

**NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
NENEDD BOARD OF DIRECTORS MEETING
WEDNESDAY, FEBRUARY 26, 2025 - 7:15 P.M.**

*City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701
Columbus Community Building – Room 223, 2500 14th St., Columbus, NE 68601
West Point Chamber of Commerce, 200 Anna Stalp Ave., West Point, NE 68788
Fremont Municipal Building, 400 E. Military Ave., Fremont, NE 68025*

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 February 26, 2025, agenda and January 29, 2025, meeting minutes.
- V. Treasurer’s Report**
 - A. Consideration of acceptance of the January 2025 Treasurer’s Report as presented.
- VI. Discussion Items**
- VII. Action Items**
 - A. Consideration of a \$200,000 loan to Cbus Hotels, LLC in Columbus.
 - B. Consideration to accept the Fiscal Year 2024 Northeast Nebraska Economic Development District audit.
- VIII. Executive Session**
- IX. President/Board Comments**
- X. Next Meeting Date:** The next Northeast Nebraska Economic Development District Board of Directors meeting will be on Wednesday, March 26, 2025, at 7:15 p.m. or following the Northeast Economic Development, Inc. meeting. The meeting will be held via conference call.
- XI. Adjournment**

Charlie Bahr _____ Sally Ganem _____ Tina Biteghe Bi Ndong _____ Troy Uhlir _____
Blake Denton _____ Meghann Buresh _____ Justin Webb _____ Benjamin Benton _____ Doug Huttman _____

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

NENEDD Board Agenda

Object: Consideration of approval of the February 26, 2025, agenda and January 29, 2025, meeting minutes

Contact Person: Mary Fleeer, Administrative Assistant

For: Action

Explanation: The February 26, 2025, agenda has been posted on the website and January 29, 2025, meeting minutes have been posted on the website.

Motion: Consideration for approval of the February 26, 2025, meeting agenda and the January 29, 2025, board meeting minutes.

Charlie Bahr _____ Sally Ganem _____ Tina Biteghe Bi Ndong _____ Troy Uhlir _____
Blake Denton _____ Meghann Buresh _____ Justin Webb _____ Benjamin Benton _____ Doug Huttman _____

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

IV. Secretary's Report

NENEDD Board Agenda

Object: Discussion of the January 2025 Treasurer’s Report

Contact Person: Jill Godfrey, Fiscal Officer

For: Action

Background:

Northeast Nebraska Economic Development District’s (NENEDD) January 2025 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) 2025 Budget for the nonaccrual accounts, July 1, 2024, through June 30, 2025, Actual, Budget Variance so far this fiscal year and Percent of the Fiscal Year 2025 Budget remaining.

Explanation:

Additional Information:

Business Loan Principal Received	36,424.73
Business Loan Disbursements	60,000.00

Restate Net Income

Year to Date Revenue Over (Under) Expenditures	5,516.98
Year to date Non-Operating Revenue:	20,654.57
Bad Debt Recovery	-

Year to date Non-Operating Expenditures:

Depreciation Expense	4,769.66
Loans Written Off	-
Actual Year to date Revenue Over (Under) Expenditures	<u>(10,367.93)</u>

Business Loan Disbursement:

Loan #325012 Maceys Hometown Market, LLC \$60,000

NENEDD Business Revolving Loan Funds Available for Lending (All Sources): \$1,333,166.40

Motion: Consideration for acceptance of the January 2025 treasurer’s report as presented.

Charlie Bahr _____ Sally Ganem _____ Tina Biteghe Bi Ndong _____ Troy Uhler _____
Blake Denton _____ Meghann Buresh _____ Justin Webb _____ Benjamin Benton _____ Doug Huttman _____

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

Northeast Nebraska Economic Development District
Statement of Financial Position - Overall - Unposted Transactions Included In Report
As of 1/31/2025

	Current Period Balance
Assets	
General Cash	
Cash in Bank - Checking	16,384.92
Unrestricted-BankFirst #1648078	159,521.25
Unrestricted-BankFirst #1648166	82,934.80
Business RLF Cash	
EDA RLF-BankFirst #1648089	554,108.08
IRP RLF-BankFirst #1648122	162,914.18
HUD Business RLF-BankFirst #1648133	65,104.61
IRP #1 Loan Loss Reserve-BankFirst #1648144	50,086.43
IRP #2 Loan Loss Reserve-BankFirst #1648177	13,353.19
EDA CARES Act RLF - Bankfirst #1755625	551,039.53
Accounts Receivable	
Accounts Receivable	213,036.19
Business RLF Loans Receivables	
EDA RLF Loans Receivable	1,915,255.12
IRP RLF Loans Receivable	1,209,598.54
HUD RLF Loans Receivable	205,853.16
EDA CARES Act RLF Notes Receivable	1,789,877.71
Other Receivables	
Other Receivables	25,109.81
Miscellaneous Loans	(12,379.03)
Prepaid Expenses	
Prepaid Expense	10,895.01
Allowances for Uncollectible Accounts	
Allowance for Uncollectible A/R	41,222.00
Allowance for Uncollectible Notes	(516,023.00)
Fixed Assets	
Furniture and Equipment	212,989.70
Accumulated Depreciation	(171,447.13)
Total Assets	6,579,435.07
Liabilities	
Accounts Payable	
Accounts Payable	81,753.64
Other Payables	
Accounts Payable - Other	27,056.46
Verdigre Housing Payments	(1,335.51)
Verdigre Business Payments	(1,269.74)
Pierce Housing Funds	(1,669.44)
Columbus CDBG DHA	(18,089.76)
NED, Inc. Loan Payments	39,547.94
RWHF Loan Payments	(46,592.41)
Lease Payable	16,012.76
Payroll Payables	
ADD, Life, Vision, Dental Payable	(870.80)
Accrued FICA Payable	(8,162.91)
Federal Tax Withheld	(49,427.96)
State Tax Withheld	(9,305.59)
Health Insurance Payable	(53,395.37)
Cafeteria Premium Payable	99.65
Dependent Care Payable	256.65
Child Support Payable	(96.65)

Northeast Nebraska Economic Development District
Statement of Financial Position - Overall - Unposted Transactions Included In Report
As of 1/31/2025

	Current Period Balance
Annual Leave Payable	17,696.76
Accrued Unemployment	51.92
Accrued Salaries	(14,445.96)
IRP Loan Payable	
IRP #1 Loan Payable	194,719.03
IRP #2 Loan Payable	238,821.53
Deferred Revenue	
Deferred Revenue - Community	175,906.43
Deferred Revenue - County	14,720.00
Deferred Revenue - Associates	14,100.00
Total Liabilities	616,080.67
Net Assets	
Other	5,963,354.40
Total Net Assets	5,963,354.40
Total Net Assets and Liabilities	6,579,435.07

Northeast Nebraska Economic Development District
Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 01/01/2025 Through 01/31/2025

	Current Period		Current Period		Total Budget	Current Year Actual	Total Budget Variance	Percent Total Budget \$ Remaining
	Budget - Original	Current Period Actual	Budget Variance					
Revenues								
400 Federal Grants-EDA	5,833.33	0.00	5,833.33	70,000.00	0.00	70,000.00	100.00%	
405 Dues-Community	14,920.06	0.00	14,920.06	179,041.00	15,339.61	163,701.39	91.43%	
406 Dues-Counties	1,226.67	0.00	1,226.67	14,720.00	1,840.00	12,880.00	87.50%	
407 Dues-Associates	1,250.00	0.00	1,250.00	15,000.00	1,113.75	13,886.25	92.58%	
410 State Funding NDED	12,931.92	0.00	12,931.92	155,183.00	77,592.00	77,591.00	50.00%	
415 Meeting Income	0.00	0.00	0.00	0.00	382.74	(382.74)	0.00%	
418 NED, Inc. Management	20,000.00	4,415.31	15,584.69	240,000.00	93,685.06	146,314.94	60.96%	
420 General Administration Fees	19,166.67	35,618.75	(16,452.08)	230,000.00	78,232.47	151,767.53	65.99%	
425 Lead Based Paint Inspection	1,250.00	0.00	1,250.00	15,000.00	0.00	15,000.00	100.00%	
430 Housing Management Fees	11,000.00	832.50	10,167.50	132,000.00	8,589.75	123,410.25	93.49%	
433 Construction Management	5,807.08	2,842.50	2,964.58	69,685.00	8,557.25	61,127.75	87.72%	
444 Loan Closing Revenue	104.17	500.00	(395.83)	1,250.00	3,900.00	(2,650.00)	-212.00%	
445 NPAIT Investment Income	233.33	425.97	(192.64)	2,800.00	2,378.77	421.23	15.04%	
450 Business Loan Principal	0.00	0.00	0.00	0.00	(34,931.11)	34,931.11	0.00%	
451 Business Loan Interest	13,333.33	32,879.48	(19,546.15)	160,000.00	131,274.30	28,725.70	17.95%	
452 Loan Late Fees	341.67	25.00	316.67	4,100.00	11,283.21	(7,183.21)	-175.20%	
453 Loan Processing Fee	0.00	4,102.00	(4,102.00)	0.00	7,252.00	(7,252.00)	0.00%	
454 Annual Servicing Fees	1,083.33	5,941.70	(4,858.37)	13,000.00	5,941.70	7,058.30	54.29%	
460 Special Projects	375.00	450.00	(75.00)	4,500.00	577.50	3,922.50	87.17%	
490 Interest Income	2,500.00	1,014.79	1,485.21	30,000.00	13,087.22	16,912.78	56.38%	
491 Miscellaneous Income	0.00	0.00	0.00	0.00	(1,182.65)	1,182.65	0.00%	
495 In-Kind Contributions	1,250.00	1,250.00	0.00	15,000.00	8,750.00	6,250.00	41.67%	
Total Revenues	<u>112,606.56</u>	<u>90,298.00</u>	<u>22,308.56</u>	<u>1,351,279.00</u>	<u>433,663.57</u>	<u>917,615.43</u>	<u>67.91%</u>	
Expenditures								
500 Salaries and Wages	58,546.33	38,921.98	19,624.35	702,556.00	250,916.75	451,639.25	64.29%	
505 Fringe Benefits	15,000.00	3,008.94	11,991.06	180,000.00	39,562.44	140,437.56	78.02%	
520 Rent In-Kind	1,250.00	1,250.00	0.00	15,000.00	8,750.00	6,250.00	41.67%	
521 Telephone	666.67	141.84	524.83	8,000.00	2,686.83	5,313.17	66.41%	
522 Postage	250.00	500.00	(250.00)	3,000.00	2,378.23	621.77	20.73%	
523 Office Supplies	875.00	170.44	704.56	10,500.00	9,234.06	1,265.94	12.06%	
524 Training	666.67	705.00	(38.33)	8,000.00	830.00	7,170.00	89.63%	
526 Travel-Staff	2,500.00	1,214.45	1,285.55	30,000.00	5,310.85	24,689.15	82.30%	
530 Printing/Publishing	500.00	0.00	250.00	3,000.00	0.00	3,000.00	100.00%	
531 Copier Expense	458.33	258.19	200.14	5,500.00	2,933.26	2,566.74	46.67%	
536 Computer Equipment	583.33	1,200.69	(617.36)	7,000.00	11,934.61	(4,934.61)	-70.49%	
539 Lead Testing Expense	1,250.00	0.00	1,250.00	15,000.00	5,500.00	9,500.00	63%	

Northeast Nebraska Economic Development District
Statement of Revenues and Expenditures - Unposted Transactions Included In Report
From 01/01/2025 Through 01/31/2025

	Current Period		Current Period		Current Year		Total Budget		Percent Total Budget \$ Remaining
	Budget -		Budget		Actual		Variance		
	Original	Current Period	Actual	Variance	Total Budget	Actual	Total Budget	Variance	
540		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
548	Equipment	104.17	0.00	104.17	0.00	183.15	1,066.85	0.00	85.35%
550	Loan Closing Expense	375.00	295.00	80.00	4,500.00	2,744.09	1,755.91	1,755.91	39.02%
551	Building Maintenance	625.00	773.16	(148.16)	7,500.00	3,596.66	3,903.34	3,903.34	52.04%
553	Utilities	833.33	1,174.00	(340.67)	10,000.00	6,274.00	3,726.00	3,726.00	37.26%
554	Dues/Memberships	116.67	0.00	116.67	1,400.00	0.00	1,400.00	1,400.00	100.00%
555	Subscriptions	166.67	0.00	166.67	2,000.00	569.70	1,430.30	1,430.30	71.52%
556	Advertising/Marketing	512.50	2,151.56	(1,639.06)	6,150.00	12,243.48	(6,093.48)	(6,093.48)	-99.08%
558	Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
560	Business Loan Disbursements	166.67	0.00	166.67	2,000.00	272.25	1,727.75	1,727.75	86.39%
561	Legal Services	1,340.00	17,500.00	(16,160.00)	16,080.00	17,500.00	(1,420.00)	(1,420.00)	-8.83%
562	Audit Fees	416.67	607.00	(190.33)	5,000.00	38,854.35	(33,854.35)	(33,854.35)	-677.09%
565	Other Professional Services	758.33	681.38	76.95	9,100.00	4,769.66	4,330.34	4,330.34	47.59%
571	Depreciation Expense	4,101.17	0.00	4,101.17	49,214.00	0.00	49,214.00	49,214.00	100.00%
572	USDA IRP Principal Expense	320.67	0.00	320.67	3,848.00	0.00	3,848.00	3,848.00	100.00%
580	USDA Interest Expense	2,083.33	0.00	2,083.33	25,000.00	0.00	25,000.00	25,000.00	100.00%
590	Loans Written Off	20.83	135.82	(114.99)	250.00	317.22	(67.22)	(67.22)	-26.89%
602	Bank Fees	0.00	0.00	0.00	0.00	785.00	(785.00)	(785.00)	0.00%
	Vehicle Maintenance	95,504.01	70,689.45	24,814.56	1,146,048.00	428,146.59	717,901.41	717,901.41	62.64%
	Total Expenditures								
		<u>17,102.55</u>	<u>19,608.55</u>	<u>(2,506.00)</u>	<u>205,231.00</u>	<u>5,516.98</u>	<u>199,714.02</u>	<u>199,714.02</u>	<u>97.31%</u>
	Total Revenues Over (Under)								

NENEDD Board Agenda

Object: Approve a \$200,000 loan to Cbus Hotels, LLC in Columbus.

Contact Person: Jeff Christensen, NENEDD Business Loan Specialist

For: Action

Background: Cbus Hotels, LLC, is requesting \$200,000 for working capital to be used in the initial opening of a brand-new dual brand Marriott Hotel with 102 rooms that connects via a breezeway to the new Harrah's Casino in Columbus. Fairfield Inn and Towneplace Suites are located on the west side of Columbus at 5912 Howard Blvd. This new venture will provide additional hotel rooms to the Columbus area, specifically to the western portion of Columbus near the casino property. Approximately half of the rooms will be overnight stay rooms and the other half being long-term stay suites with small kitchenettes in each room. They also plan to work with the casino on nightly comped rooms as the casino pays for ten rooms per night. Opening is scheduled for the end of February.

Columbus serves a large amount of manufacturing, traveling physicians and nurses, along with construction crews needing short term and long-term stay. Columbus has a lack of up to date rooms with a majority of the hotels in Columbus being over 10 years old. There is also a new event center being built and a new fieldhouse <https://www.columbushosp.org/for-the-community/columbus-fieldhouse> holding large events such as soccer tournaments, wrestling tournaments, etc., both near the hotels. Cbus Hotels, LLC also serves the Marriott brand and the business travelers that utilize Marriott rewards as Columbus did not have a Marriott property prior to this new venture. Caesars Entertainment's resorts operate primarily under the Caesars, Harrah's, and Horseshoe brand names. According to Caesars, they noted that approximately 80,000 reward members live within 70 miles of the new casino, thus hoping to serve a population of nearly four times Columbus' population.

It will be managed by Midas Hospitality, which manages over 40 hotels in the Midwest, none of which are in Nebraska. <https://midashospitality.com/who-we-are/> They will do all the bookkeeping and are responsible for the employees as well. They have hired a full-time manager who has been trained in a Marriott property for the past eight months. Cbus Hotels, LLC is owned by a conglomerate of owners with one owner having 60% ownership. Two members, have between 15% -20% ownership. There are six other members with 1%-5% ownership. Cbus Hotels, LLC leases land that the buildings are located, with title insurance for leasehold improvements.

The total project costs are \$19,400,000 which includes \$1,575,000 for soft costs, \$1,260,000 for pre-opening & working capital, \$1,983,000 for furniture, fixtures, & equipment (FFE), \$14,000,000 for building and site improvements, and \$750,000 for land costs. Members of Cbus Hotels, LLC and Bank of the Valley in Columbus are requesting that NENEDD provide a loan in the amount of \$200,000 for working capital. The bank has approved a loan of \$10,500,000. The project will create 17 jobs.

Explanation:

Uses ↓	Sources →	Bank	PACE	TIF	NENEDD	Equity	Total
Soft Costs		\$1,575,000	-0-	-0-	-0-	-0-	\$1,575,000
Pre-Opening & Working Capital		\$1,060,000	-0-	-0-	\$200,000	-0-	\$1,260,000
Furniture, Fixtures, Equipment		\$1,983,000	-0-	-0-	-0-	-0-	\$1,983,000
Building & Site Improvements		\$6,000,000	\$3,000,000	-0-	-0-	\$5,000,000	\$14,000,000
Land		-0-	-0-	\$750,000	-0-	-0-	\$750,000
TOTAL		\$10,450,000	\$3,000,000	\$750,000	\$200,000	\$5,000,000	\$19,400,000

Bank of the Valley in Columbus has approved a loan for \$10,450,000. The loan is set up as a regular real estate/commercial loan fully amortized over a 25-year term at an interest rate of 8.50% (2-year variable). In addition to a first deed of trust on the improvements at 5912 Howard Blvd in Columbus, they will require an Assignment of Rents, unlimited guarantees from any owner over 15% ownership, and Comfort letter from Marriott.

NENEDD will lend Cbus Hotels, LLC \$200,000 for working capital. This loan will have a term of 5 years at an interest rate of 5.00% (fixed). NENEDD will file a subordinate deed of trust on the same commercial real estate, require an assignment of rents, and a UCC filing on all business personal property of Cbus Hotels, LLC. NENEDD will require an unlimited personal guaranty from the three members that have more than 15% ownership.

There is a \$3,000,000 PACE loan (Property Assessed Clean Energy) property tax bill paid semi-annual over 30 years at 7.97%. Interest only for five years.

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 of a \$200,000 loan to Cbus Hotels, LLC in Columbus.

Charlie Bahr _____ Sally Ganem _____ Tina Biteghe Bi Ndong _____ Troy Uhlir _____
 Blake Denton _____ Meghann Buresh _____ Justin Webb _____ Benjamin Benton _____ Doug Huttmann _____

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

NENEDD Board Agenda

Object: Acceptance of Northeast Nebraska Economic Development District Audit

Contact Person: Jill Godfrey, Fiscal Officer

For: Action

Background: Board members were mailed the Fiscal Year 2024 audit on January 17, 2025 and audit copies were available at the January 2025 board meeting. BrenDee Reinke from Herley & Reinke Accounting, P.C. presented the audit at the January 2025 board meeting.

The Board is encouraged to contact Herley & Reinke Accounting, P.C., with any further questions about the audit.

Motion: Consideration to accept the Fiscal Year 2024 Northeast Nebraska Economic Development District audit.

Charlie Bahr _____ Sally Ganem _____ Tina Biteghe Bi Ndong _____ Troy Uhlir _____
Blake Denton _____ Meghann Buresh _____ Justin Webb _____ Benjamin Benton _____ Doug Huttmann _____

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

VII. Action Items B