inc. Micro Funds #3 - 2018 Grant BF#7911287	39,189.01
#7884195 - IRP #2 Loan Loss Reserve	36,046.60
Housing Cash	
Trust DPA - EVB 3035418	23,864.28
HOME Rehab-BankFirst 7858547	319,829.28
Trust Rehab CD #882516-Midwest Bank	109,586.79
Trust Rehab Pinnacle 4400292230	130,452.12
HOME DPA - EVBT 3067890	31,856.78
HOME Rehab Pinnacle 4400292249	116,869.18
Trust Rehab BF 7930372	107,664.57
HUD/NENEDD Rehab BankFirst 7930383	111,553.76
Receivables	
Grants Receivable	8,227.57
Business RLF Notes Receivable	
Business RLF Notes Receivable	68,249.04
Business IRP Notes Receivable	256,886.85
IRP #2 Notes Receivable	592,024.91
NDO Business Notes Receivables	3,270,097.92
RMAP Business Notes Receivable	321,682.25
NE Micro Loan Receivable	420,438.62
Housing Notes Receivable	
DPA Notes Receivable	2,171,379.03
Regional Rehab Notes Receivable	1,077,105.60
Fixed Assets	
Furniture and Equipment	2,250.00
Accumulated Depreciation	(2,250.00)
Allowance for Uncollectibles	
Allowance for uncollectable losses	(3,107,144.23)
Total Assets	7,439,740.02
Liabilities	
Accounts Payable	
Accounts Payable	11,856.45
Notes Payable	
RMAP Loan Payable	336,068.17
NEF Loan Payable	45,770.76
IRP Loan Payable	173,992.92

NED, Inc.
Statement of Financial Position - Unposted Transactions Included In Report
As of 11/30/2019

	<u>Current Period Balance</u>
IRP #2 Loan Payable	624,013.65
Total Liabilities	<u>1,191,701.95</u>
Net Assets	
Other	6,248,038.07
Total Net Assets	<u>6,248,038.07</u>
Total Net Assets and Liabilities	<u><u>7,439,740.02</u></u>

NED, Inc.

**Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 11/01/2019 Through 11/30/2019**

	Current Period Budget	Current Period Actual	Current Period Budget Variance	Total Budget - Original	Current Year Actual	Total Budget Variance	Percent Total Budget Remaining
Revenues							
405	3,916.67	0.00	(3,916.67)	47,000.00	48,200.00	1,200.00	2.55%
428	79.67	0.00	(79.67)	956.00	478.00	(478.00)	(50.00)%
439	20,833.33	13,300.00	(7,533.33)	250,000.00	255,321.54	5,321.54	2.13%
442	2,345.83	0.00	(2,345.83)	28,150.00	0.00	(28,150.00)	(100.00)%
443	2,250.00	0.00	(2,250.00)	27,000.00	13,754.40	(13,245.60)	(49.06)%
444	250.00	250.00	0.00	3,000.00	1,375.00	(1,625.00)	(54.17)%
451	10,833.33	16,735.23	5,901.90	130,000.00	68,672.90	(61,327.10)	(47.17)%
452	116.66	85.57	(31.09)	1,400.00	375.58	(1,024.42)	(73.17)%
453	500.00	3,010.00	2,510.00	6,000.00	11,010.00	5,010.00	83.50%
454	1,000.00	325.88	(674.12)	12,000.00	2,963.77	(9,036.23)	(75.30)%
471	666.66	505.93	(160.73)	8,000.00	2,720.42	(5,279.58)	(65.99)%
490	2,916.66	1,975.02	(941.64)	35,000.00	15,767.06	(19,232.94)	(54.95)%
Total Revenues	45,708.81	36,187.63	(9,521.18)	548,506.00	420,638.67	(127,867.33)	(23.31)%
Expenditures							
523	16.66	0.00	16.66	200.00	0.00	200.00	100.00%
543	8.33	10.00	(1.67)	100.00	85.00	15.00	15.00%
548	8.33	10.00	(1.67)	100.00	10.00	90.00	90.00%
560	100.00	0.00	100.00	1,200.00	0.00	1,200.00	100.00%
561	572.08	0.00	572.08	6,865.00	0.00	6,865.00	100.00%
573	1,308.33	2,503.77	(1,195.44)	15,700.00	5,284.36	10,415.64	66.34%
574	16,666.66	0.00	16,666.66	200,000.00	76,443.23	123,556.77	61.78%
580	12,083.33	0.00	12,083.33	145,000.00	0.00	145,000.00	100.00%
584	2,258.33	41,348.09	(39,089.76)	27,100.00	49,800.77	(22,700.77)	(83.77)%
589	124.00	0.00	124.00	1,488.00	1,488.11	(0.11)	(0.01)%
Total Expenditures	33,146.05	43,871.86	(10,725.81)	397,753.00	133,111.47	264,641.53	66.53%
Total Revenues Over (Under) Expenditures	12,562.76	(7,684.23)	(20,246.99)	150,753.00	287,527.20	136,774.20	90.73%

NED, Inc. Board Agenda

Object: Acceptance of Northeast Economic Development, Inc. Audit

Contact Person: Kristen Rosner, Fiscal Officer

For: Action

Background: Board members were emailed and mailed the Fiscal Year 2019 audit. Staff from Schumacher, Smejkal, Brockhaus & Herley P.C. will present the audit.

Motion: Consideration to accept the Fiscal Year 2019 Northeast Economic Development, Inc. audit as presented.

Jim McCarville_____ John Lohr_____ Brad Albers_____ Mike Frank_____
Jerry Engdahl_____ Shannon Stuchlik_____ Megan Weaver_____
Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

VI. Action Item A

NED, Inc. Board Agenda

Object: To close Security Bank accounts

Contact Person: Kristen Rosner, Fiscal Officer

For: Action

Background: The savings account at Security Bank was established in 2011 to work with the Nonprofit Development Organization (NDO) project funds. These are funds that are anticipated to be defederalized as the loan client was still working on meeting the requirements in the Memorandum of Understanding or loan terms. The checking account was established in order to have a way to move funds from the savings account.

Explanation: NED, Inc. no longer has loans that are in the project stage. Internal tracking using a subaccount can be used if there are loans in the future that need to be set noted as project funds instead of having a separate bank account. It is the staff recommendation to close the saving and checking accounts at Security Bank. The funds would be deposited at BankFirst in the NDO account.

Motion: Consideration for approval to close checking account 229970 and savings account 833851 at Security Bank.

Jim McCarville_____ John Lohr_____ Brad Albers_____ Mike Frank_____
Jerry Engdahl_____ Shannon Stuchlik_____ Megan Weaver_____
Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

VI. Action Item B