

NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, JANUARY 29, 2020 - 7 P.M.

City of Norfolk Offices – Board 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 St., 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 January 29, 2020, agenda and the December 18, 2019, meeting minutes.
- V. Treasurer’s Report**
 - A.** Consideration for acceptance of the November and December 2019 Treasurer’s Report as presented.
- VI. Discussion Item**
 - A.** Quarterly Loan Review
- VII. Action Items**
 - A.** Consideration for approval of a \$55,000 loan to Joshua and Kayla Dinesen, d/b/a ASQ Promotional Products, Inc. - Norfolk
- VIII. President/Board Comments**
- IX. Next Meeting Date:** The next Northeast Economic Development, Inc. Board of Directors meeting will be at 7 p.m. on Wednesday, February 26, 2020. The meeting will be held via conference call.
- X. 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 the January 29, 2020, agenda and the December 18, 2019, meeting minutes

Contact Person: Thomas L. Higginbotham Jr, Executive Director

For: Action

Explanation: The January 29, 2020, agenda has been posted on the website. The December 18, 2019, meeting minutes have been posted on the website.

Motion: Consideration for approval of the January 29, 2020, agenda and the December 18, 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: Acceptance of November and December 2019 Treasurer’s Report

Contact Person: Kristen Rosner, Fiscal Officer

For: Action

Background:

Northeast Economic Development, Inc.’s (NED, Inc) November and December 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 2020 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	70,752.17
Housing Rehab Principal Received	12,523.49
Down Payment Assistance (DPA) Principal Received	1,529.93
New Construction Principal Received	-
Business Loan Disbursements	13,300.00
Housing Rehab Loan Disbursements (3 homes)	35,052.60
Direct Home Buyer Assistance Loan Disbursements	-
New Construction Loan Disbursement	-

Housing Rehabilitation Loan Payoffs:
#100677, \$3,210.78

Down Payment Assistance Loan Payoffs:
#01157, \$749.93

Business Loan Disbursements:
#620006, Holecek Law Office, LLC, Creighton, \$13,300

NED, Inc. Reuse Funds Available for Lending:
Owner-Occupied Rehabilitation (HOME & Trust): \$887,918
Direct Home Buyer Assistance (HOME & Trust): \$55,472
Business Revolving Loan Funds (All Sources): \$1,370,282

Motion: Consideration for acceptance of the November and December 2019 Treasurer’s Report

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.
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	28,468.22
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>1,208,313.72</u>
Net Assets	
Other	6,231,426.30
Total Net Assets	<u>6,231,426.30</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	16,611.77	54.89	200,000.00	93,055.00	106,945.00	53.47%
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	60,483.63	(27,337.58)	397,753.00	149,723.24	248,029.76	62.36%
Total Revenues Over (Under) Expenditures	12,562.76	(24,296.00)	(36,858.76)	150,753.00	270,915.43	120,162.43	79.71%

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
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NED, Inc.
Statement of Financial Position - Unposted Transactions Included In Report
As of 12/31/2019

	<u>Current Period Balance</u>
Assets	
General Cash	
Cash in Bank-BF #1695334	1,547.27
Business RLF Cash	
IRP Loan Fund-BankFirst 7884171	14,515.75
RLF-BankFirst 7884203	31,263.45
IRP Loan Loss Reserve-BankFirst 7884195	16,023.07
RBEG Loans-BankFirst 7884203	85,386.18
NDO Loan Fund-Security Bank 229970	707.41
RMAP Loan Fund-BankFirst #7898549	9,106.72
#88841889-Midwest Bank-NEF Loan Loss Reserve	12,635.27
IRP #2 Loan Fund-Bank First #7898560	147,122.04
RMAP LLR Fund-BankFirst #8571	16,814.93
NDO Loan Fund-Security Bank 833851	102,642.18
NE Micro Loan-BankFirst #7911287	255,795.80
BF NDO Defederalized	652,934.01
#7911287 - NE Micro Loan #2	31,195.50
NED, Inc. Micro Funds #3 - 2018 Grant BF#7911287	39,612.98
#7884195 - IRP #2 Loan Loss Reserve	36,046.60
Housing Cash	
Trust DPA - EVB 3035418	24,087.57
HOME Rehab-BankFirst 7858547	319,693.01
Trust Rehab CD #882516-Midwest Bank	109,586.79
Trust Rehab Pinnacle 4400292230	130,623.67
HOME DPA - EVBT 3067890	31,384.68
HOME Rehab Pinnacle 4400292249	117,022.87
Trust Rehab BF 7930372	99,731.96
HUD/NENEDD Rehab BankFirst 7930383	111,260.68
Receivables	
Grants Receivable	8,227.57
Business RLF Notes Receivable	
Business RLF Notes Receivable	67,437.86
Business IRP Notes Receivable	255,236.59
IRP #2 Notes Receivable	586,992.04
NDO Business Notes Receivables	3,260,746.43
RMAP Business Notes Receivable	319,441.33
NE Micro Loan Receivable	417,503.13
Housing Notes Receivable	
DPA Notes Receivable	2,170,339.10
Regional Rehab Notes Receivable	1,079,458.94
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	7,454,979.15
Liabilities	
Accounts Payable	
Accounts Payable	34,428.29
Notes Payable	
RMAP Loan Payable	333,703.61
NEF Loan Payable	42,253.85
IRP Loan Payable	173,992.92

NED, Inc.
Statement of Financial Position - Unposted Transactions Included In Report
As of 12/31/2019

	<u>Current Period Balance</u>
IRP #2 Loan Payable	598,415.79
Total Liabilities	<u>1,182,794.46</u>
Net Assets	
Other	6,272,184.69
Total Net Assets	<u>6,272,184.69</u>
Total Net Assets and Liabilities	<u><u>7,454,979.15</u></u>

NED, Inc.

**Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 12/01/2019 Through 12/31/2019**

	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	0.00	(20,833.33)	250,000.00	255,321.54	5,321.54	2.13%
440	0.00	50,000.00	50,000.00	0.00	50,000.00	50,000.00	0.00%
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	1,625.00	(1,375.00)	(45.83)%
451	10,833.33	14,883.58	4,050.25	130,000.00	83,556.48	(46,443.52)	(35.73)%
452	116.66	70.57	(46.09)	1,400.00	446.15	(953.85)	(68.13)%
453	500.00	0.00	(500.00)	6,000.00	11,010.00	5,010.00	83.50%
454	1,000.00	348.21	(651.79)	12,000.00	3,311.98	(8,688.02)	(72.40)%
471	666.66	468.27	(198.39)	8,000.00	3,188.69	(4,811.31)	(60.14)%
490	2,916.66	2,162.94	(753.72)	35,000.00	17,930.00	(17,070.00)	(48.77)%
Total Revenues	45,708.81	68,183.57	22,474.76	548,506.00	488,822.24	(59,683.76)	(10.88)%
Expenditures							
523	16.66	0.00	16.66	200.00	0.00	200.00	100.00%
543	8.33	60.00	(51.67)	100.00	145.00	(45.00)	(45.00)%
548	8.33	(3.00)	11.33	100.00	7.00	93.00	93.00%
560	100.00	0.00	100.00	1,200.00	0.00	1,200.00	100.00%
561	572.08	6,010.00	(5,437.92)	6,865.00	6,010.00	855.00	12.45%
573	1,308.33	6,793.07	(5,484.74)	15,700.00	12,077.43	3,622.57	23.07%
574	16,666.66	12,736.84	3,929.82	200,000.00	105,791.84	94,208.16	47.10%
580	12,083.33	0.00	12,083.33	145,000.00	0.00	145,000.00	100.00%
584	2,258.33	1,828.27	430.06	27,100.00	51,629.04	(24,529.04)	(90.51)%
589	124.00	0.00	124.00	1,488.00	1,488.11	(0.11)	(0.01)%
Total Expenditures	33,146.05	27,425.18	5,720.87	397,753.00	177,148.42	220,604.58	55.46%

NED, Inc.

**Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 12/01/2019 Through 12/31/2019**

	Current Period Budget	Current Period Actual	Current Period Budget Variance	Total Budget - Original	Current Year Actual	Total Budget Variance	Percent Total Budget Remaining
Total Revenues Over (Under) Expenditures	12,562.76	40,758.39	28,195.63	150,753.00	311,673.82	160,920.82	106.74%

NED, Inc. 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 NED, Inc. funding sources on the loans that have been closed.

NED, Inc. Loan Review

Report Date: January 17, 2020

	Loan Amt	Balance	Payment	1 Pymt	2 Pymts	3 Pymts	Over 3	Total Due	Lt Days	Notes
0002	196,942.00	157,553.60	39,388.40	0.00	0.00	0.00	0.00	0.00	0	
01101	18,720.00	18,720.00	312.00	0.00	0.00	0.00	0.00	0.00	0	
01122	13,925.00	13,925.00	232.08	0.00	0.00	0.00	0.00	0.00	0	
01126	12,200.00	12,200.00	203.33	0.00	0.00	0.00	0.00	0.00	0	
01132	12,100.00	12,100.00	201.67	0.00	0.00	0.00	0.00	0.00	0	
01146	12,856.00	12,856.00	214.27	0.00	0.00	0.00	0.00	0.00	0	
01150	8,247.00	8,247.00	137.45	0.00	0.00	0.00	0.00	0.00	0	
01166	20,000.00	20,000.00	333.33	0.00	0.00	0.00	0.00	0.00	0	
01176	8,900.00	8,900.00	148.33	0.00	0.00	0.00	0.00	0.00	0	
01200	5,400.00	4,950.00	90.00	0.00	0.00	0.00	0.00	0.00	0	
01209	11,400.00	11,400.00	190.00	0.00	0.00	0.00	0.00	0.00	0	
01213	18,780.00	18,780.00	313.00	0.00	0.00	0.00	0.00	0.00	0	
03414	17,600.00	17,600.00	293.33	0.00	0.00	0.00	0.00	0.00	0	
03418	17,900.00	17,900.00	298.33	0.00	0.00	0.00	0.00	0.00	0	
03436	20,000.00	20,000.00	333.33	0.00	0.00	0.00	0.00	0.00	0	
03451	17,800.00	17,800.00	296.67	0.00	0.00	0.00	0.00	0.00	0	
4225	15,243.50	699.07	101.64	0.00	0.00	0.00	0.00	0.00	0	
4508	19,659.96	7,842.37	99.46	0.00	0.00	0.00	0.00	0.00	0	
4512	8,061.23	1,013.83	48.24	0.00	0.00	0.00	0.00	0.00	0	
4514	12,340.79	5,570.86	56.75	56.75	56.75	56.75	113.50	283.75	142	Hasn't had a returned payment for 2 years.
4515	7,904.92	3,027.89	36.35	0.00	0.00	0.00	0.00	0.00	0	
4516	12,095.00	4,630.74	55.63	0.00	0.00	0.00	0.00	0.00	0	
4517	20,000.00	8,244.10	101.18	0.00	0.00	0.00	0.00	0.00	0	
04707	20,000.00	20,000.00	333.33	0.00	0.00	0.00	0.00	0.00	0	
04713	8,800.00	8,800.00	146.67	0.00	0.00	0.00	0.00	0.00	0	
04714	20,000.00	20,000.00	333.33	0.00	0.00	0.00	0.00	0.00	0	
04715	18,600.00	18,600.00	310.00	0.00	0.00	0.00	0.00	0.00	0	
04716	9,500.00	9,500.00	158.33	0.00	0.00	0.00	0.00	0.00	0	
04718	7,900.00	7,900.00	131.67	0.00	0.00	0.00	0.00	0.00	0	
05401	24,910.03	10,543.91	150.00	0.00	0.00	0.00	0.00	0.00	0	
05550	10,000.00	5,323.18	50.59	0.00	0.00	0.00	0.00	0.00	0	
06106	19,320.00	19,320.00	322.00	0.00	0.00	0.00	0.00	0.00	0	
06107	11,100.00	11,100.00	185.00	0.00	0.00	0.00	0.00	0.00	0	
06112	7,300.00	7,300.00	121.67	0.00	0.00	0.00	0.00	0.00	0	
06130	13,980.00	13,980.00	233.00	0.00	0.00	0.00	0.00	0.00	0	
06139	14,300.00	14,300.00	238.33	0.00	0.00	0.00	0.00	0.00	0	
06145	10,400.00	10,400.00	173.33	0.00	0.00	0.00	0.00	0.00	0	
06161	10,200.00	10,200.00	170.00	0.00	0.00	0.00	0.00	0.00	0	
06162	14,500.00	14,500.00	241.67	0.00	0.00	0.00	0.00	0.00	0	

NED, Inc. Loan Review

Report Date: January 17, 2020

	Loan Amt	Balance	Payment	1 Pymt	2 Pymts	3 Pymts	Over 3	Total Due	Lt Days	Notes
06167	18,000.00	18,000.00	300.00	0.00	0.00	0.00	0.00	0.00	0	
07217	17,000.00	17,000.00	283.33	0.00	0.00	0.00	0.00	0.00	0	
07218	20,000.00	20,000.00	333.33	0.00	0.00	0.00	0.00	0.00	0	
07220	15,000.00	15,000.00	250.00	0.00	0.00	0.00	0.00	0.00	0	
07222	8,800.00	8,800.00	146.67	0.00	0.00	0.00	0.00	0.00	0	
07231	15,960.00	15,960.00	266.00	0.00	0.00	0.00	0.00	0.00	0	
07233	7,800.00	7,800.00	130.00	0.00	0.00	0.00	0.00	0.00	0	
07241	18,000.00	18,000.00	300.00	0.00	0.00	0.00	0.00	0.00	0	
07507	24,994.94	11,559.59	104.15	0.00	0.00	0.00	0.00	0.00	0	
100016	35,000.00	22,038.56	160.96	0.00	0.00	0.00	0.00	0.00	0	
100018	27,500.00	19,230.68	139.12	0.00	0.00	0.00	0.00	0.00	0	
100026	4,929.34	3,136.13	22.67	0.00	0.00	0.00	0.00	0.00	0	
100032	37,500.00	23,078.60	172.46	0.00	0.00	0.00	0.00	0.00	0	
100042	30,000.00	18,730.70	137.96	0.00	0.00	0.00	0.00	0.00	0	
100053	35,000.00	6,124.67	291.67	0.00	0.00	0.00	0.00	0.00	0	
100054	20,000.00	12,166.98	83.33	0.00	0.00	0.00	0.00	0.00	0	
100069	26,775.05	15,395.93	111.56	0.00	0.00	0.00	0.00	0.00	0	
100081	15,720.00	3,144.00	131.00	0.00	0.00	0.00	0.00	0.00	0	
100097	35,000.00	21,987.20	160.96	0.00	0.00	0.00	0.00	0.00	0	
100117	27,816.15	16,707.89	127.92	0.00	0.00	0.00	0.00	0.00	0	
100131	30,000.00	18,660.00	125.00	125.00	125.00	125.00	100.00	475.00	142	Continues to struggle. Most recent NSF Jan 2020. Paying extra each month to catch up.
100136	20,798.00	12,791.73	105.21	0.00	0.00	0.00	0.00	0.00	0	
100158	23,908.96	15,442.28	109.96	0.00	0.00	0.00	0.00	0.00	0	
100173	38,500.00	22,940.23	160.41	0.00	0.00	0.00	0.00	0.00	0	
100200	10,457.02	6,827.59	52.90	0.00	0.00	0.00	0.00	0.00	0	
100211	25,000.00	16,520.81	126.47	0.00	0.00	0.00	0.00	0.00	0	
100221	12,000.00	12,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100239	17,000.00	17,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100259	27,500.00	16,148.99	126.47	0.00	0.00	0.00	0.00	0.00	0	
100372	23,000.00	23,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100454	12,400.00	12,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100463	23,000.00	23,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100492	18,160.87	13,317.99	75.67	0.00	0.00	0.00	0.00	0.00	0	
100570	37,500.00	27,655.00	156.25	0.00	0.00	0.00	0.00	0.00	0	
100585	31,413.95	26,012.05	158.92	0.00	0.00	0.00	0.00	0.00	0	
100603	16,400.51	10,579.83	82.97	0.00	0.00	0.00	0.00	0.00	0	
100609	36,718.98	21,308.81	305.99	0.00	0.00	0.00	0.00	0.00	0	

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100637	21,577.00	12,946.60	89.90	0.00	0.00	0.00	0.00	0.00	0	
100638	19,402.00	14,620.16	89.23	0.00	0.00	0.00	0.00	0.00	0	
100676	29,797.85	5,959.13	248.32	0.00	0.00	0.00	0.00	0.00	0	
100714	24,000.00	24,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100716	40,000.00	18,333.55	333.33	0.00	0.00	0.00	0.00	0.00	0	
100734	15,000.00	15,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100739	75,000.00	75,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100755	24,000.00	24,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100756	19,000.00	19,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100758	65,890.00	65,890.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100769	75,000.00	75,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100783	75,000.00	75,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100791	7,995.00	2,064.93	66.63	0.00	0.00	0.00	0.00	0.00	0	
100802	19,400.00	19,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100803	16,660.00	16,660.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100813	9,999.94	8,566.49	41.67	0.00	0.00	0.00	0.00	0.00	0	
100817	75,000.00	75,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100846	16,680.00	16,680.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100849	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100891	35,000.00	25,083.56	145.83	0.00	0.00	0.00	0.00	0.00	0	
100900	21,351.10	21,351.10	0.00	0.00	0.00	0.00	0.00	0.00	0	
100904	14,683.61	6,240.77	122.36	122.36	122.36	122.36	734.16	1,101.24	265	Forgivable loan client.
100917	29,738.02	23,666.43	123.91	0.00	0.00	0.00	0.00	0.00	0	Home no longer owner-occupied. Waiting on home sale
100934	12,700.00	12,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100942	14,497.00	10,032.40	60.40	0.00	0.00	0.00	0.00	0.00	0	
100949	29,008.67	24,375.38	146.75	0.00	0.00	0.00	0.00	0.00	0	
100952	32,464.49	23,955.04	164.23	164.23	0.00	0.00	0.00	164.23	20	NSF December 2019. Client contacted.
100964	24,000.00	24,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100973	24,649.00	22,969.91	113.36	113.36	113.36	113.36	1,360.32	1,700.40	446	Continues to struggle. Notice of Default sent 1/8/2020 with three NSF's in a row.
100978	75,000.00	75,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
100985	13,500.00	9,888.73	62.09	0.00	0.00	0.00	0.00	0.00	0	
101013	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101034	1,989.56	1,757.44	8.29	0.00	0.00	0.00	0.00	0.00	0	

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101067	6,000.00	2,700.00	50.00	0.00	0.00	0.00	0.00	0.00	0	
101075	18,000.00	13,126.43	82.78	0.00	0.00	0.00	0.00	0.00	0	
101081	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101090	23,000.00	23,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101146	29,990.00	29,990.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101172	9,072.33	8,023.93	37.80	0.00	0.00	0.00	0.00	0.00	0	
101221	10,000.00	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101223	17,000.00	17,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101259	25,000.00	25,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101265	9,000.00	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101311	23,718.80	23,718.80	119.99	0.00	0.00	0.00	0.00	0.00	0	
101318	25,780.00	25,780.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101331	19,600.00	19,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101332	20,000.00	20,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101333	17,880.00	17,880.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101338	26,600.00	26,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101339	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101352	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101354	25,800.00	25,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101363	30,000.00	30,000.00	375.00	0.00	0.00	0.00	0.00	0.00	0	
101367	25,000.00	23,958.35	208.33	208.33	208.33	0.00	0.00	416.66	51	Forgivable loan client without homeowner's insurance.
101372	25,000.00	25,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101377	22,800.00	22,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101380	24,400.00	24,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101384	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101385	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101386	13,100.00	13,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101400	14,400.00	14,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101408	8,700.00	8,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101426	28,780.00	28,780.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101430	26,300.00	26,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101446	24,094.60	22,689.07	200.79	0.00	0.00	0.00	0.00	0.00	0	
101459	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101464	11,542.12	11,349.76	48.09	0.00	0.00	0.00	0.00	0.00	0	
101470	26,000.00	26,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101471	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101476	28,000.00	28,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101477	10,500.00	10,271.94	48.29	0.00	0.00	0.00	0.00	0.00	0	

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101485	15,000.00	15,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101490	24,963.04	24,765.02	104.01	0.00	0.00	0.00	0.00	0.00	0	
101501	29,000.00	29,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101520	24,064.53	23,663.45	200.54	0.00	0.00	0.00	0.00	0.00	0	
101521	27,000.00	27,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101544	25,000.00	6,825.00	126.47	0.00	0.00	0.00	0.00	0.00	0	
101545	29,200.00	29,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101547	25,000.00	16,115.00	208.33	0.00	0.00	0.00	0.00	0.00	0	
101548	20,052.60	20,052.60	101.44	0.00	0.00	0.00	0.00	0.00	0	
101554	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0	
101558	30,000.00	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0	
318002	50,000.00	49,666.12	343.94	0.00	0.00	0.00	0.00	0.00	0	
319002	250,000.00	245,481.06	1,514.95	0.00	0.00	0.00	0.00	0.00	0	
400601	20,000.00	7,583.83	83.33	0.00	0.00	0.00	0.00	0.00	0	
400603	20,000.00	8,253.32	91.98	0.00	0.00	0.00	0.00	0.00	0	
400605	4,440.00	2,072.00	18.50	0.00	0.00	0.00	0.00	0.00	0	
400611	11,266.97	2,729.63	67.43	0.00	0.00	0.00	0.00	0.00	0	
400616	20,000.00	8,167.14	83.33	0.00	0.00	0.00	0.00	0.00	0	
400709	18,759.81	8,128.69	78.17	0.00	0.00	0.00	0.00	0.00	0	
406008	23,543.75	11,761.26	119.10	0.00	0.00	0.00	0.00	0.00	0	
406016	20,000.00	7,917.15	83.33	0.00	0.00	0.00	0.00	0.00	0	
406021	17,756.36	8,897.55	89.83	0.00	0.00	0.00	0.00	0.00	0	
406025	15,939.50	3,870.18	95.40	0.00	0.00	0.00	0.00	0.00	0	
609003	93,350.00	23,337.65	518.61	0.00	0.00	0.00	0.00	0.00	0	
611005	60,000.00	26,076.09	506.31	0.00	0.00	0.00	0.00	0.00	0	
612006	17,000.00	3,864.03	184.49	0.00	0.00	0.00	0.00	0.00	0	
612011	40,000.00	23,923.08	337.54	0.00	0.00	0.00	0.00	0.00	0	
612019	40,000.00	25,472.07	337.54	337.54	0.00	0.00	0.00	337.54	20	NSF January 2020.
612021	100,000.00	27,842.76	1,085.26	0.00	0.00	0.00	0.00	0.00	0	
613002	20,000.00	1,015.37	287.40	287.40	0.00	0.00	0.00	287.40	20	NSF December 2019.
613004	30,000.00	19,801.16	253.16	0.00	0.00	0.00	0.00	0.00	0	
613007	32,000.00	6,749.69	459.84	0.00	0.00	0.00	0.00	0.00	0	
614001	60,000.00	26,238.17	621.83	0.00	0.00	0.00	0.00	0.00	0	
614004	40,000.00	19,094.41	325.00	0.00	0.00	0.00	0.00	0.00	0	
614005	40,000.00	5,690.67	556.01	0.00	0.00	0.00	0.00	0.00	0	
614007	60,000.00	35,581.21	554.93	0.00	0.00	0.00	0.00	0.00	0	
614008	40,000.00	18,924.85	414.55	0.00	0.00	0.00	0.00	0.00	0	
614009	250,000.00	132,210.00	2,080.00	0.00	0.00	0.00	0.00	0.00	0	
614010	60,000.00	24,368.36	621.83	0.00	0.00	0.00	0.00	0.00	0	
614011	450,000.00	283,245.25	4,663.73	0.00	0.00	0.00	0.00	0.00	0	

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615001	121,525.00	95,523.51	643.96	0.00	0.00	0.00	0.00	0.00	0	
615002	105,000.00	79,437.03	830.33	0.00	0.00	0.00	0.00	0.00	0	
615004	100,000.00	68,415.22	1,000.00	0.00	0.00	0.00	0.00	0.00	0	
615005	225,000.00	136,033.16	2,331.86	0.00	0.00	0.00	0.00	0.00	0	
615007	40,000.00	30,353.71	316.32	0.00	0.00	0.00	0.00	0.00	0	
615008	200,000.00	44,142.24	3,418.75	0.00	0.00	0.00	0.00	0.00	0	
615009	55,000.00	8,113.91	570.01	0.00	0.00	0.00	0.00	0.00	0	
615010	140,000.00	120,774.47	963.04	0.00	0.00	0.00	0.00	0.00	0	
616002	115,000.00	86,691.25	766.81	0.00	0.00	0.00	0.00	0.00	0	
616003	70,000.00	63,696.11	481.52	0.00	0.00	0.00	0.00	0.00	0	
616004	50,000.00	33,699.97	477.06	0.00	0.00	0.00	0.00	0.00	0	
616005	42,000.00	37,263.16	288.91	0.00	0.00	0.00	0.00	0.00	0	
616006	20,000.00	13,516.11	207.28	0.00	0.00	0.00	0.00	0.00	0	
616007	300,000.00	260,972.04	1,897.95	0.00	0.00	0.00	0.00	0.00	0	
616009	180,000.00	165,471.87	1,238.20	0.00	0.00	0.00	0.00	0.00	0	
616011	35,000.00	25,157.75	362.73	0.00	0.00	0.00	0.00	0.00	0	
616012	200,000.00	183,857.94	1,375.77	0.00	0.00	0.00	0.00	0.00	0	
617001	70,000.00	63,419.77	424.19	0.00	0.00	0.00	0.00	0.00	0	
617002	85,000.00	74,053.84	672.17	0.00	0.00	0.00	0.00	0.00	0	
617003	200,000.00	190,536.99	1,211.96	0.00	0.00	0.00	0.00	0.00	0	
617005	200,000.00	189,826.57	1,393.93	0.00	0.00	0.00	0.00	0.00	0	
617006	63,200.00	59,935.01	434.74	0.00	0.00	0.00	0.00	0.00	0	
617007	70,000.00	55,126.51	725.47	0.00	0.00	0.00	0.00	0.00	0	
618001	16,000.00	3,771.89	472.38	0.00	0.00	0.00	0.00	0.00	0	
618002	250,000.00	112,722.96	1,250.00	0.00	0.00	0.00	0.00	0.00	0	
618003	40,000.00	35,882.34	316.32	0.00	0.00	0.00	0.00	0.00	0	
618004	35,000.00	30,091.24	362.73	362.73	0.00	0.00	0.00	362.73	20	NSF December 2019.
618005	40,000.00	38,355.76	184.35	0.00	0.00	0.00	0.00	0.00	0	
618006	50,000.00	47,860.35	343.94	0.00	0.00	0.00	0.00	0.00	0	
618007	22,000.00	19,063.90	228.00	0.00	0.00	0.00	0.00	0.00	0	
619002	50,000.00	47,202.38	395.40	0.00	0.00	0.00	0.00	0.00	0	
619003	40,000.00	38,916.01	316.32	0.00	0.00	0.00	0.00	0.00	0	
619004	27,000.00	25,725.32	213.51	0.00	0.00	0.00	0.00	0.00	0	
619006	20,000.00	19,158.30	158.16	0.00	0.00	0.00	0.00	0.00	0	
619009	13,850.00	12,695.85	230.83	0.00	0.00	0.00	0.00	0.00	0	
619010	80,298.03	79,195.53	634.99	0.00	0.00	0.00	0.00	0.00	0	
619011	28,530.00	27,579.00	158.50	0.00	0.00	0.00	0.00	0.00	0	
620001	185,000.00	183,160.50	1,368.42	0.00	0.00	0.00	0.00	0.00	0	
620002	200,000.00	199,480.65	2,072.77	0.00	0.00	0.00	0.00	0.00	0	
620003	202,250.00	192,137.51	3,370.83	0.00	0.00	0.00	0.00	0.00	0	

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620005	57,021.54	56,324.89	563.86	0.00	0.00	0.00	0.00	0.00	0	
620006	13,300.00	13,300.00	131.52	0.00	0.00	0.00	0.00	0.00	0	
620007	202,250.00	202,250.00	842.71	0.00	0.00	0.00	0.00	0.00	0	
61700201	90,000.00	76,303.01	610.76	0.00	0.00	0.00	0.00	0.00	0	
61700301	275,000.00	262,777.76	1,527.78	0.00	0.00	0.00	0.00	0.00	0	
Totals	10,234,041.42	8,051,860.80	140,015.52	1,777.70	625.80	417.47	2,307.98	5,128.95		

Number of Loans 232
Default Rate 0.064%

NED, Inc. Board Agenda

Object: Approve a \$55,000 to Joshua & Kayla Dinesen, d/b/a ASQ Promotional Products, Inc. - Norfolk

Contact Person: Jeff Christensen, NENEDD Business Loan Specialist

For: Action

Background:

Josh & Kayla Dinesen are purchasing ASQ Promotional Products, Inc. (Advertising Solutions of Quality). <https://www.asqpromo.com/> ASQ has been in business in Norfolk since 2002. It is a promotional product company providing embroidered and screen-printed clothing, and other promotional products with a company or organizations' logo. They have over 1,000 suppliers throughout the U.S. and a few overseas. They lease the building they are in at 105 E. Omaha Ave. in Norfolk. Kayla has been working there for about four years. Josh started working there in January 2018 with the intentions of purchasing the business in the future signing an option to purchase at the end of 2019. In September 2018, Josh took over the operations of the business with the previous owners there to assist in the transition. They entered into an agreement to purchase leading to this point of putting together their traditional financing package rather than contract sale through the previous owners.

Since starting there, Josh has grown their customer base and gained an additional \$211,000 in sales while reducing the cost of goods from 61% to under 50%. In January, they will be joining a group called Pro Forma that will enhance the operations of the business with increased buying power, accounts receivable invoicing to customers, shipping discounts, digital and email marketing, large accounts team support, assistance to acquire smaller companies, and help launch the company nationwide. They plan on adding printed items such as brochures, door hangers and more.

The total project costs are \$340,000. This includes \$330,000 for the purchase of the business and \$10,000 working capital. The Dinesen's and Elkhorn Valley Bank and Trust are requesting that NED, INC. provide a \$55,000 loan and Stanton County Public Power District (SCPPD) provide \$50,000 for the purchase of the business. Josh & Kayla have paid \$50,000 cash towards the purchase. The project will maintain three FTE jobs and create one job in the near future: total of 4 FTE. The additional person would handle the inside sales and customer support and allow Josh to pursue outside connections for additional clients.

Josh was in the Army Military Police for eight years and deployed to Iraq. After leaving the Army he was a Norfolk police officer for five years prior to starting at ASQ. As mentioned before, Kayla has been working there for four years primarily doing the embroidering. The other employee, April Koch, has been there six years and will stay on taking on more of the inside sales until a new person is hired.

Explanation:

Uses ↓	Sources →	Bank	NED, INC.	SCPPD	Equity	Total
Business Purchase		\$175,000	\$55,000	\$50,000	\$50,000	\$330,000
Working capital		\$10,000	-0-	-0-	-0-	\$10,000
TOTAL		\$185,000	\$55,000	\$50,000	\$50,000	\$340,000

Elkhorn Bank and Trust in Norfolk has approved a loan of up to \$185,000 for this project. The loan will be set up as a regular commercial loan fully amortized over a 10-year term at an interest rate of 5.99% (variable). The bank will secure the debt with a 1st lien UCC filing on ASQ Promotional Products, Inc. The bank has agreed to subordinate accounts receivable to the franchisor Pro Forma. In addition, the bank will require a 2nd lien deed of trust on 211 & 213 N. 11th St., in Norfolk, a 1st lien on a 2013 Chevy Silverado, and unlimited unsecured guaranties from all owners of ASQ Promotional products, Inc. (Joshua & Kayla Dinesen).

NED, INC. will lend Joshua & Kayla Dinesen \$55,000 to purchase ASQ Promotional Products, Inc. in Norfolk. This loan will have a term of 10 years at an interest rate of 4.50% (fixed). NED, INC. will have a subordinate (2nd) lien position on the business assets of ASQ Promotional Products, Inc. and will also subordinate to Pro Forma on the accounts receivable. NED, INC. will also file a Deed of Trust on Dinesen’s personal residence in Norfolk (211 & 213 N. 11th St.), require assignment of life insurance from both Josh & Kayla each for the amount of the loan for the life of the loan, and require a personal guaranty from Josh & Kayla.

Stanton County Public Power District will lend \$50,000 to Joshua & Kayla Dinesen to purchase ASQ. This loan will have a term of 10 years at an interest rate of 3.00% (fixed). SCPPD will have a subordinate lien position on the business assets of ASQ Promotional Products, Inc. and will also subordinate to Pro Forma on the accounts receivable. SCPPD will also file a Deed of Trust on Dinesen’s personal residence in Norfolk (211 & 213 N. 11th St.), require assignment of life insurance from both Josh & Kayla each for the amount of the loan for the life of the loan, and require a personal guaranty from Josh & Kayla.

The Northeast Revolving Loan Fund (RLF) committee was presented information on credit scores, net worth, collateral, and financial information as part of the loan summary and recommends this loan for approval.

The Stanton County Public Power District (SCPPD) meets Thursday, 1-30-20. This is the first loan they will review for approval/denial. NENEDD staff would like to request the two following options: 1) approve a shared collateral position if they would request it; 2) approve the entire \$105,000 if SCPPD does not approve their \$50,000.

Motion: Consideration for approval of a \$55,000 loan to Joshua & Kayla Dinesen to purchase ASQ Promotional Products, Inc. in Norfolk, as recommended by NENEDD staff and the Northeast Loan Committee including NENEDD staff’s two options listed at the end of the summary.

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)