

SOUTHEAST NEBRASKA DEVELOPMENT DISTRICT
BOARD OF DIRECTORS
MINUTES OF THE JANUARY 15, 2015 MEETING

Prior to the scheduled SENDD Board of Directors business meeting, introductions of all Board members, invited Nebraska State Senators and guests present took place. SENDD Executive Director David Taladay gave a presentation on SENDD activities and provided everyone in attendance with copies of the SENDD 2013-2014 Performance Report. After the Executive Director presentation, time was allocated for Nebraska state senators in attendance to discuss legislative issues. Senator Mark Kolterman of the 24th district, representing Polk, Seward and York counties, was in attendance. He provided the SENDD Board with an overview of current legislative issues affecting the State of Nebraska and counties in the SENDD district.

Upon conclusion of the state senator discussion, the scheduled quarterly meeting of the Board of Directors of the Southeast Nebraska Development District (SENDD) was called to order by SENDD Vice Chair Leroy Hanson at approximately 7:16 P.M. at the HYVEE Store Conference Room located at 1601 N. 34th Street in Lincoln. Items of SENDD business were as follows:

I. CALL TO ORDER

A. Vice Chair Hanson began the meeting by stating the following: Pursuant to Section 84-1412(8) of the Nebraska Open Meetings Act, a current copy of the Open Meetings Act is posted in the meeting room and is available for viewing by the public.

B. Roll call: Roll call was taken by registration, which showed the following 19 Board members present: Leroy Hanson, Saunders Co.; Brad Grummert, Jefferson Co.; Erich Tiemann, Gage Co.; Les Agena, Johnson Co.; Charles (Ron) Hauptman, Otoe Co.; Roger Glawatz, Seward County; Bob Hutton, Nemaha Co.; Jim Standerford, Richardson Co.; Tim McDermott, Saline County; Kurt Bulgrin, York Co.; Nick Harling, American National Bank; Jerry Divis, Divis Planning Services; Daryl Long, Peru State College; Stephanie Shrader, NCAEDC; Jeff Reynolds, REAP; Cheryl Brandenburgh, Black Hills Energy; Pat Coldiron, Liberty House Bed & Breakfast; Lisa Hurley, YCDC; Bob Berggren, Rose Colored Glass.

Board members absent (5 – currently two vacancies) include: Bob Mueller, Fillmore Co.; Dave Bruning, Thayer Co.; Jim Peterson, Cass Co.; Mike Smith, Polk Co.; Doug Watts, Greater Wahoo Development.

Staff members present were Dave Taladay, Craig Eberle, and Jen Olds, Lincoln; Lisa Beethe, Humboldt.

Guests present were Mark Kolterman, Nebraska State Senator District #24, Seward; and Jessica Kolterman, Seward.

C. Board Membership: Executive Director Taladay addressed the Full SENDD Board about current vacant positions. He stated that Bill Wenz, SENDD At-Large Representative on the SENDD Board of Directors passed away on December 30, 2014. He was serving as SENDD Treasurer and a member of the SENDD Executive Committee.

1. Board Vacancies: Taladay informed the Full SENDD Board that there are now two open vacancies for At-Large Representatives on the SENDD Board of Directors. At this time, SENDD staff do not have a recommendation for filling these vacant At-Large Representative positions on the SENDD Board. They are in the process of seeking names of potential individuals to fill these spots.

2. SENDD Officers and Executive Committee: Bill Wenz served as Treasurer of the SENDD Board of Directors, as well as serving as a member of the SENDD Executive Committee. An election for Treasurer of the SENDD Board of Directors would be appropriate to fill that spot. Mari Koci served as Secretary of the SENDD Board of Directors, but will no longer be a member of the SENDD Board of Directors as she did not seek re-election to the Seward County Board. An election for Secretary would be appropriate to fill that spot.

At this time, Vice Chair Hanson sought nominations from the floor to fill the vacant SENDD Treasurer and Secretary positions. SENDD Business Loan Officer Craig Eberle informed the SENDD Board that all officer positions are automatically a part of the SENDD Executive Committee. Kurt Bulgrin, York County Commissioner volunteered to fill one of these officer positions. Lisa Hurley, Executive Director of the York County Development Corporation volunteered to fill the Secretary position. Kurt Bulgrin then agreed to fill the Treasurer position. Following the close of nominations, Vice Chair Hanson sought a motion to close nominations and entertain a motion to approve the officers as nominated. Moved by Brandenburg, seconded by Divis to approve the nomination of Lisa Hurley, Executive Director of the York County Development Corporation, as Secretary of the SENDD Board of Directors, and Kurt Bulgrin, York County Commissioner, as Treasurer of the SENDD Board of Directors. Motion passed unanimously on a vote by acclamation.

Bill Wenz and Mary Koci, serving as Treasurer and Secretary respectively, also served on the SENDD Executive Committee. By appointing Kurt Bulgrin to the Treasurer position, and Lisa Hurley to the Secretary position, as SENDD officers they are now also placed on the SENDD Executive Committee. Thus, there is no need to appoint any additional representatives to the SENDD Executive Committee.

II. MINUTES

Minutes of the September 18, 2014 Full SENDD Board Meeting, October 16, 2014 SENDD Executive Committee Meeting, November 20, 2014 SENDD Executive Committee Meeting and December 18, 2014 SENDD Executive Committee meeting are enclosed with this notice/agenda. Vice Chair Hanson asked the Full SENDD Board members in attendance if there were any corrections or additions to the previous meeting(s) minutes. With no corrections or additions from the Full SENDD Board, Vice Chair Hanson called for a motion for acceptance of the September 18, 2014 Full SENDD Board meeting minutes, October 16, 2014 SENDD Executive Committee Meeting minutes and November 20, 2014 SENDD Executive Committee Meeting minutes, as well as the approval of the December 18, 2014 SENDD Executive Committee minutes. Moved by Standerford, seconded by Coldiron to accept the minutes of the September 18, 2014 Full SENDD Board Meeting, October 16, 2014 SENDD Executive Committee Meeting, November 20, 2014 SENDD Executive Committee Meeting, and approve the December 18, 2014 SENDD Executive Committee meeting as presented. Motion passed unanimously on a vote by acclamation.

III. AGENDA ADJUSTMENTS

There were no agenda adjustments to be brought before the Full SENDD Board at this time.

IV. FINANCIAL

A. Check Registry: A copy of the December 2014 Check Registry report was included in the meeting packet that was sent out to the Full SENDD Board of Directors. Taladay briefed the Full SENDD Board on the December 2014 Check Registry report. He stated that checks paid out and received were typical for this time of year. There was a large check written to Infinite Systems for the computer upgrades. Taladay informed some of the new Board members that under revenues, many communities have multiple codes. These are for separate contracts within the same community. At the conclusion of the check registry report overview by Taladay, Vice Chair Hanson called for a motion. Moved by Reynolds, seconded by Glawatz to approve the December 2014 Check Registry report as previously distributed. Motion passed unanimously on a vote by acclamation.

B. Revenue/Expense Report: A copy of the December 2014 Revenue/Expense report was distributed prior to the meeting. Taladay addressed the December 2014 Revenue/Expense report. He stated that this report represents 50% of the SENDD fiscal year. So far the numbers are looking pretty good. Most of the expenses are reasonable and under projections. He did point out the large amount of expenses projected under insurance and bonds. This is because most of the insurance and bonds is paid up front early in the fiscal year. After the overview by Taladay, Vice Chair Hanson called for a motion. Moved by McDermott, seconded by Harling to approve the December 2014 Revenue/Expense report as previously distributed. Motion passed unanimously on a vote by acclamation.

C. Proposed SENDD FY 2014-2015 Amended Budget: SENDD staff have been developing a FY 2015 SENDD Amended Budget for review. A revised budget has been prepared and was distributed to the Full SENDD Board for review prior to the meeting. The SENDD FY 2014-2015 Amended Budget was reviewed by the SENDD Executive/Budget Committee prior to the meeting.

Taladay and Eberle began the presentation of the FY 2015 SENDD Amended Budget. They informed the SENDD Board that when the FY 2014-2015 Budget was prepared and adopted in June, many project applications were still being written or not yet awarded. An amended budget is prepared in January as SENDD staff now know what projects have been awarded and funded for the fiscal year. Taladay and Eberle directed the Full SENDD Board members to the SENDD FY 2015 Amended Revenue Projections report. There indicated that there are a total of 125 different types of contracts. The first 68 are existing contracts that are already in place. These existing contracts represent total projected revenues for FY 2015 of approximately \$339,348.

The next 21 are pending contracts for projects that have already been approved for funding, or have essentially been assured that funding will be provided within this fiscal year. These pending contracts represent total projected revenues of \$63,714. The final 36 other items represent known and anticipated revenues from annual membership dues receipts, direct grants to the organization, contracts for administration and management of local revolving loan funds, technical assistance contracts and other similar type contracts. Membership and housing dues receipts for FY 2015 are also included in this section. The total amount of FY 2015 projected revenues from these items is \$518,690. At the bottom of the spreadsheet is the estimated total projected FY 2015 revenues for SENDD. Total SENDD FY 2015 amended revenue projections are estimated at \$921,752. This is about \$600 more than what was projected in June.

Taladay and Eberle continued their budget presentation by going over the SENDD FY 2015 Amended Draft Budget and FY 2015 Budget Comparisons. The FY 2015 Amended Draft Budget shows reduced expenses due primarily to staff changes. A total surplus of \$73,215 is projected, which is about \$24,893 higher than in June. This FY 2015 Amended Draft Budget includes the proposed wage increases for SENDD staff. Executive Director Taladay then distributed a handout which included a memo and proposed hierarchy structure for SENDD staff. These include new titles for some staff based on increased responsibilities. The proposed raises for SENDD staff are based on these increased responsibilities and titles.

At this time the SENDD Executive/Budget Committee members in attendance informed the SENDD Board of Directors about their discussions on the SENDD FY 2014-2015 Amended Draft Budget during their earlier meeting. During the SENDD Executive/Budget Committee meeting held prior to the Full SENDD Board meeting, the Committee expressed the need to see some salary comparisons of other Development Districts before they could make a recommendation on the amended budget including the proposed wage increases. At the Executive/Budget Committee meeting, the Committee made the motion to defer a final recommendation on the SENDD FY 2015 Amended Draft Budget until they were able to review comparable staff salary ranges for other Development Districts.

A discussion about the SENDD FY 2014-2015 Amended Draft Budget followed the briefing by the SENDD Executive/Budget Committee. Due to the confidential nature of discussing staff salaries, SENDD Board Member Stephanie Shrader suggested that the SENDD Board go into executive session to discuss this matter. Vice Chair Hanson called for a motion to go into executive session to discuss the proposed wage increases. Moved by Shrader, seconded by Bulgrin to go into executive session. Motion passed unanimously on a vote by acclamation. The SENDD Board of Directors went into executive session at 7:35 P.M.

At 7:50 P.M., Vice Chair Hanson called for a motion to go out of executive session. Moved by Shrader, seconded by Hanson to go out of executive session. Motion passed unanimously on a vote by acclamation.

The SENDD Board of Directors recommended a follow-up on comparable staff wages at the February 19, 2015 SENDD Executive Committee. The SENDD Executive Committee may then make a recommendation on the SENDD FY 2014-2015 Amended Budget to the Full SENDD Board, for final consideration at the March 19, 2015 Full SENDD Board meeting. Any salary adjustments included as part of the amended budget would

be made retroactive to January 1, 2015. At this time Vice Chair Hanson called for a motion. Moved by Bulgrin, seconded by Long to table any consideration on the SENDD FY 2014-2015 Amended Budget until the February 19, 2015 SENDD Executive Committee meeting, with final consideration to be given by the SENDD Board of Directors at the March 19, 2015 Board meeting. Motion passed unanimously on a vote by acclimation.

D. Other Financial: There was no other financial information to discuss at this time.

V. OLD BUSINESS

A. SENDD Personnel Policies Committee: The SENDD Personnel Policies Committee held a meeting at the SENDD Lincoln office on January 6, 2015. At this meeting the Personnel Policies Committee finalized proposed draft changes to the SENDD Personnel Policies and Travel Policies. Enclosed with the meeting notice was a summary of the proposed changes to the SENDD Personnel Policies and Procedures Manual and SENDD Travel Policies, as well as copies of the existing policies with proposed markup

SENDD Personnel Policies Committee member Lisa Hurley went over some the proposed changes to the SENDD Personnel Policies and Travel Policies with the Full SENDD Board. She began by discussing the current flex time policy. The SENDD Personnel Policies Committee is proposing a new policy structure which would permit more flexibility in setting schedules to accommodate evening and weekend meetings. This new policy would remove the two hour flex time limit per day, encouraging the use of a shared calendar to allow staff to see each other's schedules to know when they are in and out of the office.

Hurley continued by discussing the SENDD Personnel Policies sections that address personal leave. Changes include notifying the Executive Director of any planned personal leave over one day. Under the new personal leave policy, total accumulated personal leave hours will be capped at 240 hours (instead of 312). Any personal leave accumulated above the maximum number of hours would be reimbursed at the end of the fiscal year at 50%, rather than 100%. These policy changes are being proposed to encourage staff to use their vacation. In lieu of the personal leave disbursement, a tiered retirement match of 2-4% based on years of service would be added. This will only be a match up to the employee's percentage contribution, up to the maximum percentage allowed given their total years of service. Finally, Hurley informed the SENDD Board that the SENDD Travel Policies were being amended to allow for a cell phone reimbursement of \$25/month for those SENDD staff members who are using their personal cell phones for work calls and emails.

Hurley summed up her overview of the proposed SENDD Personnel Policies and Travel Policies draft changes by stating that these proposed policy changes are meant to bring the policies up to date with today's standards. The SENDD Personnel Policies Committee has held several meetings over the past few months to discuss these proposed changes, with a lot of work put into this. They have reviewed numbers which show that these proposed changes should not increase the overall cost of benefits for the District. Hurley indicated that at this time they were bringing these proposed changes to the SENDD Personnel Policies and Procedures Manual and SENDD Travel Policies to the Full SENDD Board at this time for their review and input. The next SENDD Personnel Policies Committee meeting is scheduled for February 5. If the Board has any suggestions or comments on the proposed draft changes, please contact one of the Personnel Policies Committee members prior to the February meeting. The anticipation is that the Full SENDD Board of Directors may consider adopting any proposed changes to the SENDD Personnel Policies and Procedures Manual and SENDD Travel Policies, at the March 19, 2015 Full SENDD Board meeting. These changes would go into effect July 1.

A brief discussion by the SENDD Board of Directors followed the update by Hurley and the Personnel Policies Committee. The SENDD Board of Directors thanked the members of the Personnel Policies Committee for dedicating so much time and effort toward revising these policies. No action was needed on the SENDD Personnel Policies Committee agenda item and none taken.

VI. NEW BUSINESS

There was no new business to discuss at this time.

VII. STAFF REPORTS AND REMINDERS

SEND D staff present at the meeting provided updates to the Full SEND D Board on the following:

A. Plattsmouth Housing Rehabilitation Program – CDBG #08-HO-6009: Nebraska Department of Economic Development (NDED) Determination Regarding Smithberg Complaint: A formal complaint from Mr. and Mrs. Michael Smithberg of Plattsmouth had previously been received by the NDED several months ago. SEND D staff worked with the City of Plattsmouth in providing a detailed response to the concerns about the administration of the program as well as some concerns about construction activities on the Smithberg rehabilitation project. NDED has recently made a determination that ... "the Department did not identify any deficiencies in program administration for project #08-HO-6009." Enclosed with the meeting packet was a copy of the correspondence from NDED.

Taladay briefed the Full SEND D Board on this agenda item. He stated that this was an old housing project in Plattsmouth where a complaint was submitted by the Smithberg's. This complaint was ran through the State Ombudsman office, and the Nebraska Department of Economic Development (NDED). SEND D staff were required to submit documentation on administration of the project. NDED recently provided a response by stating that they found no deficiencies with SEND D administration of the project.

B. Newsletter: SEND D Community Development Specialist Lisa Beethe informed the Board that she will soon begin work on the January 2015 SEND D newsletter. The newsletter will be out later this month.

C. SEND D Staffing Updates: Taladay informed the SEND D Board of Directors that they have advertised for the SEND D Housing Development Specialist position. He has received 6 responses to their listing. He has an interview scheduled with someone this coming Monday about the position.

D. Future SEND D Board Meetings: Taladay indicated that the next SEND D Executive Committee meeting is scheduled for February 19, 2015. The next Full SEND D Board meeting is scheduled for March 19 2015.

VIII. ADJOURNMENT

There being no further business to come before the Full SEND D Board, Vice Chair Hanson called for a motion to adjourn the meeting. This motion was moved by Standerford, seconded by Grummert and approved unanimously by the Full SEND D Board. The meeting was adjourned at approximately 8:19 P.M.

Respectfully Submitted:



Craig Eberle
Secretary Pro Tem