

NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, JUNE 29, 2022 - 7 P.M.

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

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 June 29, 2022, agenda.
 - B.** Consideration to ratify the May 25, 2022, Secretary’s Report, Treasurer’s Report, and Action Items A-F, and approval of the May 25, 2022, meeting minutes.
- V. Treasurer’s Report**
 - A.** Consideration for acceptance of the May 2022 Treasurer’s Report as presented.
- VI. Discussion Items**
 - A.** 2022-2023 Meeting Dates & Locations and Annual Meeting Reminder
- VII. Action Items**
 - A.** Consideration to approve \$87,500 loan to Wragge Truck Service, LLC in Schuyler.
 - B.** Consideration to approve a \$250,000 loan to Vet. Clinic, P.C. in Albion.
 - C.** Consideration to deny applicant #101714 for owner-occupied housing rehabilitation funds in the amount of \$37,375.00.
 - D.** Consideration to adopt the 2022-2023 NED, Inc. budget as recommended by the Budget Committee.
 - E.** Consideration to appoint the individuals as presented to the Northeast Economic Development, Inc. Board of Directors for a three-year term.
 - F.** Consideration to elect the Northeast Economic Development, Inc. Officers for 2022-2023 as presented.
 - G.** Consideration to approve the general corporate resolution as presented.
 - H.** Consideration to approve the corporate resolution with BankFirst, Elkhorn Valley Bank, and Pinnacle Bank.
- 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, July 27, 2022. The meeting will be held at the following location: City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701.
- X. Adjournment**

Brad Albers _____ Shannon Stuchlik _____ Jerry Engdahl _____
Megan Weaver _____ Rich Jablonski _____ Jim McCarville _____

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

NED, Inc. Board Agenda

Object: Consideration for approval of the June 29, 2022, agenda.

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

For: Action

Explanation: The June 29, 2022, agenda has been posted on the website.

Motion: Consideration for approval of the June 29, 2022, agenda.

Brad Albers____ Shannon Stuchlik____ Jerry Engdahl____
Megan Weaver____ Rich Jablonski____ Jim McCarville____

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

IV. Secretary's Report A

NED, Inc Board Agenda

Object: Consideration to ratify the May 25, 2022, Secretary's Report, Treasurer's Report, and Action Items A-F, and approval of the May 25, 2022, meeting minutes.

Contact Person: Thomas L. Higginbotham Jr, Executive Director

For: Action

Explanation: A quorum was not available during the May 25, 2022, NED, Inc. Board of Directors meeting for the discussion and vote on the Secretary's Report, Treasurer's Report, and Action Items A-F.

**NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, MAY 25, 2022 – 7 P.M.**

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

MINUTES

Ratification: A quorum was not available during the May 25, 2022, NED, Inc. Board of Directors meeting. The Secretary's Report, Treasurer's Report, and Action Items A-F will be ratified at the June 29, 2022, meeting.

- I. Call to Order:** The Northeast Economic Development, Inc. (NED, Inc.) Board of Directors meeting was called to order at 7:01 p.m. by NED, Inc. President Brad Albers who informed the public about the location of the Open Meetings Act LB 898 and that it was accessible to the public.
- II. Roll Call:** NENEDD Planning & Administrative Assistant, Grace Petersen, read roll call.

Board Members Present:

Brad Albers, President, Business Owner
Shannon Stuchlik, Vice President, Midwest Bank of Pierce
Rich Jablonski, Columbus City Council

Board Members Absent:

Jerry Engdahl, Secretary/Treasurer, Platte County Supervisor
Megan Weaver, Wakefield Progressive, Inc.
Jim McCarville, Northeast Community College

NENEDD Board Members Present: Charlie Bahr, Columbus City Council; Tina Biteghe Bi Ndong, West Point Chamber of Commerce; Judy Mutzenberger, Cuming County Supervisor; Troy Uhlir, Madison County Commissioner; Blake Denton, MetLife; Sally Ganem, Fremont City Council; and Loren Kucera, Nebraska Business Development Center of Wayne.

NENEDD Staff Present:

Thomas L. Higginbotham, Jr., Tina M. Engelbart, Martin Griffith, Mandy Gear, Jeff Christensen (Schuyler), Kristen Rosner, and Grace Petersen in Norfolk unless otherwise stated.

IV. Secretary's Report B

III. Introduction of Guests: Silva Biteghe Bi Ndong.

IV. Secretary's Report

A. Consideration for approval of the May 25, 2022, agenda and the April 27, 2022, meeting minutes. Rich Jablonski made a motion to approve the May 25, 2022, agenda and the April 27, 2022, meeting minutes. Shannon Stuchlik seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

V. Treasurer's Report

A. Consideration for acceptance of the April 2022 Treasurer's Report as presented. NENEDD Fiscal Officer Kristen Rosner presented the report. Rich Jablonski made a motion to accept the April 2022 Treasurer's Report as presented. Shannon Stuchlik seconded the motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

VI. Action Items

A. Recommendation to approve accepting \$50,000 CDBG RLF funds from Knox County for a loan to Mara Breithaupt, d/b/a Commercial Hotel in Verdigre. NENEDD Business Loan Specialist Jeff Christensen presented. Mara Breithaupt is planning the purchase of the Commercial Hotel at 217 S. Main St. in Verdigre. It's an old two-story building with seven rooms to rent, kitchen, and dining room. It's also the only hotel in Verdigre. Due to recreation opportunities in and around Verdigre and Knox County, lodging is needed throughout the year. The total project costs are estimated to be \$72,000 for the purchase of the Commercial Hotel, including real estate and all furniture, fixtures, and equipment. Knox County will lend \$50,000 for this project. These funds will be sub-granted to NED, Inc. as a Non-profit Development Organization (NDO), who will in turn lend the \$50,000 to Mara Breithaupt for this project. This is the process approved by the Nebraska Department of Economic Development to defederalize CDBG funds in our local communities. The \$50,000 NDO loan will have a 20-year term at 4.50% (fixed). Payments will be made to NED, Inc. NED, Inc. will file a primary deed of trust on the business real estate being purchased at 217 S. Main St., Verdigre, have a UCC lien on the business personal property, and require a life insurance assignment from Mara for the amount of the loan for the life of the loan. NED, Inc. will also file a deed of trust on the Breithaupt residence in Knox County. Flood insurance will be required. Shannon Stuchlik made a motion to approve accepting \$50,000 CDBG RLF funds from Knox County for a loan to Mara Breithaupt, d/b/a Commercial Hotel in Verdigre. Rich Jablonski seconded the motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

B. Recommendation to approve a \$102,000 loan to Stankoski Dozer and Excavating, LLC, near Monroe. NENEDD Business Loan Specialist Jeff Christensen presented. Derek and Keely Stankoski, members of Stankoski Dozer and Excavating, LLC (SDE) are planning the purchase of an excavator and semi-tractor to enhance their dozing and excavating business. SDE was established by the Stankoskis in August 2020. It is operated out of their home in Monroe. SDE provides excavating services to Platte, Nance, Boone, Madison, Colfax, Butler, Polk, and Merrick counties. The total project costs are \$255,000. NED, Inc. will lend Derek and Keely Stankoski \$102,000 to purchase an excavator and semi-tractor. 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 Stankoski Dozing and Excavation, LLC. This includes the excavator and semi-tractor. NED, Inc. will also file a Deed of Trust on Stankoski's personal residence near Monroe, require assignment of life insurance from Derek for the amount of the loan for the life of the loan,

and require a personal guaranty form Derek and Keely. Rich Jablonski made a motion to approve a \$102,000 loan to Stankoski Dozer and Excavating, LLC, near Monroe. Shannon Stuchlik seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

C. Consideration to reappoint Aaron Gutz, Elizabeth McManigal, and Troy Weyhrich to another three-year term on the Northeast Revolving Loan Fund (RLF) Committee.

NENEDD Business Loan Specialist Jeff Christensen presented. The Northeast RLF Committee is a nine-member group that reviews NENEDD, NED, Inc., and local community business loans and makes recommendations for approval. The terms of Aaron Gutz, Elizabeth McManigal, and Troy Weyhrich are due for renewal. All three have agreed to stay on for another three-year term. Shannon Stuchlik made a motion to reappoint Aaron Gutz, Elizabeth McManigal, and Troy Weyhrich to another three-year term on the Northeast Revolving Loan Fund (RLF) Committee. Rich Jablonski seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

D. Recommendation to deny applicant #101676 for owner-occupied housing rehabilitation funds.

NENEDD Housing Specialist Martin Griffith presented. The house under consideration is in considerable disrepair and is not structurally sound. The cost of repairs needed for this house to meet the required Minimum Rehabilitation Standards will greatly exceed the rehabilitation project cost limits in section 4.6 (Economic Feasibility for Rehabilitation) of the Housing Rehabilitation Program Guidelines. Therefore, it is deemed not economically feasible for the Housing Rehabilitation Program. Shannon Stuchlik made a motion to deny applicant #101676 for owner-occupied housing rehabilitation funds. Rich Jablonski seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

E. Recommendation to approve applicant #101722 for owner-occupied housing rehabilitation funds up to the amount of \$25,000.00.

NENEDD Housing Specialist Martin Griffith presented. This property is located in Norfolk, is 1,232 square feet, and cost of repairs per square foot is \$20.00. The house is structurally sound, in good condition, and after repairs will meet or exceed all of the required Minimum Rehabilitation Standards. This property is deemed economically feasible for the NED, Inc. Owner-Occupied Housing Rehabilitation Program. Funding will be provided by NED, Inc. Housing Reuse Funds. This is a 1% interest loan up to 20 years. Rich Jablonski made a motion to approve applicant #101722 for owner-occupied housing rehabilitation funds up to the amount of \$25,000.00. Shannon Stuchlik seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

F. Recommendation to approve direct homebuyer assistance applicant #101733.

NENEDD Housing Loan Specialist Mandy Gear presented. NENEDD staff have reviewed the application and are recommending approval for direct homebuyer assistance in the amount of \$21,000 for applicant #101733. This is a 0% Deferred Interest Loan, due upon transfer of title. Shannon Stuchlik made a motion to approve a direct homebuyer assistance applicant #101733. Rich Jablonski seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

VII. President/Board Comments: None.

VIII. Next Meeting Date: The next NED, Inc. Board of Directors meeting will be held on Wednesday, June 29, 2022, at 7 p.m. The meeting will be held at the following location: City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701.

IX. Adjournment: Shannon Stuchlik made a motion to adjourn the meeting. Rich Jablonski seconded the motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried. NENEDD President Brad Albers adjourned the meeting at 7:21 p.m.

Motion: Consideration to ratify the May 25, 2022, Secretary’s Report, Treasurer’s Report, and Action Items A-F, and approval of the May 25, 2022, meeting minutes.

Brad Albers _____ Shannon Stuchlik _____ Jerry Engdahl _____
Megan Weaver _____ Rich Jablonski _____ Jim McCarville _____

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

IV. Secretary’s Report B

NED, Inc. Board Agenda

Object: Acceptance of May 2022 Treasurer's Report

Contact Person: Kristen Rosner, Fiscal Officer

For: Action

Background:

Northeast Economic Development, Inc.'s (NED, Inc) May 2022 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 2022 Budget for the nonaccrual accounts, July 1, 2021, through June 30, 2022, Actual, Budget Variance so far this fiscal year and Percent of the fiscal year 2022 Budget remaining.

Explanation:

Additional Information:

Business Loan Principal Received	135,600.27
Housing Rehab Principal Received	10,354.73
Direct Homebuyer Assistance (DHA) Principal Received	130,890.00
Business Loan Disbursements	-
Housing Rehab Loan Disbursements (1 home)	2,950.00
Direct Home Buyer Assistance Loan Disbursements (1 home)	21,000.00

Business Loan Payoffs:

Loan #621006, ASQ Promotional Products, Inc., \$91,696.61

Housing Rehab Loan Payoffs:

Loan #400603, \$5,845.08

Direct Homebuyer Assistance (DHA) Loan Payoffs:

Loan #101013, \$30,000

Loan #101354, \$25,800

Loan #100783, \$75,000

Motion: Consideration for acceptance of the May 2022 treasurer's report as presented.

Brad Albers____ Shannon Stuchlik____ Jerry Engdahl____
Megan Weaver____ Rich Jablonski____ Jim McCarville____

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

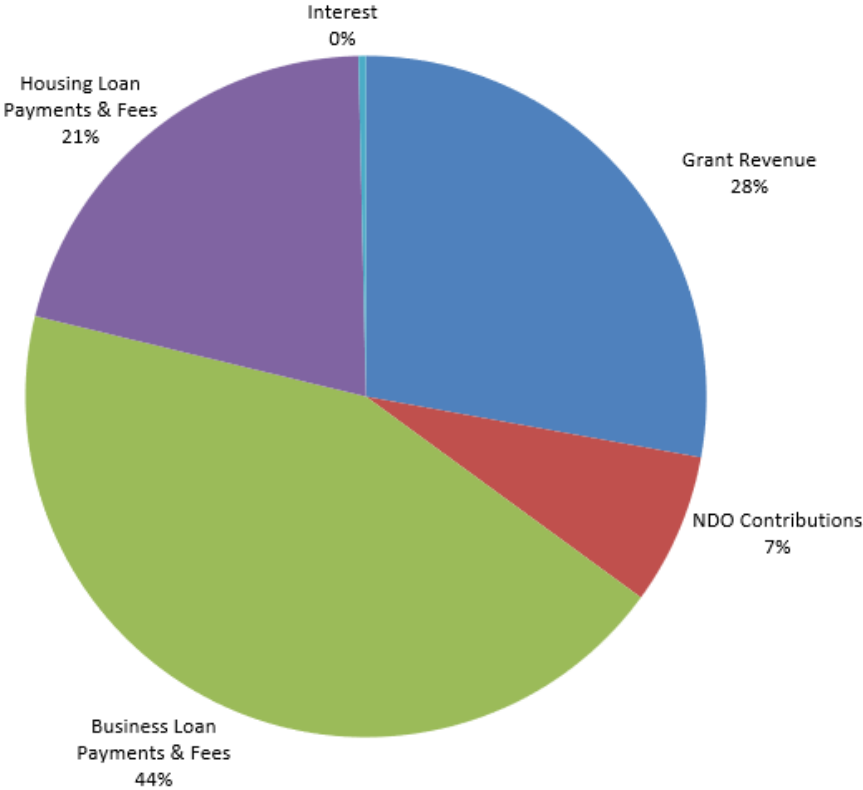
V. Treasurers Report A

**Snapshot of the Statement of Financial Position
May 31, 2022**

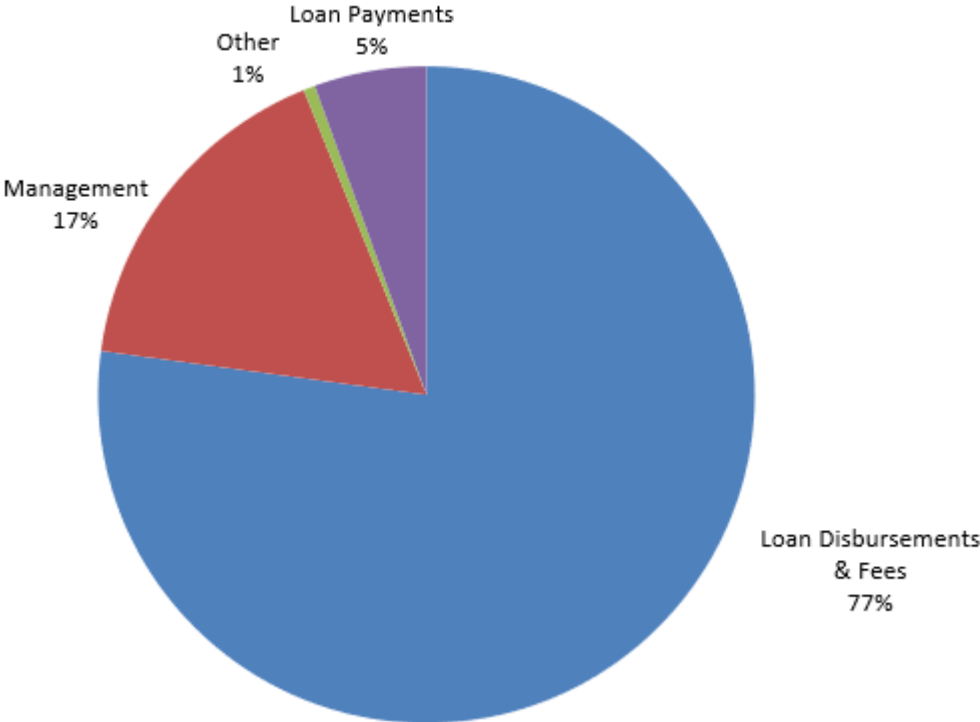
Assets	Liabilities & Net Assets
Housing Loan Receivables, \$806,594.77	
Business Loan Receivables, \$4,672,479.65	
Housing Cash, \$1,136,403.86	Net Assets, 8,903,640.58
Business RLF Cash, \$3,122,861.37	
Cash, \$153,524.27	Notes Payable, 968,482.08 Other, 44,261.50

Revenue & Expenses by Type July 2021 – May 2022

Revenue



Expenses



NED, Inc.
Statement of Financial Position - Unposted Transactions Included In Report
As of 05/31/2022

	<u>Current Period Balance</u>
Assets	
General Cash	
Loan Payment Account	350.00
Cash in Bank-BF #1695334	153,524.27
Business RLF Cash	
IRP Loan Fund-BankFirst 7884171	35,603.79
RLF-BankFirst 7884203	53,124.78
IRP Loan Loss Reserve-BankFirst 7884195	11,514.48
RBEG Loans-BankFirst 7884203	85,576.01
RMAP Loan Fund-BankFirst #7898549	32,474.88
IRP #2 Loan Fund-Bank First #7898560	360,015.70
RMAP LLR Fund-BankFirst #8571	13,655.16
NE Micro Loan Fund #1 BF 7911287	125,525.11
BF NDO Defederalized	2,234,314.49
NE Micro Loan Fund #2 BF 7911287	28,545.51
NE Micro Loan Fund #3 BF 7911287	66,685.14
IRP #2 Loan Loss Reserve - #7884195	21,016.60
NE Micro Loan Fund #4 BF 7911287	23,572.65
NE Micro Loan Fund #5 BF 7911287	26,796.32
NE Micro Loan Fund #6 BF 7911287	4,090.75
Housing Cash	
Trust DHA - EVB 3035418	247,646.54
HOME Rehab-BankFirst 7858547	265,839.22
Trust Rehab Pinnacle 4400292230	131,955.08
HOME DHA - EVBT 3067890	168,789.95
HOME Rehab Pinnacle 4400292249	118,215.62
Trust Rehab BF 7930372	98,247.70
HUD/NENEDD Rehab BankFirst 7930383	105,709.75
Receivables	
Grants Receivable	17,620.24
Other Receivables	6,900.00
Business RLF Notes Receivable	
Business RLF Notes Receivable	27,218.53
Business IRP Notes Receivable	224,449.56
IRP #2 Notes Receivable	335,836.80
NDO Business Notes Receivables	3,702,836.79
RMAP Business Notes Receivable	229,310.07
NE Micro Loan Receivable	1,139,162.88
Housing Notes Receivable	
DPA Notes Receivable	1,868,929.10
Regional Rehab Notes Receivable	948,935.02
Fixed Assets	
Furniture and Equipment	2,250.00
Accumulated Depreciation	(2,250.00)
Allowance for Uncollectibles	
Allowance for uncollectable losses	(2,997,604.33)
Total Assets	9,916,384.16
Liabilities	
Accounts Payable	
Accounts Payable	44,261.50
Notes Payable	
RMAP Loan Payable	265,874.46
IRP Loan Payable	156,158.05

NED, Inc.
Statement of Financial Position - Unposted Transactions Included In Report
As of 05/31/2022

	<u>Current Period Balance</u>
IRP #2 Loan Payable	546,449.57
Total Liabilities	<u>1,012,743.58</u>
Net Assets	
Other	8,903,640.58
Total Net Assets	<u>8,903,640.58</u>
Total Net Assets and Liabilities	<u><u>9,916,384.16</u></u>

NED, Inc.

**Statement of Revenues and Expenditures - Unposted Transactions Included in Report
From 05/01/2022 Through 05/31/2022**

	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	3,916.66	130,800.00	126,883.34	47,000.00	347,480.00	300,480.00	639.32%
421	1,200.00	0.00	(1,200.00)	14,400.00	12,472.82	(1,927.18)	(13.38)%
424	0.00	0.00	0.00	0.00	102,425.00	102,425.00	0.00%
Assistance Loan Contribution							
427	800.00	0.00	(800.00)	9,600.00	0.00	(9,600.00)	(100.00)%
428	199.16	0.00	(199.16)	2,390.00	1,431.50	(958.50)	(40.10)%
439	20,833.33	50,000.00	29,166.67	250,000.00	175,000.00	(75,000.00)	(30.00)%
Contributions							
440	7,635.00	0.00	(7,635.00)	91,620.00	0.00	(91,620.00)	(100.00)%
442	15,000.00	102,000.00	87,000.00	180,000.00	527,000.00	347,000.00	192.78%
Program Contributions							
443	3,416.66	0.00	(3,416.66)	41,000.00	37,531.81	(3,468.19)	(8.46)%
444	250.00	0.00	(250.00)	3,000.00	1,875.00	(1,125.00)	(37.50)%
Business Loan Closing Revenue							
451	10,833.33	15,510.30	4,676.97	130,000.00	166,428.85	36,428.85	28.02%
452	116.66	50.00	(66.66)	1,400.00	431.43	(968.57)	(69.18)%
453	500.00	1,020.00	520.00	6,000.00	6,171.00	171.00	2.85%
Business Loan Processing Fee							
454	1,000.00	900.63	(99.37)	12,000.00	18,617.86	6,617.86	55.15%
471	666.66	629.37	(37.29)	8,000.00	7,006.30	(993.70)	(12.42)%
490	916.66	1,193.17	276.51	11,000.00	8,489.88	(2,510.12)	(22.82)%
Total Revenues	<u>67,284.12</u>	<u>302,103.47</u>	<u>234,819.35</u>	<u>807,410.00</u>	<u>1,412,361.45</u>	<u>604,951.45</u>	<u>74.92%</u>
Expenditures							
523	16.66	0.00	16.66	200.00	0.00	200.00	100.00%
543	8.33	50.00	(41.67)	100.00	230.00	(130.00)	(130.00)%
548	8.33	0.00	8.33	100.00	2,137.96	(2,037.96)	(2,037.96)%
549	1,200.00	1,200.00	0.00	14,400.00	9,678.90	4,721.10	32.79%
553	800.00	30.00	770.00	9,600.00	1,035.00	8,565.00	89.22%
561	572.08	0.00	572.08	6,865.00	7,500.00	(635.00)	(9.25)%
573	1,083.33	494.99	588.34	13,000.00	12,597.93	402.07	3.09%
574	18,750.00	20,151.51	(1,401.51)	225,000.00	212,564.23	12,435.77	5.53%
580	12,083.33	21,000.00	(8,916.67)	145,000.00	97,400.00	47,600.00	32.83%
584	5,500.00	2,182.66	3,317.34	66,000.00	63,553.42	2,446.58	3.71%
Total Expenditures	<u>40,022.06</u>	<u>45,109.16</u>	<u>(5,087.10)</u>	<u>480,265.00</u>	<u>406,697.44</u>	<u>73,567.56</u>	<u>15.32%</u>
Total Revenues Over (Under) Expenditures	<u>27,262.06</u>	<u>256,994.31</u>	<u>229,732.25</u>	<u>327,145.00</u>	<u>1,005,664.01</u>	<u>678,519.01</u>	<u>207.41%</u>

NED, Inc. Board Agenda

Object: 2022-2023 Board Meeting Dates and Locations & Annual Meeting Reminder

Contact Person: Thomas L. Higginbotham, Jr.

For: Discussion

Background/Explanation: The dates and tentative locations for the upcoming fiscal year's board meetings are listed below. The dates are subject to change.

2022-2023 NED, Inc. & NENEDD Board of Directors Meeting Dates & Locations		
July	Wednesday, July 27, 2022	Norfolk – City Office
August	Wednesday, August 31, 2022	Norfolk - City Office
September	Wednesday, September 28, 2022	Norfolk - City Office
October	Wednesday, October 26, 2022	Conference Call
November	Wednesday, November 16, 2022	Conference Call
December	Wednesday, December 14, 2022	Conference Call
January	Wednesday, January 25, 2023	Conference Call
February	Wednesday, February 22, 2023	Conference Call
March	Wednesday, March 29, 2023	Conference Call
April	Wednesday, April 26, 2023	Norfolk - City Office
May	Wednesday, May 31, 2023	Norfolk - City Office
June	Wednesday, June 28, 2023	Norfolk - City Office

REMINDER: The Northeast Nebraska Economic Development Annual Meeting will be held on Thursday, July 28, at 11:30 a.m. to 1 p.m. at the Stables, 1909 Vicki Lane. Please RSVP by Thursday, July 21.

NED, Inc. Board Agenda

Object: Approve a \$87,500 loan to Wragge Truck Service, LLC in Snyder

Contact Person: Kristen Rosner/Jeff Christensen

For: Action

Background: Brandon Wragge is planning the purchase of a building to expand his truck repair business. It is located at 202 4th St. in Snyder, just west of Danko Emergency Equipment on Hwy 91. Wragge Truck Services, LLC offers a wide variety of services including scheduled maintenance, brake repair, complete engine service, clutch, transmission, differential repairs, trailer maintenance/major repairs, DOT inspections, mobile repair service, electronic diagnostics, hydraulic wet kit installation and pusher axle installation.

Brandon started working as a mechanic in 2015 working for someone else. That person sold his business to a dealership, so Brandon started his own business in 2019. He currently works in a farmer-owned shop a couple miles southeast of Howells. He does work for the farmer in exchange for using a portion of the shop. Sharing workspace limits his business to one unit at a time limiting his productivity while waiting for parts to finish each repair job. He has a lot of potential expanding to his own. Brandon currently only charges ½ his labor rate to the farmer in exchange for paying only \$500/mo. rent. He also drives truck for the farmer as needed in exchange for some of his monthly rent. Overall, it is not the best deal for Brandon, which is why he wants to take this opportunity to expand his business. Brandon also has a backup job he currently works at part time (and will continue as time allows) as contract labor when he has down time waiting for parts. It is mounting pumps on well drilling outriggers for Pulstar Mfg. near Dodge.

The building to be purchased is a steel 60' x 100' building with concrete floor and concrete approach. There are four truck bays, a truck/trailer bay, full restroom, and office. It was built in approximately 2001. It is a portion of a local resident's acreage who no longer lives there. An official purchase agreement is being prepared pending a separate legal description being platted for the portion the shop sits on (approx. 2 acres).

The total project costs are approximately \$347,500 of which \$22,500 is for working capital and \$325,000 for the new facility in Snyder. Homestead Bank in Howells and Brandon are requesting that NED, INC. provide a \$87,500 loan for the building. Brandon will provide \$32,500 cash towards the projects. The project will maintain one employee. He plans to hire a full-time mechanic and a part-time secretary in the near future. 2.5 total.

Explanation:

Uses ↓	Sources →	Bank	NED, INC.	Equity	Total
Building Purchase		\$205,000	\$87,500	\$32,500	\$325,000
Working Capital		\$22,500	-0-	-0-	\$22,500
Bldg Purchase		\$227,500	\$87,500	\$32,500	\$347,500

Homestead Bank in Howells is considering a loan not to exceed \$227,500. The loan will be set up as a regular real estate/commercial loan fully amortized over a 20 year term at an interest rate of 5.79% (variable). In addition to a first deed of trust on the purchased real estate at 202 4th St. in Snyder, they will require a 2nd lien on Brandon’s personal residence in Howells, liens on titled vehicles, blanket UCC filing granted by Wragge Truck Services, LLC, and Brandon personally. This is all contingent on a signed purchase agreement and favorable appraisal of the commercial real estate.

NED, INC. will lend Wragge Truck Services LLC \$87,500 to purchase a building in Snyder. This loan will have a term of 20 years at an interest rate of 5.50% (fixed). NED, INC. will file a deed of trust on the business real estate and UCC filing on business personal property. NED, Inc. will also require personal guaranty from Brandon and life insurance assignment from Brandon for the amount of the loan for the life of the loan. NED, INC. will also file a deed of trust on Brandon’s personal residence in Howells.

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.

Motion: Consideration for approval of a \$87,500 loan to Wragge Truck Services, LLC.

Brad Albers____ Shannon Stuchlik____ Jerry Engdahl____
Megan Weaver____ Rich Jablonski____ Jim McCarville____

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

VII. Action Items A

NED, Inc. Board Agenda

Object: Approve a \$250,000 loan to Vet. Clinic, P.C. in Albion

Contact Person: Kristen Rosner/Jeff Christensen

For: Action

Background: Jeremy Young, DMV, is planning the construction of a new facility for Town and County Veterinary Clinic (TCVC) in Albion. In March 2022, NED, Inc. provided a \$45,000 loan for renovations to the Elgin and St. Edward facility with the intentions of providing additional funds for this new facility. TCVC was established in Albion in July of 1985 by Dr. Richard Cockerill. A satellite clinic was established in St. Ed later in the 80's and the Elgin clinic joined the practice in the 1990's. Dr. Jeremy Young joined the practice in May of 2006 as an associate veterinarian. In January of 2009 Dr. Young became partner in the practice, buying out Dr. Cockerill's shares. Dr. Cockerill continued to be actively involved with the practice until his retirement in 2014. Dr. Cody Dulbrandson joined the practice in 2010. In 2012, Dr. Gulbrandson bought Dr. Chris Martinsen's shares, which at this time Dr. Martinsen left the practice. In October 2021 Dr. Young bought out Dr. Gulbrandson's share making him the sole owner at this time.

TCVC staffs three veterinarians and provides services for both large and small animals. The clinic has a haul-in facility in Albion and St. Ed as well as three portable hydraulic chutes for on-site work. The veterinarians have many forms of progressive technology at their disposal including ultrasound, blood analysis machines, gas anesthesia for small animals, and dental equipment for both small animals and equine. The clinic also has updated their x-ray equipment to new digital imaging. This new equipment allows them to take precise x-rays both in-house and out in the field. TCVC also works closely with multiple diagnostic labs to help provide clients with more complete diagnostics.

Their current Albion location is a repurposed building (a converted home/hotel space-ranch style with a garage and basement (40'x68'; 1900 sq. ft. with 830 sq. ft. garage). This location has served them well through the years but as they have grown in numbers, including their small animal caseload, and they have outgrown this location with little room to renovate or add on. The current location is equipped for large animal OB and calf ICU care as well. They also have a large animal facility on the east edge of Albion, on Hwy 14, equipped for large animal handling. This plot of land has plenty of room where they will build their new facility. Plans are to build a 6,000 sq. ft. building that will allow them more room to provide quality care and surgery to both large and small animal patients. It will have multiple exam rooms to increase efficiency and allow them to see more patients in a day. They also plan to have a larger lobby area where they can have more visibility for clients to see retail items available for purchase. The facility will have a separate entrance for boarding and grooming. They are currently so limited on space they can't take on many boarders at once nor have a groomer on site. The current clinic only has 4 kennel runs and 5 cages. With the new facility, they will be able to expand their boarding services to 20 kennels, have a separate room for cats, and have a room for grooming. The new clinic's cages will be able to be reserved for ICU and surgical/medical patients

The total project costs are approximately \$985,600 for the new facility in Albion. Cornerstone Bank in Albion and Dr. Young are requesting that NED, INC. provide a \$250,000 loan for the new building. Dr. Young will provide \$98,600 cash towards the projects. Boone County Development Agency Corp. (BCDA) will provide \$50,000. The project will maintain the nine employees over the three locations.

Explanation:

Uses ↓	Sources →	Bank	NED, INC.	BCDA	Equity	Total
New Bldg Construction						
TOTAL		\$586,400	\$250,000	\$50,000	\$98,600	\$985,600

Cornerstone Bank in Albion will initially provide a nine month construction loan of \$900,000, at an interest rate of 1.00% above prime with accrued interest paid monthly and at maturity. Upon completion of the building and receipt of NED, Inc.'s \$250,000 loan, Cornerstone Bank will provide permanent funding not to exceed \$600,000 fully amortized over a period of up to 20 years at an initial interest rate of prime +1% (5 year viable).

NED, INC. will lend Vet. Clinic, P.C. \$250,000 for construction of a new facility in Albion. This loan will have a term of 20 years at an interest rate of 5.50% (fixed). NED, INC. will file a deed of trust on the Albion, Elgin, and St. Ed. locations, require personal guaranty from Dr. Jeremy and Kimberly Young, and life insurance assignment from Dr. Young for the amount of the loan for the life of the loan. NED, INC. will also file a deed of trust on Young's personal residence in Elgin.

BCDA has approved a \$50,000 loan with a 20 year term at 2.00%. This loan will be subordinate to both the bank and NED, Inc.

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.

Motion: Consideration for approval of a \$250,000 loan to Vet. Clinic, P.C. d/b/a Town and County Veterinary Clinic.

Brad Albers _____ Shannon Stuchlik _____ Jerry Engdahl _____
 Megan Weaver _____ Rich Jablonski _____ Jim McCarville _____

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

VII. Action Items B

NED, Inc. Board Agenda

Object: Recommendation to deny applicant #101714 for owner-occupied housing rehabilitation funds in the amount of \$37,375.00

Contact Person: Martin Griffith

For: Action

Background: Level A (66% - 120% area Median Income) -2% Interest Loan up to 20 years

Property Location:	Clarkson
House Square Footage:	1785
Cost of Repairs:	\$37,375.00
Cost per Square Foot:	\$21.00
Funding Source:	NED, Inc. Trust Reuse

Explanation: The house under consideration has a mortgage balance that greatly exceeds the assessed value and also the after-rehabilitation value of the house. Therefore, is deemed not economically feasible for the Housing Rehabilitation Program.
See list of repairs below.

Repairs

Replace boiler and hot water HVAC system with propane forced air furnace and install ductwork.

Install Central Air Conditioning unit.

Repair section of foundation that has been compromised by improper drainage of rainwater and remove and replace sunken section of concrete adjacent to house.

Replace two basement windows with egress type.

Replace one basement window with low e argon gas filled insulated glass unit.

Replace eight electrical outlets with ground fault circuit interrupter type outlets or make ground fault protected by other means.

Install extension on water heater safety overflow valve.

Patch large holes in walls of second story bedroom.

Install ceilings in two basement bedrooms.

Install seven battery powered smoke detectors.

Stabilize a large amount of deteriorated paint on interior surfaces.

Rehang ten interior doors to operate smoothly.

Replace one exterior entry door.

Install handrail on basement stairs.

Eliminate all exposed electrical wiring in living spaces.

Install privacy doors on two basement bedrooms.

Fill in three basement windows with glass or concrete blocks.

This property is currently valued at - \$51,661.46

After rehabilitation property value - \$79,692.71

Current Mortgage – \$96,000.00

NED, Inc. Lien Position – 2nd

After Rehab Property Value Calculation:

County: Colfax

Tax Valuation: \$49,595.00

% of Value: 96%

100% RE Tax Valuation: \$51,661.46

Total Rehab Spent: \$37,375.00

75% of Rehab Spent: \$28,031.25

After Rehab Value: \$79,692.71

2021 tax year
(Pre-Rehab value)

Recommendation based on the value of the house, after rehabilitation value of the house, mortgage balance, condition of the house, cost of repairs.

Motion: Consideration for denial of applicant #101714 for housing rehabilitation funds in the amount of \$37,375.00

Brad Albers____ Shannon Stuchlik____ Jerry Engdahl____
Megan Weaver____ Rich Jablonski____ Jim McCarville____

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

VII. Action Items C

NED, Inc Board Agenda

Object: Consideration to adopt the 2022-2023 NED, Inc. budget as recommended by the Budget Committee.

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

Committee: Jerry Engdahl, Jim McCarville, and Shannon Stuchlik

For: Action

Background: June 23, 2022, the Northeast Economic Development, Inc. Budget committee met with staff to review proposed Annual budget. Each line item was discussed in detail. The committee recommends approval of the proposed 2022-2023 Annual budget as presented.

History:

SEE ATTACHED BUDGET AND LINE ITEM JUSTIFICATION

Motion: Consideration to adopt the 2022-2023 NED, Inc. budget as recommended by the Budget Committee.

Brad Albers____ Shannon Stuchlik____ Jerry Engdahl____
Megan Weaver____ Rich Jablonski____ Jim McCarville____

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

VII. Action Items D

	2022-2023 Budget	2021-2022 Budget	Current Period as of 5/31/2022	Justification
Revenues:				
405	47,000	47,000	347,480	BAD DEBT RECOVERY - Payoff of 2 DPA Loans
421	12,000	14,400	12,473	HOUSING MGMT --Offsets 549
424	137,570	-	102,425	DIRECT HOMEBUYER ASSISTANCE LOAN CONTRIBUTION - Contracted
427	15,000	9,600	-	GENERAL ADMIN REVENUE Offsets 553
428	1,434	2,390	1,432	DIRECT HOMEBUYER ASSISTANCE LOAN PROCESSING FEE - Estimated 5 loans closing @ \$478
439	250,000	250,000	175,000	CDBG ED NDO RLF CONTRIBUTIONS - Community Development Block Grant (CDBG) Economic Development (ED) Non-profit Development Organization (NDO) Revolving Loan Fund (RLF) Contributions - Partial offset to 558 - 1 Economic Development Projects @ \$250,000
440	-	91,620	-	LOCAL RLF CONTRIBUTIONS - Community Development Block Grant (CDBG) Economic Development (ED) Non-profit Development Organization (NDO) Revolving Loan Fund (RLF) Contributions held by NENEDD - Partial offset to 558
442	-	180,000	527,000	Microenterprise Lending Program Contributions, Contracted 22-01-098
443	30,000	41,000	37,532	USDA Rural Microenterprise Assistance Program Technical Assistance FUNDS (Anticipated Grant)
444	3,000	3,000	1,875	LOAN CLOSING FEES - 12 Loan Closings @ \$250
450	450,000	450,000	872,041	BUSINESS LOAN PRINCIPAL PAYMENTS (Accrual Account) - Current and projected payments
451	130,000	130,000	166,429	BUSINESS LOAN INTEREST - Interest from current and projected loans
452	1,400	1,400	431	LOAN LATE & NSF FEES - 40 Payments @ \$25.00 Late Fees & 40 Payments @ \$10.00 NSF Fees
453	6,000	6,000	6,171	BUSINESS LOAN PROCESSING FEES - 1% of new loans \$600,000
454	12,000	12,000	18,618	ANNUAL SERVICING FEES - 1/2 of a percent of current loan balance
470	120,000	120,000	152,946	HOUSING REHAB/NEW CONSTRUCTION PRINCIPAL (Accrual Account) - Rehab repayments on current loans
471	8,000	8,000	7,006	HOUSING REHAB INTEREST REPAYMENTS - Rehab repayments on current loans
480	47,000	47,000	348,470	DIRECT HOMEBUYER ASSISTANCE PRINCIPAL (Accrual Account) - 2 DHA Repayments and 2 DHA paying monthly payments
490	11,000	11,000	8,490	INTEREST INCOME - Estimated income from our regular checking account, CD's and savings account
	\$ 1,281,404	\$ 1,424,410	\$ 2,785,818	TOTAL REVENUES

NED, Inc.
Annual Budget
2022-2023

	2022-2023 Budget	2021-2022 Budget	Current Period as of 5/31/2022	Justification
Expenditures:				
523	200	200	-	OFFICE SUPPLIES - Business Checks
543	100	100	230	BANK FEES
548	100	100	2,138	LOAN CLOSING EXPENSE - Filing fees, UCC filings
549	12,000	14,400	9,679	HOUSING MGMT--Offsets 421
553	15,000	9,600	1,035	GENERAL ADMIN Offsets 427
557	20	-	-	DUES/MEMBERSHIPS - Secretary of State (Biennial Non-Profit Corp fee next filing is 22/23)
558	1,100,000	1,100,000	842,130	BUSINESS LOAN DISBURSEMENTS (Accrual Account) - 12 @ \$50,000 & 2 CDBG ED NDO Loan @ \$250,000 (\$600,000 from cash on hand/\$500,000 new NDO source acct #439)
561	7,500	6,865	7,500	AUDIT FEES (based on maximum of 2021 RFP)
573	12,030	13,000	12,598	LOAN INTEREST EXPENSE - USDA IRP and RMAP Loans
574	230,000	225,000	212,564	NENEDD MANAGEMENT EXPENSE - Management of the organization including housing and business loan programs
580	145,000	145,000	97,400	LOANS WRITTEN OFF - 5 Direct Homebuyer Assistance Loans at \$20,000 each & Business/Housing Loan Write-offs. Nothing included for the forgivable portion of economic development loans
584	66,000	66,000	63,553	HOUSING REHAB LOANS FORGIVABLE PORTION
585	100,000	100,000	85,396	REHAB LOAN DISBURSEMENTS (Accrual Account) - Housing reuse funds; 4 @ \$25,000
586	150,000	150,000	97,400	DHA LOAN DISBURSEMENTS (Accrual Account) - 5 Direct Homebuyer assistance at \$30,000 each
	\$ 1,837,950	\$ 1,830,265	\$ 1,431,623	Total Expenditures
	\$ (556,546)	\$ (405,855)	\$ 1,354,195	Retained Earnings
	1,100,000	1,100,000	849,926	LOAN DISBURSEMENTS FROM CASH ON HAND (ACCT # 558, 585, 586 less New NDO sources #439)
	211,000	211,000	160,953	NON-CASH EXPENDITURES (ACCT # 580, 584)
	\$ 754,454	\$ 905,145	\$ 2,365,074	ADJUSTED RETAINED EARNINGS

NED, Inc Board Agenda

Object: Consideration to appoint the individuals as presented to the Northeast Economic Development, Inc. Board of Directors for a three-year term.

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

Nominating Committee: Jerry Engdahl, Jim McCarville, and Shannon Stuchlik

For: Action

Explanation: The committee met June 23, 2022, and is making the following recommendations

Jim McCarville, Northeast Community College
(2nd Term to end 6/30/2025)

Sally Ganem, City of Fremont
(1st Term to end 6/30/2025)

Loren Kucera, NBDC Wayne
(1st Term to end 6/30/2025)

Kurt Dostal, Citizens State Bank Vice President / Senior Loan Officer, Leigh
(1st Term to end 6/30/2025)

Motion: Consideration to appoint the individuals as presented to the Northeast Economic Development Inc. Board of Directors for a three-year term.

Brad Albers____ Shannon Stuchlik____ Jerry Engdahl____
Megan Weaver____ Rich Jablonski____ Jim McCarville____

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

VII. Action Items E

NED, Inc Board Agenda

Object: Consideration to elect the Northeast Economic Development, Inc. Officers for 2022-2023 as presented.

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

Nominating Committee: Jerry Engdahl, Jim McCarville, and Shannon Stuchlik

For: Action

Explanation: The committee met June 23, 2022, and is making the following recommendations.

PRESIDENT: (Elect 1)

Shannon Stuchlik, Midwest Bank of Pierce

VICE PRESIDENT: (Elect 1)

Jerry Engdahl, Platte County

SECRETARY/TREASURER: (Elect 1)

Jim McCarville, Northeast Community College

Motion: Consideration to elect the Northeast Economic Development, Inc. Officers for 2022-2023 as presented.

Brad Albers____ Shannon Stuchlik____ Jerry Engdahl____
Megan Weaver____ Rich Jablonski____ Jim McCarville____

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

VII. Action Items F

NED, Inc Board Agenda

Object: Approval of the General Corporate Resolution

Contact Person: Kristen Rosner, Fiscal Officer

For: Action

Background: This is the general corporate resolution stating who is authorized to sign documents. Most often this document is used when working with the life insurance companies for business loan clients. This resolution was suggested and reviewed by attorney Michael Brogan.

Motion: Consideration to approve the general corporate resolution as presented.

Brad Albers____ Shannon Stuchlik____ Jerry Engdahl____
Megan Weaver____ Rich Jablonski____ Jim McCarville____

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

VII. Action Items G



CORPORATE RESOLUTION

WHEREAS, Northeast Economic Development, Inc. desires to grant signing and authority to certain person(s) described hereunder.

RESOLVED, that the Board of Directors is hereby authorized and approved to grant signing and authority to conduct business to any one of the following person(s):

Shannon Stuchlik	President
Jerry Engdahl	Vice President
Jim McCarville	Secretary/Treasurer
Thomas L. Higginbotham, Jr.	Executive Director
Tina M. Engelbart	Deputy Director

The foregoing signing and authority granted shall include, but shall not be limited to, the execution of Deeds, powers of attorney, transfers, assignments, contracts, obligations, certificates and other instruments of whatever nature entered into by this Corporation.

The undersigned hereby certifies that they are the duly elected and qualified Secretary and the custodian of the books and records and seal of Northeast Economic Development, Inc., a non-profit corporation pursuant to the laws of the state of Nebraska and that the foregoing is a true record of a resolution duly adopted at a meeting of the Board of Directors and that said meeting was held in accordance with state law and the Bylaws of Northeast Economic Development, Inc. on June 29, 2022, and that said resolution is now in full force and effect without modification or rescission.

IN WITNESS WHEREOF, I have executed my name as Secretary of the Northeast Economic Development, Inc. this 29th day of June, 2022.

Secretary/Treasurer



NED, Inc Board Agenda

Object: Approval of the Corporate Resolutions for Bank Accounts and Certificates of Deposit

Contact Person: Kristen Rosner, Fiscal Officer

For: Action

Background: With the change in officers effective July 1, 2022, the Board of Directors need to approve those who can sign on NED, Inc.'s bank accounts and certificates of deposit.

Explanation: The resolutions will be for the following banks: BankFirst, Elkhorn Valley Bank, and Pinnacle Bank.

The signors on the accounts will be the President, Vice President, Secretary/Treasurer, Executive Director and Deputy Director. Two signors are required for each check.

Motion: Consideration to approve the corporate resolutions with BankFirst, Elkhorn Valley Bank, and Pinnacle Bank.

Brad Albers____ Shannon Stuchlik____ Jerry Engdahl____
Megan Weaver____ Rich Jablonski____ Jim McCarville____

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

VII. Action Items H