

**NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT - NENEDD**  
**BOARD OF DIRECTORS MEETING**  
**WEDNESDAY, APRIL 26, 2017 - 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 Council of Officials Representatives**
- IV. Secretary's Report**
  - A. Approval of April, 2017 Agenda & February, 2017 Meeting Minutes (as mailed & posted)
- V. Treasurer's Report**
  - A. February and March, 2017 Treasurer's Report
- VI. Discussion Items**
  - A. Quarterly Loan Review
  - B. 2016-2017 Annual Meeting
- VII. Action Items**
  - A. Approve a \$150,000 loan for Josh & Jenny Hopkins, d/b/a Magnuson Hopkins EyeCare, P.C. – Wayne
  - B. Certify NENEDD is operating in accordance with its EDA approved RLF plan.
  - C. Appoint Budget Committee
  - D. Appoint Nominating Committee
- VIII. Chairman/Board Comments**
- IX. Next Meeting Date:** The Northeast Nebraska Economic Development District Board of Directors will meet on Wednesday, May 31, 2017, at 7:15 pm or following the Northeast Economic Development, Inc. meeting. The meeting will be held at the City of Norfolk Office Building, 309 N. 5<sup>th</sup> St., Norfolk, Nebraska.
- X. Adjournment**

Shannon Stuchlik\_\_\_\_ Gaylord Wilcox\_\_\_\_ Dan Kathol\_\_\_\_ Ken Luettel\_\_\_\_ 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 April, 2017 meeting agenda and the February, 2017 meeting minutes

**Contact Person:** Danielle Lammers, Administrative Assistant

**For:** Action

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**Explanation:** The April, 2017 agenda has been posted on the website. The February, 2017 meeting minutes were mailed and posted on the website.

**Motion:** To approve the April, 2017 meeting agenda and the February, 2017 board meeting minutes.

Shannon Stuchlik\_\_\_\_ Gaylord Wilcox\_\_\_\_ Dan Kathol\_\_\_\_ Ken Luettel\_\_\_\_ 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:** Approval of the February & March, 2017 Treasurer's Report

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

**For:** Action

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**Background:** Northeast Nebraska Economic Development District's (NENEDD) February & March, 2017 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) 2017 Budget for the nonaccrual accounts, July 1, 2016 through June 30, 2017 Actual, Budget Variance so far this fiscal year and Percent of the Fiscal Year 2016 Budget remaining.

**Explanation: Additional Information:**

Business Loan Principal Received	116,491.40
Housing Rehabilitation Principal Received	1111.93
Business Loan Disbursements	-

**Restate Net Income**

	\$268,024.97
Year to date Non-Operating Revenue:	
Economic Development Administration (EDA) Peer & Conference Revenues	(61,879.59)

**Year to date Non-Operating Expenditures:**

Donations (Loan Payments to Northeast Economic Development, Inc.)	4,967.21
Economic Development Administration (EDA) Peer & Conference Expenses	60,924.48
Depreciation Expense	4,329.52
Loans Written Off	-0-
Loans Forgivable Portion	177.66
Actual Year to date Revenue Over (Under) Expenditures	<u><u>\$276,544.25</u></u>

Business Loan Payoffs:

Client #309010, Kyncl Holdings, Norfolk, \$57,706.13

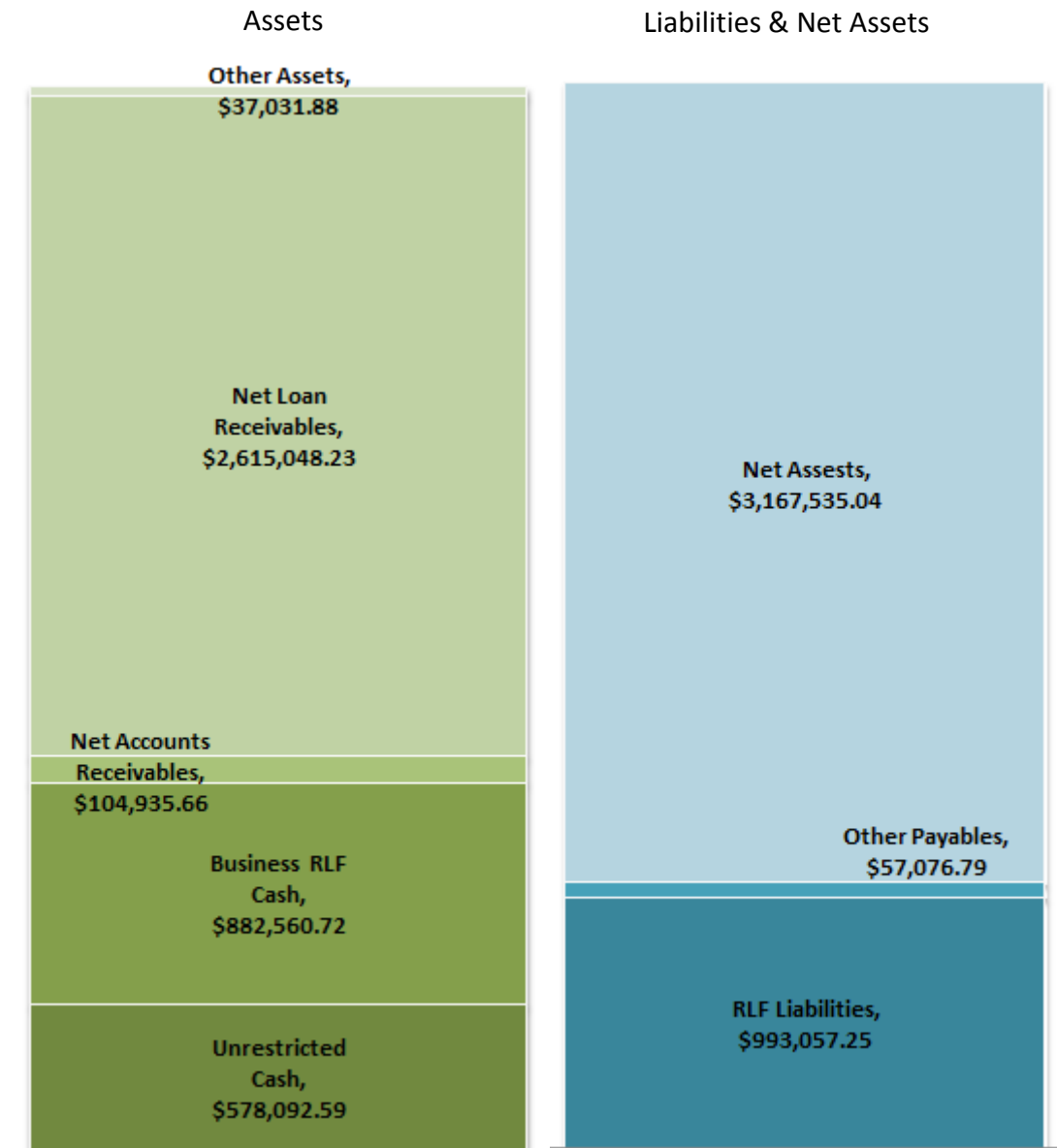
Client #306002, KWG, Inc., Wisner, 18,807.07

**Motion:** To approve the February & March, 2017 Treasurer's Report as presented.

Shannon Stuchlik \_\_\_\_\_ Gaylord Wilcox \_\_\_\_\_ Dan Kathol \_\_\_\_\_ Ken Luettel \_\_\_\_\_ Christian Ohl \_\_\_\_\_  
Rich Jablonski \_\_\_\_\_ Jim McCarville \_\_\_\_\_ Dick Pfeil \_\_\_\_\_ Scott Schaller \_\_\_\_\_

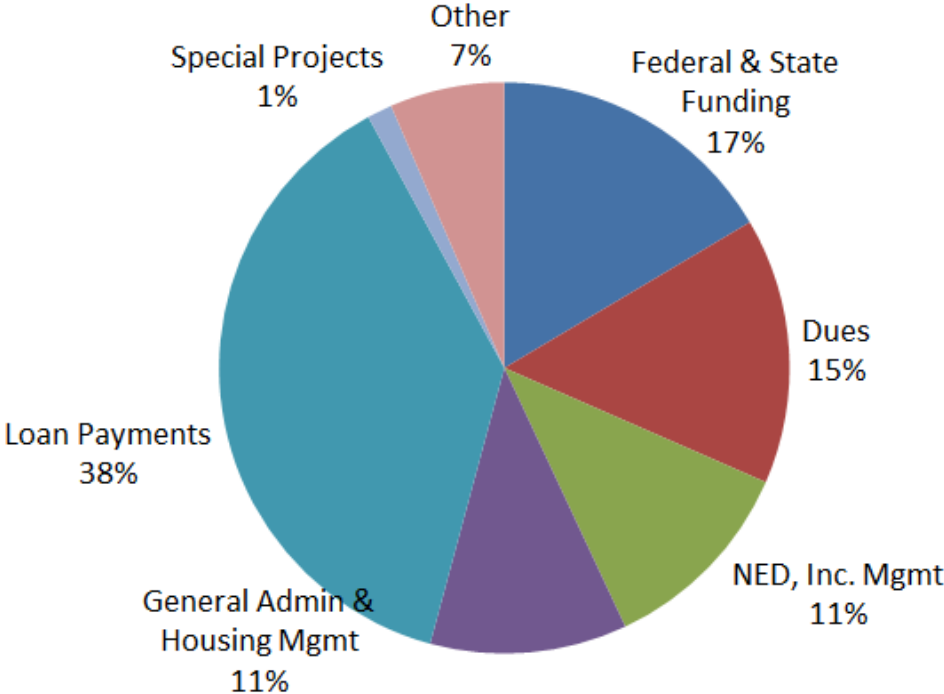
Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

## Snapshot of the Statement of Financial Position March 31, 2017

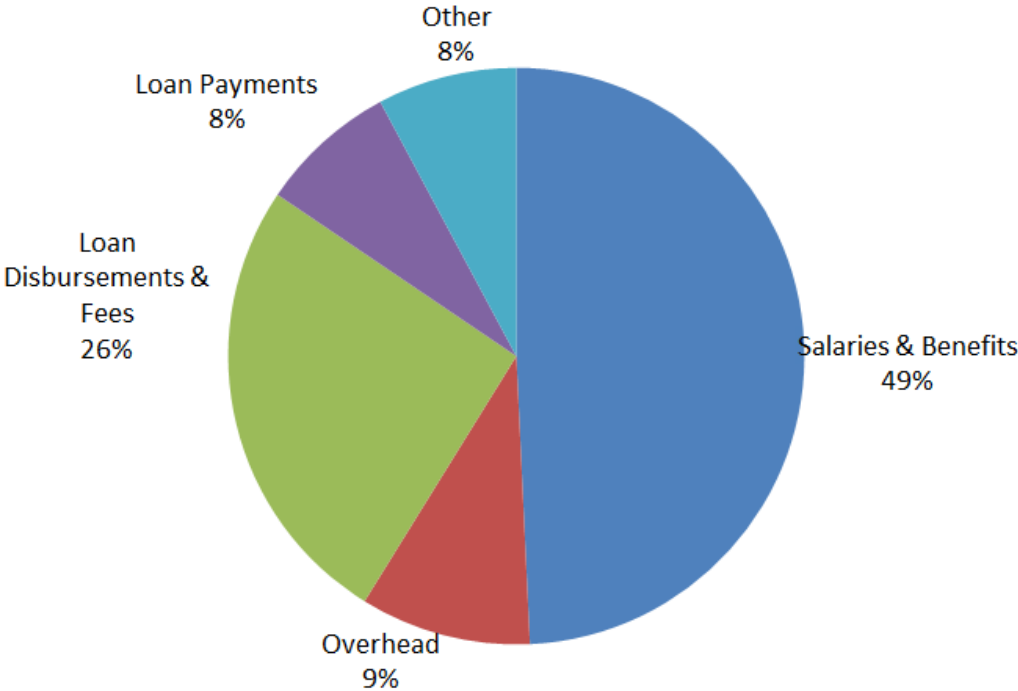


**Revenue & Expenses by Type  
July, 2016 – March, 2017**

**Revenue**



**Expenses**



**Northeast Nebraska Economic Development District**  
**Statement of Financial Position - Overall**  
**As of 03/31/2017**

	Current Period Balance
<b>Assets</b>	
General Cash	
Cash in Bank - Checking	11,738.43
Unrestricted CD-Stanton State Bank #2995	21,462.31
Unrestricted CD-BankFirst #34875	51,419.77
Unrestricted CD-Midwest #882523	26,801.20
Unrestricted CD-Midwest #881867	1,627.87
Unrestricted-BankFirst #1648078	386,543.05
Unrestricted-BankFirst #1648166	78,499.96
Business RLF Cash	
Security Reserve Account CD-EVB #20832	26,631.88
EDA RLF-BankFirst #1648089	329,311.71
NEF RLF-BankFirst #1648100	17,004.54
NE CDBG Regional RLF-BankFirst 1648111	211,755.55
IRP RLF-BankFirst #1648122	120,424.08
HUD Buisness RLF-BankFirst #1648133	115,879.61
IRP #1 Loan Loss Reserve-BankFirst #1648144	32,555.42
IRP #2 Loan Loss Reserve-BankFirst #1648177	27,465.54
Housing Cash	
Housing Construction-BankFirst #1648188	1,532.39
Accounts Receivable	
Accounts Receivable	117,935.66
Business RLF Loans Receivables	
EDA RLF Loans Receivable	1,550,618.95
NEF RLF Loans Receivable	7,761.82
CDBG Regional RLF Loans Receivable	60,770.22
IRP RLF Loans Receivable	1,346,920.12
HUD RLF Loans Receivable	115,376.58
Housing Notes Receivable	
Regional Rehab Notes Receivable	5,605.03
HUD Rehab Notes Receivable	4,334.25
Other Receivables	
Other Receivables	26,417.44
Prepaid Expenses	
Prepaid Expense	3,317.33
Allowances for Uncollectible Accounts	
Allowance for Uncollectible A/R	(13,000.00)
Allowance for Uncollectible Notes	(476,338.74)
Fixed Assets	
Furniture and Equipment	191,037.75
Accumulated Depreciation	(183,740.64)
<b>Total Assets</b>	<b>4,217,669.08</b>
<b>Liabilities</b>	
Accounts Payable	
Accounts Payable	2,471.99
Other Payables	
Other Payables	302.59
Verdigre Business Payments	300.00
Lease Payable	5,799.70
Paryoll Payables	
ADD & Life Payable	(7.25)
Accrued FICA Payable	3,296.68

**Northeast Nebraska Economic Development District**  
**Statement of Financial Position - Overall**  
**As of 03/31/2017**

	<b>Current Period Balance</b>
Federal Tax Withheld	1,985.76
State Tax Withheld	770.03
457 Withheld	691.88
Health Insurance Payable	4,414.21
Cafeteria Premium Payable	152.03
Unreimbursed Medical Payable	1,575.00
Dependent Care Payable	208.33
Annual Leave Payable	16,911.24
HSA Contributions	610.00
Accrued Unemployment	732.84
Accrued Salaries	16,661.76
NEF Loan Payable	
NEF Loan Payable	214,101.92
IRP Loan Payable	
IRP #1 Loan Payable	413,396.25
IRP #2 Loan Payable	365,559.08
Deferred Revenue	
Deferred Revenue - Associates	200.00
Total Liabilities	1,050,134.04
Net Assets	
Other	3,167,535.04
Total Net Assets	3,167,535.04
Total Net Assets and Liabilities	4,217,669.08

**Northeast Nebraska Economic Development District**  
Statement of Revenues and Expenditures - Unposted Transactions Included In Report  
From 02/01/2017 Through 03/31/2017

		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	11,000.00	16,916.25	5,916.25	66,000.00	50,748.75	(15,251.25)	(23.11)%
405	Dues-Community	27,166.66	(1,537.50)	(28,704.16)	163,000.00	160,796.28	(2,203.72)	(1.35)%
406	Dues-Counties	2,333.34	0.00	(2,333.34)	14,000.00	14,080.00	80.00	0.57%
407	Dues-Associates	2,050.00	0.00	(2,050.00)	12,300.00	13,150.00	850.00	6.91%
410	State Funding NDED	25,833.34	0.00	(25,833.34)	155,000.00	154,924.00	(76.00)	(0.05)%
415	Meeting Income	200.00	0.00	(200.00)	1,200.00	1,024.70	(175.30)	(14.61)%
418	NED, Inc. Management	29,166.66	31,025.29	1,858.63	175,000.00	143,222.26	(31,777.74)	(18.16)%
420	General Administration Fees	30,000.00	32,681.48	2,681.48	180,000.00	139,367.41	(40,632.59)	(22.57)%
425	Lead Based Paint Inspection	3,000.00	4,740.00	1,740.00	18,000.00	11,740.00	(6,260.00)	(34.78)%
430	Housing Administration Fees	7,533.34	11,452.85	3,919.51	45,200.00	68,372.34	23,172.34	51.27%
443	EDA Peer/Conf Revenue	12,500.00	0.00	(12,500.00)	75,000.00	61,879.59	(13,120.41)	(17.49)%
444	Loan Closing Revenue	208.34	0.00	(208.34)	1,250.00	692.00	(558.00)	(44.64)%
445	NPAIT Investment Income	366.66	314.50	(52.16)	2,200.00	1,600.73	(599.27)	(27.24)%
451	Business Loan Interest	26,666.66	26,160.15	(506.51)	160,000.00	126,305.44	(33,694.56)	(21.06)%
452	Business Loan Late Fee	100.00	80.00	(20.00)	600.00	270.00	(330.00)	(55.00)%
453	Loan Processing Fee	583.34	0.00	(583.34)	3,500.00	2,598.00	(902.00)	(25.77)%
454	Annual Servicing Fees	1,666.66	1,363.85	(302.81)	10,000.00	7,361.05	(2,638.95)	(26.39)%
458	Sherwood Leadership Cohort	0.00	0.00	0.00	0.00	1,140.00	1,140.00	0.00%
460	Special Projects	8,145.84	5,432.27	(2,713.57)	48,875.00	16,514.23	(32,360.77)	(66.21)%
481	Housing Rehab Interest	25.00	20.35	(4.65)	150.00	113.38	(36.62)	(24.41)%
490	Interest Income	1,500.00	1,207.87	(292.13)	9,000.00	5,365.48	(3,634.52)	(40.38)%
491	Miscellaneous Income	0.00	0.00	0.00	0.00	38.03	38.03	0.00%
495	In-Kind Contributions	2,500.00	2,500.00	0.00	15,000.00	11,250.00	(3,750.00)	(25.00)%
	<b>Total Revenues</b>	<u>192,545.84</u>	<u>132,357.36</u>	<u>(60,188.48)</u>	<u>1,155,275.00</u>	<u>992,553.67</u>	<u>(162,721.33)</u>	<u>(14.09)%</u>
<b>Expenditures</b>								
500	Salaries and Wages	100,291.66	94,691.99	5,599.67	601,750.00	425,354.95	176,395.05	29.31%
505	Fringe Benefits	23,954.16	19,514.55	4,439.61	143,725.00	87,348.96	56,376.04	39.22%
520	Rent In-Kind	2,500.00	2,500.00	0.00	15,000.00	11,250.00	3,750.00	25.00%
521	Telephone	1,500.00	1,606.55	(106.55)	9,000.00	7,033.61	1,966.39	21.85%
522	Postage	833.34	737.00	96.34	5,000.00	3,011.30	1,988.70	39.77%
523	Office Supplies	1,666.66	810.77	855.89	10,000.00	9,096.81	903.19	9.03%
524	Training	1,000.00	610.00	390.00	6,000.00	8,414.00	(2,414.00)	(40.23)%
526	Travel-Staff	4,166.66	870.33	3,296.33	25,000.00	17,987.87	7,012.13	28.05%
530	Printing/Publishing	333.34	59.66	273.68	2,000.00	59.66	1,940.34	97.02%
531	Copier Expense	500.00	437.37	62.63	3,000.00	2,269.67	730.33	24.34%
532	Donations	1,300.00	1,528.58	(228.58)	7,800.00	4,967.21	2,832.79	36.32%
535	Computer Maintenance/Software	500.00	370.05	129.95	3,000.00	497.55	2,502.45	83.42%
536	Computer Equipment	2,583.34	0.00	2,583.34	15,500.00	1,129.55	14,370.45	92.71%



**Northeast Nebraska Economic Development District**  
Statement of Revenues and Expenditures - Unposted Transactions Included In Report  
From 02/01/2017 Through 03/31/2017

		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	2,033.34	1,417.41	615.93	12,200.00	8,302.87	3,897.13	31.94%
539	Lead Testing Expense	3,000.00	5,332.50	(2,332.50)	18,000.00	13,932.50	4,067.50	22.60%
543	EDA Peer Project	12,500.00	0.00	12,500.00	75,000.00	1,973.65	73,026.35	97.37%
546	EDA Conference Expense	0.00	0.00	0.00	0.00	58,950.83	(58,950.83)	0.00%
548	Loan Closing Expense	208.34	566.95	(358.61)	1,250.00	2,568.25	(1,318.25)	(105.46)%
550	Building Maintenance	575.00	621.25	(46.25)	3,450.00	2,598.75	851.25	24.67%
551	Utilities	1,200.00	1,110.24	89.76	7,200.00	4,080.12	3,119.88	43.33%
553	Dues/Memberships	1,360.00	1,278.33	81.67	8,160.00	6,290.64	1,869.36	22.91%
554	Subscriptions/Reference	83.34	0.00	83.34	500.00	800.00	(300.00)	(60.00)%
555	Advertising/Marketing	500.00	250.00	250.00	3,000.00	1,898.28	1,101.72	36.72%
556	Insurance	1,600.00	0.00	1,600.00	9,600.00	6,263.95	3,336.05	34.75%
560	Legal Services	333.34	916.07	(582.73)	2,000.00	1,908.08	91.92	4.60%
561	Audit Fees	1,266.66	0.00	1,266.66	7,600.00	6,930.00	670.00	8.82%
562	Other Professional Services	400.00	2,981.60	(2,581.60)	2,400.00	4,862.23	(2,462.23)	(102.59)%
563	Annual Staff Retreat Expense	83.34	0.00	83.34	500.00	306.10	193.90	38.78%
565	Depreciation Expense	3,333.34	541.19	2,792.15	20,000.00	4,329.52	15,670.48	78.35%
567	Annual Meeting Expense	416.66	212.50	204.16	2,500.00	1,487.73	1,012.27	40.49%
568	Board Meeting Expense	33.34	0.00	33.34	200.00	0.00	200.00	100.00%
572	USDA Interest Expense	1,333.34	4,408.26	(3,074.92)	8,000.00	4,408.26	3,591.74	44.90%
573	Microenterprise Interest Exp.	1,166.66	1,107.53	59.13	7,000.00	5,215.96	1,784.04	25.49%
574	RLF Management Contract	833.34	0.00	833.34	5,000.00	434.79	4,565.21	91.30%
577	Local RLF Contribution Expense	0.00	170.67	(170.67)	0.00	6,197.13	(6,197.13)	0.00%
580	Loans Written Off	4,166.66	0.00	4,166.66	25,000.00	0.00	25,000.00	100.00%
581	Loans Forgivable Portion	40.00	39.48	0.52	240.00	177.66	62.34	25.98%
585	Rehab Loan Disbursements	0.00	1,028.50	(1,028.50)	0.00	1,028.50	(1,028.50)	0.00%
590	Miscellaneous	83.34	(93.95)	177.29	500.00	(23.95)	523.95	104.79%
602	Vehicle Maintenance	1,000.00	266.74	733.26	6,000.00	1,185.71	4,814.29	80.24%
	Total Expenditures	<u>178,679.20</u>	<u>145,892.12</u>	<u>32,787.08</u>	<u>1,072,075.00</u>	<u>724,528.70</u>	<u>347,546.30</u>	<u>32.42%</u>
	Total Revenues Over (Under) Expenditures	<u><u>13,866.64</u></u>	<u><u>(13,534.76)</u></u>	<u><u>(27,401.40)</u></u>	<u><u>83,200.00</u></u>	<u><u>268,024.97</u></u>	<u><u>184,824.97</u></u>	<u><u>222.15%</u></u>

## NENEDD Board Agenda

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**Object:** Quarterly Loan Review

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

**For:** Discussion

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**Background:**

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

## Aging Report NENEDD

Cutoff Date: 4/20/17

Loan Num	Disbursed	Balance	Payment	1 Payment	2 Payments	3 Payments	Over 3	Total Due	Lt Days	Notes
0313	59,500.00	31,458.27	427.79	0.00	0.00	0.00	0.00	0.00	0	
0404	25,000.00	3,856.29	210.96	0.00	0.00	0.00	0.00	0.00	0	
0421	75,500.00	41,577.49	540.91	0.00	0.00	0.00	0.00	0.00	0	
0605	100,000.00	78,158.84	690.58	0.00	0.00	0.00	0.00	0.00	0	
0607	75,000.00	26,158.73	632.89	0.00	0.00	0.00	0.00	0.00	0	
0608	75,000.00	27,148.85	632.89	0.00	0.00	0.00	0.00	0.00	0	
0700	100,000.00	40,551.76	843.86	0.00	0.00	0.00	0.00	0.00	0	
0703	100,000.00	38,912.50	843.86	0.00	0.00	0.00	0.00	0.00	0	
4011	8,409.88	750.71	19.74	0.00	0.00	0.00	0.00	0.00	0	
4035	7,500.00	832.80	41.67	0.00	0.00	0.00	0.00	0.00	0	
4038	12,309.06	1,368.26	68.38	0.00	0.00	0.00	0.00	0.00	0	
4040	5,146.57	781.75	34.32	0.00	0.00	0.00	0.00	0.00	0	
4041	14,475.00	1,044.86	80.42	0.00	0.00	0.00	0.00	0.00	0	
4043	13,364.04	1,185.11	89.11	0.00	0.00	0.00	0.00	0.00	0	
4045	14,772.75	2,006.09	98.51	0.00	0.00	0.00	0.00	0.00	0	
4047	7,500.00	832.80	41.67	0.00	0.00	0.00	0.00	0.00	0	
4056	4,308.75	561.36	29.00	0.00	0.00	0.00	0.00	0.00	0	
301011	32,000.00	10,967.24	339.41	0.00	0.00	0.00	0.00	0.00	0	
301014	65,000.00	41,030.32	514.02	0.00	0.00	0.00	0.00	0.00	0	
307009	32,500.00	14,564.96	274.25	0.00	0.00	0.00	0.00	0.00	0	
307010	35,000.00	15,609.62	295.35	0.00	0.00	0.00	0.00	0.00	0	
307013	80,000.00	36,946.00	675.09	0.00	0.00	0.00	0.00	0.00	0	
307014	35,000.00	17,148.99	295.35	0.00	0.00	0.00	0.00	0.00	0	
309006	26,400.00	15,454.61	222.78	0.00	0.00	0.00	0.00	0.00	0	
309013	35,000.00	7,088.60	371.23	0.00	0.00	0.00	0.00	0.00	0	
310001	100,000.00	60,257.96	790.79	0.00	0.00	0.00	0.00	0.00	0	
310012	50,000.00	33,928.03	421.93	0.00	0.00	0.00	0.00	0.00	0	
310016	30,000.00	12,742.99	325.58	0.00	0.00	0.00	0.00	0.00	0	
311002	20,000.00	13,918.71	168.77	0.00	0.00	0.00	0.00	0.00	0	
311005	10,500.00	7,711.98	92.53	0.00	0.00	0.00	0.00	0.00	0	
311007	100,000.00	72,576.27	843.86	0.00	0.00	0.00	0.00	0.00	0	
312001	100,000.00	73,826.07	843.86	0.00	0.00	0.00	0.00	0.00	0	
312002	39,600.00	21,336.17	429.76	0.00	0.00	0.00	0.00	0.00	0	
312003	100,000.00	79,220.92	843.86	0.00	0.00	0.00	0.00	0.00	0	
312004	30,000.00	17,112.12	325.58	0.00	0.00	0.00	0.00	0.00	0	
312005	29,250.00	19,841.69	317.44	317.44	317.44	0.00	0.00	634.88	50	Client continually struggles to make successful payment.
312006	50,000.00	26,119.54	718.50	718.50	718.50	0.00	0.00	1,437.00	50	NSF 12/2016 & 4/2017. Payment pending.

Discussion Item VI. A

312007	25,000.00	14,128.54	408.95	408.95	408.95	408.95	4,498.45	5,725.30	415	Working with REAP on foreclosure proceedings
313002	200,000.00	122,230.71	2,048.75	0.00	0.00	0.00	0.00	0.00	0	
314001	60,000.00	51,308.56	474.48	0.00	0.00	0.00	0.00	0.00	0	
314002	141,000.00	131,394.30	969.92	0.00	0.00	0.00	0.00	0.00	0	
314003	156,000.00	124,093.37	1,442.83	0.00	0.00	0.00	0.00	0.00	0	
314005	140,000.00	129,259.88	963.04	0.00	0.00	0.00	0.00	0.00	0	
314006	200,000.00	183,425.07	1,375.77	0.00	0.00	0.00	0.00	0.00	0	
314007	175,000.00	161,251.16	1,203.80	0.00	0.00	0.00	0.00	0.00	0	
314008	35,000.00	32,529.96	240.76	0.00	0.00	0.00	0.00	0.00	0	
314009	250,000.00	230,864.44	1,719.72	0.00	0.00	0.00	0.00	0.00	0	
314010	35,000.00	32,248.08	240.76	0.00	0.00	0.00	0.00	0.00	0	
315001	70,000.00	63,841.21	553.56	0.00	0.00	0.00	0.00	0.00	0	
315002	15,000.00	13,162.43	155.46	0.00	0.00	0.00	0.00	0.00	0	
315003	70,000.00	67,209.42	481.52	0.00	0.00	0.00	0.00	0.00	0	
315004	200,000.00	192,372.40	1,375.77	0.00	0.00	0.00	0.00	0.00	0	
316001	40,000.00	38,702.84	275.15	0.00	0.00	0.00	0.00	0.00	0	
316002	100,000.00	97,706.29	687.89	0.00	0.00	0.00	0.00	0.00	0	
316003	75,000.00	73,408.73	515.92	0.00	0.00	0.00	0.00	0.00	0	
316004	29,000.00	28,037.79	229.33	0.00	0.00	0.00	0.00	0.00	0	
316005	36,600.00	34,940.59	289.43	0.00	0.00	0.00	0.00	0.00	0	
316006	120,000.00	112,153.84	1,243.66	0.00	0.00	0.00	0.00	0.00	0	
316007	19,000.00	18,059.89	196.91	0.00	0.00	0.00	0.00	0.00	0	
317001	200,000.00	194,737.54	2,024.90	0.00	0.00	0.00	0.00	0.00	0	
317002	32,400.00	32,146.70	256.22	0.00	0.00	0.00	0.00	0.00	0	
Totals	4,122,036.05	3,073,803.00	33,811.00	1,444.89	1,444.89	408.95	4,498.45	7,797.18		
Percent Delinquent Dollars		0.19%								
Number of loans		61								

## NENEDD Board Agenda

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**Object:** 2016-2017 Annual Meeting

**Contact Person:** Danielle Lammers

**For:** Discussion

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**Background/Explanation:** The Annual Meeting is scheduled for Tuesday, July 11, 2017 at the Cooper Family Community Center in Pilger. It will be from 11:30 am – 1:00 pm and Village of Pilger Clerk, Kimberly Neiman, will be the guest speaker.

## NENEDD Board Agenda

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**Object:** Approve a \$150,000 loan for Josh & Jenny Hopkins, d/b/a Magnuson Hopkins EyeCare, P.C. - Wayne

**Contact Persons:** Jeff Christensen

**For:** Action

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**Loan Applicant:** Josh & Jenny Hopkins, d/b/a Magnuson Hopkins EyeCare, P.C. - Wayne

### I. Project Overview and Description:

Magnuson Hopkins EyeCare, P.C. is planning the expansion of their business in Wayne. A new 6,000 sq. ft. building will be built on 2.25 acres on the north side of W. Hwy 35, east of Dollar General Store across Milo Drive. A specific address has not been provided yet. Josh and Jenny Hopkins own 90% of Magnuson Hopkins EyeCare, P.C., but will personally own the new building and lease to the eye care business. The new location will allow them to provide more services to their increasingly large patient base, increase visibility, provide more space for parking and allow room for expansion. After growing by over 30% in the last five years, they are ready to move to a new facility.

Magnuson Hopkins EyeCare is a single location, two doctor optometry practice currently located at 215 W. 2<sup>nd</sup> Street in Wayne. Their office has been helping northeast Nebraska see clearly for over 30 years. They are constantly re-investing into their business to provide state-of-the-art care, and can confidently say they are well ahead of the curve in technology and services in their industry. They currently generate revenue from two distinct sources: examination services and ophthalmic products. Their revenue is split nearly 50/50 between these two components.

Expanding will allow them to add another unique service; visionary therapy and rehabilitation. They would be the only practice offering this service in the area. Right now, they refer patients for vision therapy services to Sioux Falls, Lincoln, or Omaha. These patients go to weekly therapy appointments for approximately 12-24 weeks. Offering this service would increase patient access in this area of the state and allow their practice to grow substantially.

Total project costs are estimated to be \$1,355,000. State Nebraska Bank and Trust in Wayne and the Hopkins are requesting that NENEDD provide a loan in the amount of \$150,000 for new facility construction to expand Magnuson Hopkins EyeCare, P.C. in Wayne. State Nebraska Bank is prepared to lend \$1,100,000. The Hopkins will inject \$105,000 including the purchase of the lot and equipment for this project. The project will retain 11 employees and create at least 2 new jobs. (13 FTE total)

### II. Sources and Uses

Source	Bank	NENEDD	Equity	Total
Bldg/Real Estate	\$1,100,000	\$150,000	\$55,000	<b>\$1,305,000</b>
FFE	-0-	-0-	\$50,000	<b>\$50,000</b>
<b>TOTAL</b>	<b>\$1,100,000</b>	<b>\$150,000</b>	<b>\$105,000</b>	<b>\$1,355,000</b>

### III. Proposed Loan Package and Related Collateral:

State Nebraska Bank and Trust is providing a loan not to exceed \$1,100,000 for this project. The bank's loan will be amortized over 20 years at an interest rate of 4.75% (variable/fixed for 5 years). The bank will secure its loan with a Deed of Trust on the property being purchased and all business personal property owned by Magnuson Hopkins EyeCare, P.C. NENEDD will lend \$150,000 for the construction of the new facility. The \$150,000 loan will have a term of 20 years at an interest rate of 5.50% (fixed). NENEDD will have a subordinate Deed of Trust on the new facility owned by Josh and Jenny Hopkins and a UCC lien on the business personal property owned by Magnuson Hopkins EyeCare, P.C. NENEDD will file a Deed of Trust on the Hopkins's personal residences in Wayne and require a life insurance assignment from Mr. Hopkins for the amount of the loan for the life of the loan. Magnuson Hopkins EyeCare, P.C. will also provide a corporate guaranty as additional collateral for this loan.

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 discussion and recommends this loan for approval.

**Motion:** To approve a NENEDD loan of \$150,000 to Josh & Jenny Hopkins to build a new facility for the expansion of Magnuson Hopkins EyeCare, P.C. in Wayne, as presented and recommended by NENEDD staff and the Northeast RLF Committee.

Shannon Stuchlik\_\_\_\_ Gaylord Wilcox\_\_\_\_ Dan Kathol\_\_\_\_ Ken Luettel\_\_\_\_ 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:** Certify NENEDD is operating in accordance with its EDA approved RLF plan.

**Contact Person:** Jeff Christensen/Kristen Rosner

**For:** Action

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**Background:** NENEDD submits a semi-annual report to the Economic Development Administration (EDA) relating to its Revolving Loan Fund (RLF) and certifies that the RLF Plan is consistent with and supportive of the area's current economic adjustment strategy; the revolving loan fund is being operated in accordance with the policies and procedures contained in the revolving loan fund plan; and the loan portfolio meets the standards contained therein. There were no EDA loans closed during the last 6 month period, 10-1-16 thru 3-31-17.

Standards of the RLF are as follows:

At least one (1) job must be created or retained for each \$35,000 in individual loans, while striving to maintain a \$15,000/job ratio in the RLF portfolio. The lower the number the better.

- **Past 6 months - \$0.00 / job**
- **Overall performance – \$8,002.70/ job**

Generally, RLF funding may not represent more than 40% of the total costs

- **Past 6 months –0.00% of total costs**
- **Overall performance – 13.17% of total costs**

The RLF portfolio will comprise at least 50% in fixed asset loans

- **Past 6 months – 0.00%**
- **Overall performance – 84.59%**

Private investment leveraging ratio of at least 2-1 for the loan portfolio as a whole

- **Past 6 months – 0 private investment**
- **Overall performance – 5.60:1 private investment**

10% minimum equity injection from business owner

- **Past 6 months – 0.00% equity injection**
- **Overall performance – 15.79% equity injection**

**Motion:** Certify NENEDD is operating in accordance with its EDA approved RLF plan.

Shannon Stuchlik\_\_\_\_ Gaylord Wilcox\_\_\_\_ Dan Kathol\_\_\_\_ Ken Luettel\_\_\_\_ Christian Ohl\_\_\_\_  
Rich Jablonski\_\_\_\_ Jim McCarville\_\_\_\_ Dick Pfeil\_\_\_\_ Scott Schaller\_\_\_\_

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

Action Item VII. B



## NENEDD Board Agenda

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**Object:** To appoint a budget committee.

**Contact Person:** Thomas L. Higginbotham, Jr. / Tina M. Engelbart

**For:** Action

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**Background:** The 2016-2017 budget committee members were: Mayor Shannon Stuchlik, Dick Pfeil, and Scott Schaller

**Explanation:** On an annual basis the budget committee reviews and recommends to the full board of directors the next fiscal year's budget as prepared by staff.

**Motion:** To appoint budget committee for the 2017-2018 budget.

Shannon Stuchlik\_\_\_\_ Gaylord Wilcox\_\_\_\_ Dan Kathol\_\_\_\_ Ken Luettel\_\_\_\_ 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:** Appoint Nominating Committee

**Contact Person:** Thomas L. Higginbotham, Jr./Tina M. Engelbart

**For:** Action

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**Background:** Last fiscal year the nominating committee consisted of Mayor Shannon Stuchlik and Rich Jablonski representing the Northeast Nebraska Economic Development District (NENEDD) board of directors and Nadine Hagedorn and Ron Vonderohe representing the Northeast Economic Development, Inc. (NED, Inc) board of directors.

**Explanation:** On an annual basis, the nominating committee reviews and recommends to the full Board of Directors new board members and new officers.

**Motion:** To appoint the nominating committee.

Shannon Stuchlik\_\_\_\_ Gaylord Wilcox\_\_\_\_ Dan Kathol\_\_\_\_ Ken Luettel\_\_\_\_ Christian Ohl\_\_\_\_  
Rich Jablonski\_\_\_\_ Jim McCarville\_\_\_\_ Dick Pfeil\_\_\_\_ Scott Schaller\_\_\_\_

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

Action Item VII. D