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Proposed Counsel for Debtor/Debtor-in-possession

UNITED STATES BANKRUPTCY COURT

DISTRICT OF IDAHO

In Re:	Case No. 18-00288-JDP
RIEDEL ENGINEERING INC., FDBA SURVEYORS WEST	Chapter 11
Debtor and Debtor in Possession.	

EMERGENCY MOTION FOR USE OF CASH COLLATERAL

COMES NOW the Debtor and Debtor-In-Possession and hereby moves pursuant to 11 USC § 363, Federal Rule of Bankruptcy Procedure 4001(b), and Local Bankruptcy Rule 4001.1 for authorization to use cash collateral.

This Motion is based upon the concurrently filed Declaration of Martin G. Gergen and upon the following:

1. This proceeding was filed on March 15, 2018.
 2. The Debtor has filed all of its schedules except for the Statement of Financial Affairs and Schedules A/B, which will be filed prior to the hearing on this Motion.
- The assets which Debtor desires to use under this motion are:

- A. Proceeds from Receivables consisting of the sum of **\$434.02** located in three separate bank accounts ([\$22.17] deposited in First Federal Savings Bank, Checking Account No. *8446, [\$42.01] deposited at First Federal Savings Bank, Flex Account No. *5225, and \$498.20

deposited at Umpqua Ban, Checking Account No. *0262, described in Schedule B.3 filed by Debtor.

- B. Cash/checks on hand in the sum of **\$2,604.70**.
- C. Collectible Accounts Receivable consisting of **\$121,689.62** described in schedule B.11.
- D. Petty cash at the Twin Falls location and the Meridian location totaling: **\$214.54** described in Schedule B.2.
- E. Work in progress totaling **\$153,274.41** described in Schedule B.20.
- F. Prepaid expenses, prepaid E&O insurance, and legal retainers totaling **\$96,963.11** described in Schedule B.8.

The total of this cash collateral (described in subparagraphs A to F) is **\$375,180.40**.

3. The following creditor claims a lien in the cash collateral or was discovered to claim a lien by virtue of a lien search conducted with the Secretary of State of the State of Idaho.

A. First Federal Savings Bank claims a lien on all receivables and inventory by virtue of UCC-1 originally filed with the Secretary of State, State of Idaho as Instrument No. B2007-1023990-0 filed April 18, 2007, and continued on December 21, 2011 as Amendment No. 6576349, and again on January 24, 2017, as Amendment No. 6669985. The Debtor is indebted to First Federal Savings Bank under four separate loans, Loan *9554 (principal sum \$213,918.11), Loan *5813 (principal sum \$100,000.00), Loan *6076 (principal sum \$143,416.59) and Loan *4444 (principal sum \$11,725.51 – secured by a 2011 Ford F-150 XL SuperCab 4WD) related to commercial loans (the “Loans”);

B. The total principal owed on the Loans is approximately \$469,060.21;

C. Pursuant to the UCC-1 filed with the Secretary of State, the Loans are secured by an interest in all inventory, chattel paper, accounts, equipment¹, general intangibles, fixtures and instruments of Debtor;

¹ There do not appear to be perfected security interests in Equipment.

D. FFSB is the only creditor in this matter with a security interest in cash collateral.

4. The Debtor owns equipment, but the UCC-1 filed by First Federal Savings Bank does not specifically describe such equipment and its lien does not appear to be perfected with respect to such equipment. In this motion Debtor is not seeking to use cash collateral related to these other assets as Debtor is not asking to liquidate these assets. Those assets are described in Schedule B as follows:

- A. Office furniture and fixtures totaling: \$36,647.00
- B. 2011 Ford F-150 XL SuperCab 4WD (FFSB has a separate loan and a lien on this vehicle)
- C. Technical equipment totaling: \$8,023.85;
- D. Goodwill estimated at \$591,631.00;
- E. Potential lawsuit against former employees/shareholders: unknown value;
- F. Copy machines subject to leases estimated at \$47,970.00.

5. The cash collateral, which Debtor desires to use, consists of the **\$375,180.40** described in subparagraph 2 A through F above. As disclosed on the budget attached hereto as Exhibit “1” and incorporated herein by this reference, Debtor shall use the proceeds to pay expenses as more particularly described in the attached exhibit except it shall not pay the line item entitled “Priority taxes” or “professional fees” without further order of the Court. In further support of the application to use this cash collateral the Debtor represents as follows:

A. Debtor has exhausted all potential sources of secured or unsecured indebtedness enabling it to pay its ongoing operating expenses.

B. The only creditor known to the Debtor who is claiming liens in the cash collateral is disclosed above.

6. Pursuant to Rule 4001(b)(2) and (c)(2) of the Federal Rules of Bankruptcy Procedure, Debtor requests a preliminary hearing as Debtor requires the use of cash collateral prior to final hearing in an amount necessary to pay the expenses which are itemized on Exhibit “2” attached hereto and incorporated herein by this reference described under the column “3/15/2018 –

3/31/2018”, and the column designated Apr 2018, until a final hearing can be conducted on April 18, 2018, at 9:00 a.m. These expenses include, among other things, operating expenses, utilities, supplies, payroll, withholding tax, subcontractors, and insurance, all of which are articulated in Exhibit “1” to the Motion.

These expenses will need to be incurred before the final hearing on Debtor’s motion. These are the expenses that will be incurred and the Debtor requests authority to pay until a final hearing can be conducted.

7. Exhibit “1” shows how the cash collateral shall be used through the following twelve months, confirmation, or further order of the Court; whichever first occurs. Without the payment of the expenses identified in the budget, immediate and irreparable harm shall occur as the employees may be required to obtain other employment; clients will not pay Debtor’s invoices if the subcontractors are not paid, Debtor needs to maintain all proper insurance; and utility companies may shut off supply.

8. The budget attached as Exhibit 1 also provides for the payment of certain critical subcontractors, specifically WHPacific, GeoTerra, Inc., Robert Lee Sappington, Ph.D, RPA. The sums owed to them are prepetition, but without payment to these critical subcontractors, the Debtor cannot invoice their client to get paid. Accordingly, these subcontractors must be paid.

9. Additionally, the budget provides for the payment of a retainer to Litigation Counsel, Racine Olson Nye & Budge, Chartered (application for employment pending.) The payment of litigation is necessary in order to pursue a lawsuit for damages against former employees and other parties. Such litigation can provide a cash recovery for the Debtor.

9. Pursuant to Local Bankruptcy Rule 4001.1 Debtor states as follows:

a. The amount of cash collateral estimated to be on hand on March 15, 2018, is:

\$375,180.40.

b. The amount of the replacement lien, offered as adequate protection to First Federal Savings Bank, and any other creditor that claims a lien in the cash collateral shall not exceed the

amount of cash collateral requested and shall be a lien on the following: Accounts Receivable, proceeds from accounts receivable and inventory generated after March 15, 2018, and their proceeds. The priority of the lien shall be in the same priority as existed in the petition date.

c. The financial and other information demonstrating the need for and projected use and disposition of the cash collateral is described on Exhibit "1" and "2" attached to this motion. The emergency request is set forth in Exhibit "2". The final request is set forth in Exhibit "1". The current receivables and work in progress are attached as Exhibit "3."

d. The creditors claiming liens against the cash collateral are identified above.

e. The adequate protection to be provided to First Federal Savings Bank and any other entity proving an interest in the cash collateral shall be the grant of a postpetition lien in the postpetition accounts receivable, proceeds and inventory. Further Debtor shall provide to First Federal Savings Bank and any other creditor who requests the same a copy of all monthly reports filed by it with the US Trustee. Further it shall provide a monthly report showing income projected as well as income received and expenses requested vs. expenses incurred. The Debtor shall not vary in any expense category by more than 10% except for the line items of the sub-contractors, which can vary by more than 10%, but in any event the total monthly expenses shall not exceed the total monthly expenses projected. In addition, by stipulation of the parties, a written memorandum of which will be filed with the Court, the Debtor shall commence making adequate protection payments of \$3,000.00 per month to this creditor commencing April 15, 2018.

f. The Debtor is not proposing any terms not normally approved by the Court in such a cases.

DATED: March 15, 2018

Roark Law Offices

/s/Holly Roark

HOLLY ROARK,
Proposed Counsel for Debtor/Debtor-in-Possession

NOTICE OF HEARINGS

You are hereby notified that hearings on the Debtor's Motion shall be heard at the United States Bankruptcy Court for the District of Idaho on the Fifth Floor of the James McClure Federal Building located at 550 W. Fort Street Boise, Idaho. The following hearings shall be conducted:

A preliminary hearing shall be conducted at **9:00 o'clock a.m. on March 20, 2018**, to consider Debtor's request for emergency use of cash collateral and application for authority to grant lien from the date of the bankruptcy petition until a final hearing and to grant a lien in post-petition accounts receivables. The amount requested is described in Exhibit "2".

A final hearing shall be conducted at **9:00 o'clock a.m. on April 20, 2018** to consider Debtor's request for use of cash collateral and application for authority to grant lien.

NOTICE OF TIME FOR WRITTEN OBJECTIONS

In the event you object to the Debtor's motion to be heard at the final hearing you must file a written objection on or before five days before the hearing. Service of a copy of that written objection shall be made on the attorney for the Debtor described above. No objection shall be required before the preliminary hearing.

NOTICE OF INTENT TO PRESENT EVIDENCE AND TESTIMONY

YOU ARE FURTHER HEREBY GIVEN NOTICE, pursuant to Rule 9014.1 of the Local Bankruptcy Rules, that to the extent that there are any objections filed to this Motion, the Debtor intends to present testimony and evidence at the preliminary and final hearings on this Motion.

DATED: March 15, 2018

Roark Law Offices

/s/Holly Roark

HOLLY ROARK,
Proposed Counsel for Debtor/Debtor-in-Possession

Holly Roark, ISB No. 7143
ROARK LAW OFFICES
950 Bannock St. Ste. 1100
Boise, ID 83702
Telephone: (208) 536-638
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UNITED STATES BANKRUPTCY COURT

DISTRICT OF IDAHO

In Re:	Case No. 18-00288-JDP
RIEDELSE ENGINEERING, INC., FDBA SURVEYORS WEST	Chapter 11
Debtor and Debtor in Possession.	

**DECLARATION OF MARTIN G. GERGEN IN SUPPORT OF EMERGENCY MOTION
FOR USE OF CASH COLLATERAL**

I, Martin G. Gergen, declare as follows:

1. I am the President of Riedesel Engineering, Inc. I have personal knowledge of the facts set forth herein and if called as a witness I could and would testify thereto truthfully.
2. On behalf of the corporation, I have attempted to locate financing for the corporation. I have communicated with several lenders and to date no lender has been willing to advance new credit, either on a secured or unsecured basis, to the corporation.
3. I have exhausted all potential sources of secured or unsecured indebtedness enabling it to pay Riedesel Engineering, Inc.'s ongoing operating expenses.
4. The cause of the Debtor's bankruptcy is related to a merger (which is now on hold) where the employees in the Debtor's Lewiston office walked out on the eve of the merger, preventing the merger. This created a snowball effect, wherein we had to shut down the Lewiston

DECLARATION OF MARTIN G. GERGEN IN SUPPORT OF EMERGENCY MOTION FOR USE OF

office, and have been unable to meet certain financial obligations absent some breathing room.

5. At the time the bankruptcy petition was filed the corporation held accounts receivable which are identified in the Emergency Motion Seeking Authority to Use Cash Collateral which has been filed in this proceeding. As articulated in that motion, the corporation holds the following sources of accounts receivable:

- a. Proceeds from Receivables consisting of the sum of **\$434.02** located in three separate bank accounts ([**\$22.17**] deposited in First Federal Savings Bank, Checking Account No. *8446, [**\$42.01**] deposited at First Federal Savings Bank, Flex Account No. *5225, and **\$498.20** deposited at Umpqua Ban, Checking Account No. *0262, described in Schedule B.3 filed by Debtor.
- b. Cash/checks on hand in the sum of **\$2,604.70**.
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The total of this cash collateral (described in subparagraphs A to F) is **\$375,180.40**.

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Amendment No. 6576349, and again on January 24, 2017, as Amendment No. 6669985. The Debtor is indebted to First Federal Savings Bank under four separate loans, Loan *9554 (principal sum \$213,918.11), Loan *5813 (principal sum \$100,000.00), Loan *6076 (principal sum \$143,416.59) and Loan *4444 (principal sum \$11,725.51 – secured by a 2011 Ford F-150 XL SuperCab 4WD) related to commercial loans (the “Loans”).

4. The Debtor owns equipment, but the UCC-1 filed by First Federal Savings Bank does not specifically describe such equipment and its lien does not appear to be perfected with respect to such equipment. In this motion Debtor is not seeking to use cash collateral related to these other assets as Debtor is not asking to liquidate these assets. Those assets are described in Schedule B as follows:

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- E. Potential lawsuit against former employees/shareholders: unknown value;
- F. Copy machines subject to leases estimated at \$47,970.00.

6. In addition, this corporation is continuing to generate new receivables after the bankruptcy petition was filed and projects that it shall be receiving those receivables described in the gross receipts in the projections attached as Exhibits “1” (12 month budget) and “2” (Interim 4 month budget) to the Motion Seeking Authority to Use Cash Collateral. (“Motion”).

7. The Motion sets forth the sole creditor, which Debtor believes holds liens in the accounts receivable or have been located by our attorneys in conducting lien searches. I am not aware of any other creditor claiming a lien in the accounts receivable of this corporation.

8. This corporation, which is an engineering company, is in immediate need of funds to pay its ongoing operating expenses, not the least of which are its payroll and tax obligations, but

also, subcontractors, insurance and other supplies all of which are articulated in Exhibit “1” to the Motion.

9. I have calculated the amount of expenses for the period from the date of filing through June 30, 2018, as set forth in Exhibit 2, and I believe these projections are true and accurate projections for this corporation during this time. The Debtor will provide an up to date copy of the Debtor’s statement of account receivables upon request by the secured creditor or the United States Trustee, a true and correct copy of which through March 15, 2018, is attached hereto as Exhibit “3.”

10. The Debtor is willing to give adequate protection to First Federal Savings Bank by granting revolving postpetition adequate protection liens, to the same extent, value and priority as existed as of the petition date, to the extent of cash collateral actually generated. The Debtor respectfully asserts that the revolving replacement lien adequately protects the interest of First Federal Savings Bank. As well, Debtor is proposing to pay First Federal Savings Bank \$3,000.00 per month as adequate protection payments, which FFSB has accepted.

11. The Debtor expects to generate monthly receivables in the approximate sum of \$95,000 per month. This estimate is based on its projected contracts and workflow, as evidenced by the attached budget. This estimate is based on the Debtor’s history and potential increased work through a merger. First Federal Savings Bank’s liens are currently secured up to \$375,180.40 as of the date of filing, based upon the collateral listed in paragraph 5, A – F above.

12. I believe that First Federal Savings Bank has first priority and that there are no other liens on cash collateral.

13. Debtor requests that this Court conduct a preliminary hearing on an emergency basis, and a final hearing in April 2018. The failure to conduct such a preliminary hearing would preclude Debtor from using cash collateral to pay its employees, and normal operating expenses. Debtor needs, on a preliminary basis pending final hearing, the amounts noted in the Interim Budget (Exhibit “2”) that is incorporated by reference. Each of the expenses described in this section are a part of the expenses outlined hereinbefore, and are not in addition to those other expenses.

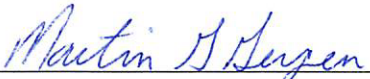
14. The proposed adequate protection package is more than sufficient under the circumstances of this case, where the Debtor's budget shows that the Debtor will remain cash flow positive.

15. Accordingly, I believe that the Prepetition Secured Lenders' interests in the Cash Collateral will be adequately protected.

16. I have reviewed the Motion. I have provided that information to the attorneys for the Debtor and agree that those facts are accurately set forth in the Motion.

17. The Debtor is not proposing any terms not normally approved by the Court in such a cases.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on March 15, 2018, at Boise, Idaho.



Martin G. Gergen, President
RIEDEL ENGINEERING, INC.
Debtor, and Debtor in Possession

EXHIBIT 1

RIEDEL ENGINEERING, INC.

12 MONTH BUDGET

	3/15/2018 - 3/31/2018	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-18	Feb-18
Beginning Cash	\$3,627.12	\$3,397.12	\$2,413.12	\$2,404.12	\$3,395.12	\$11.12	\$2.12	\$6,580.12	\$1,696.12	\$3,187.12	\$3,178.12	\$794.12
Cash Receipts												
Cash Sales	\$50,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00
Receivables	\$4,100.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Sub-Consultant Pmt	\$4,100.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Total Cash Receipts	\$61,827.12	\$108,397.12	\$107,413.12	\$107,404.12	\$108,395.12	\$105,011.12	\$105,002.12	\$111,580.12	\$106,696.12	\$108,187.12	\$108,178.12	\$105,794.12
Cash Disbursements												
Wages	\$10,250.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
Subs	\$4,100.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Reim	\$164.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00
Travel & Sub	\$615.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Reproduction	\$164.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00
Postage	\$41.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Tele	\$1,025.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
Dues	\$205.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
Utilities	\$225.50	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00
Auto	\$615.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Employee Beni's	\$184.50	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00
Insurance Ex	\$2,460.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00
Officers	\$6,222.00	\$15,175.00	\$15,175.00	\$15,175.00	\$15,175.00	\$15,175.00	\$15,175.00	\$15,175.00	\$15,175.00	\$15,175.00	\$15,175.00	\$15,175.00
Payroll Taxes	\$3,075.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00
Vacation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sick	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PTO	\$820.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Holiday	\$820.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Wages Expense	\$4,510.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00
Bus Insurance	\$668.00	\$1,628.00	\$1,628.00	\$1,628.00	\$1,628.00	\$1,628.00	\$1,628.00	\$1,628.00	\$1,628.00	\$1,628.00	\$1,628.00	\$1,628.00
Key Owner Ins	\$65.00	\$158.00	\$158.00	\$158.00	\$158.00	\$158.00	\$158.00	\$158.00	\$158.00	\$158.00	\$158.00	\$158.00
Rent & Lease	\$1,640.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00
Secured Debt												
First Fed Auto	\$311.00	\$311.00	\$311.00	\$311.00	\$311.00	\$311.00	\$311.00	\$311.00	\$311.00	\$311.00	\$311.00	\$311.00
First Fed Adequate Protection												
Payments	\$0.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
Priority Taxes	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00
Prof Fees												
UST Qtr Fees		\$975.00			\$4,875.00			\$4,875.00			\$4,875.00	
Retainer for Litigation Counsel (potential recovery for Debtor)	\$15,000.00											
Critical subcontractors: must be paid or Debtor cannot invoice client												
WHPacific		\$2,035.00	\$2,035.00	\$2,035.00	\$2,035.00	\$2,035.00	\$0.00	\$2,035.00	\$2,035.00	\$2,035.00	\$2,035.00	\$2,035.00
GeoTerra, Inc.		\$1,642.00	\$1,642.00	\$1,642.00	\$1,642.00	\$1,642.00	\$0.00	\$1,642.00	\$1,642.00	\$1,642.00	\$1,642.00	\$1,642.00
Robert Lee Sappington, Ph.D.												
RPA		\$410.00	\$410.00	\$410.00	\$410.00	\$410.00	\$0.00	\$410.00	\$410.00	\$410.00	\$410.00	\$410.00
Misc	\$2,500.00	\$2,500.00	\$2,500.00	\$1,500.00	\$1,000.00	\$2,500.00	\$0.00	\$2,500.00	\$1,000.00	\$2,500.00	\$0.00	\$2,500.00
Total Cash Disbursements	\$58,430.00	\$105,984.00	\$105,009.00	\$104,009.00	\$108,384.00	\$105,009.00	\$98,422.00	\$109,884.00	\$103,509.00	\$105,009.00	\$107,384.00	\$105,009.00
Ending Cash Balance	\$3,397.12	\$2,413.12	\$2,404.12	\$3,395.12	\$11.12	\$2.12	\$6,580.12	\$1,696.12	\$3,187.12	\$3,178.12	\$794.12	\$785.12

EXHIBIT 1

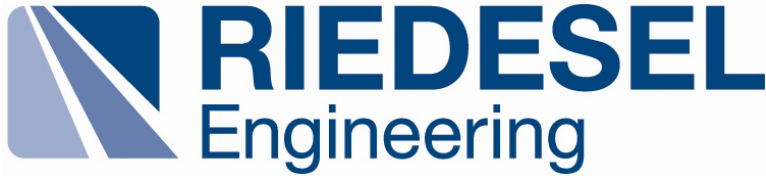
EXHIBIT 2

RIEDEL ENGINEERING, INC.

4 MONTH BUDGET

	3/15/2018 - 3/31/2018	Apr-18	May-18	Jun-18
Beginning Cash	\$3,627.12	\$3,397.12	\$2,413.12	\$2,404.12
Cash Receipts				
Cash Sales	\$50,000.00	\$85,000.00	\$85,000.00	\$85,000.00
Receivables	\$4,100.00	\$10,000.00	\$10,000.00	\$10,000.00
Sub-Consultant Pmt	\$4,100.00	\$10,000.00	\$10,000.00	\$10,000.00
Total Cash Receipts	\$61,827.12	\$108,397.12	\$107,413.12	\$107,404.12
Cash Disbursements				
Wages	\$10,250.00	\$25,000.00	\$25,000.00	\$25,000.00
Subs	\$4,100.00	\$10,000.00	\$10,000.00	\$10,000.00
Reim	\$164.00	\$400.00	\$400.00	\$400.00
Travel & Sub	\$615.00	\$1,500.00	\$1,500.00	\$1,500.00
Reproduction	\$164.00	\$400.00	\$400.00	\$400.00
Postage	\$41.00	\$100.00	\$100.00	\$100.00
Tele	\$1,025.00	\$2,500.00	\$2,500.00	\$2,500.00
Dues	\$205.00	\$500.00	\$500.00	\$500.00
Utilities	\$225.50	\$550.00	\$550.00	\$550.00
Auto	\$615.00	\$1,500.00	\$1,500.00	\$1,500.00
Employee Beni's	\$184.50	\$450.00	\$450.00	\$450.00
Insurance Ex	\$2,460.00	\$6,000.00	\$6,000.00	\$6,000.00
Officers	\$6,222.00	\$15,175.00	\$15,175.00	\$15,175.00
Payroll Taxes	\$3,075.00	\$7,500.00	\$7,500.00	\$7,500.00
Vacation	\$0.00	\$0.00	\$0.00	\$0.00
Sick	\$0.00	\$0.00	\$0.00	\$0.00
PTO	\$820.00	\$2,000.00	\$2,000.00	\$2,000.00
Holiday	\$820.00	\$2,000.00	\$2,000.00	\$2,000.00
Wages Expense	\$4,510.00	\$11,000.00	\$11,000.00	\$11,000.00
Bus Insurance	\$668.00	\$1,628.00	\$1,628.00	\$1,628.00
Key Owner Ins	\$65.00	\$158.00	\$158.00	\$158.00
Rent & Lease	\$1,640.00	\$4,000.00	\$4,000.00	\$4,000.00
Secured Debt				
First Fed Auto	\$311.00	\$311.00	\$311.00	\$311.00
First Fed Adequate Protection				
Payments	\$0.00	\$3,000.00	\$3,000.00	\$3,000.00
Priority Taxes	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00
Prof Fees				
UST Qtr Fees		\$975.00		
Retainer for Litigation Counsel (potential recovery for Debtor)	\$15,000.00			
Critical subcontractors: must be paid or Debtor cannot invoice client				
WHPacific		\$2,035.00	\$2,035.00	\$2,035.00
GeoTerra, Inc.		\$1,642.00	\$1,642.00	\$1,642.00
Robert Lee Sappington, Ph.D, RPA		\$410.00	\$410.00	\$410.00
Misc	\$2,500.00	\$2,500.00	\$2,500.00	\$1,500.00
Total Cash Disbursement	\$58,430.00	\$105,984.00	\$105,009.00	\$104,009.00
Ending Cash Balance	\$3,397.12	\$2,413.12	\$2,404.12	\$3,395.12

EXHIBIT 3



Riedesel Engineering, Inc.

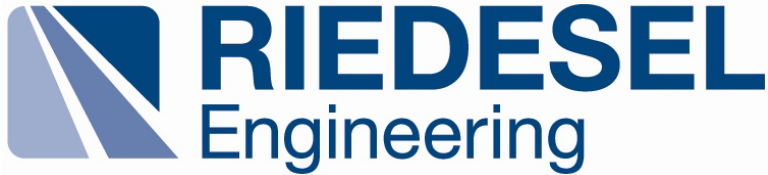
Sort order: Client
Date basis: Invoice date
Unpaid Invoices Only
Limit projects by: No limit
Includes all activity types
Includes finance charges
Age Receipts with Invoice
Thursday, March 15, 2018

Aging as of: 3/15/2018

Page 1 of 2

Client						Outstanding	03/15/2018 02/14/2018	02/13/2018 01/15/2018	01/14/2018 12/16/2017	12/15/2017 11/16/2017	11/15/2017	Prepayment
Invoice Number	Invoice Date	Receipt Method	Receipt ID	Receipt Date	Item Type	Total	0 - 30	31 - 60	61 - 90	91 - 120	Over 120	Amount
Alliance Title-Lewiston						180.00					180.00	
Asotin County, Regional Stormwater Program												0.10
Assist-2-Sell												257.20
Bannock County Highway Departments						6,021.61		6,021.61				17,125.46
Bouten Construction Co. C/O Ken Bond												1,611.25
Charles Langford												270.00
City of Council												270.00
City of Hazelton						19,197.32	19,197.32					
City of Kimberly												840.00
City of Lewiston - Parks & Rec Department												0.02
City of Moscow												0.07
City of Weiser						3,500.00	3,500.00					
Clarkston Estates												770.00
Crea Construction						10,350.00					10,350.00	
Derrick Ellis						68.89					68.89	
Dick White												77.50
Engineered Structures, Inc.												1,073.00
Estate of Alma Lemire												320.00
Evergreen Highway District						42,414.86	42,414.86					0.03
Greco Construction, Inc.						3,770.00	3,770.00					
Idaho County						420.00					420.00	
Idaho Sand and Gravel												161.24
Intermountain Gas Company Central Division												54.80
ITD District 2						9,585.22		9,585.22				
Keystone Construction & Development												0.05
LHTAC												31.71
McGreer						530.00					530.00	

EXHIBIT 3



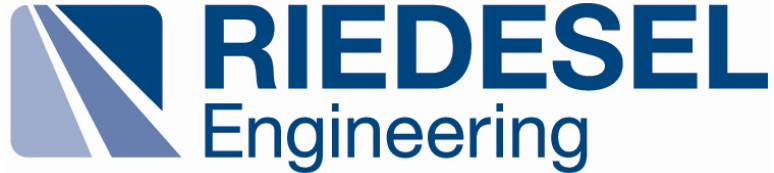
Riedesel Engineering, Inc.

Sort order: Client
 Date basis: Invoice date
 Unpaid Invoices Only
 Limit projects by: No limit
 Includes all activity types
 Includes finance charges
 Age Receipts with Invoice
 Thursday, March 15, 2018

Aging as of: 3/15/2018

Page 2 of 2

Client						Outstanding	03/15/2018 02/14/2018	02/13/2018 01/15/2018	01/14/2018 12/16/2017	12/15/2017 11/16/2017	11/15/2017	Prepayment
Invoice Number	Invoice Date	Receipt Method	Receipt ID	Receipt Date	Item Type	Total	0 - 30	31 - 60	61 - 90	91 - 120	Over 120	Amount
Nate Kelsey						1,017.25		1,017.25				
Nez Perce County						270.85					270.85	0.71
Nez Perce Tribe, ATTN: Mary Beth Frank-Clark						11,018.00	11,018.00					
Pat Paasch												100.00
Poe Asphalt Paving, Inc						3,347.56					3,347.56	430.00
Port of Lewiston						840.00					840.00	
R. G. Messersmith												80.00
Ray Ledgerwood						650.00					650.00	
Richard L. Kloppenburg						712.46					712.46	
Suresh C Paranjpe Ph,D Engineering												681.50
Tri C Inc.												90.00
Valley Paving & Asphalt						7,795.60					7,795.60	
Wendell Highway District												15.48
Report Total						121,689.62	79,900.18	16,624.08	0.00	0.00	25,165.36	24,260.12



Riedesel Engineering, Inc.

Sort order: Client

Limit by: No limit

Amount type: Spent

Age by: Accounting Date

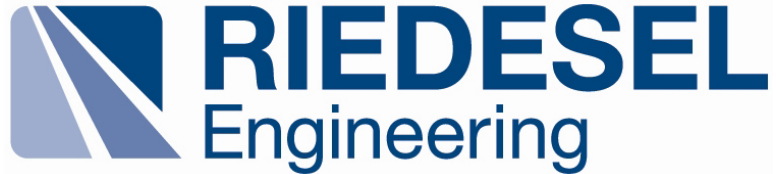
Thursday, March 15, 2018

Page 1 of 2

Aging as of date: 3/15/2018

Client	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
Bannock County Highway Departments	15,705.38	14,823.06	882.32	0.00	0.00	0.00
Brookwood Subdivision	6,113.28	2,680.00	540.00	0.00	2,893.28	0.00
Chris Jones	759.28	615.00	0.00	109.28	35.00	0.00
City of Council	6,040.00	1,950.00	3,955.00	135.00	0.00	0.00
City of Hazelton	5,974.12	5,284.12	690.00	0.00	0.00	0.00
City of Homedale	1,188.27	0.00	0.00	0.00	0.00	1,188.27
City of Lewiston-Municipal	2,038.75	0.00	95.00	986.25	957.50	0.00
City of Orofino	11,661.25	2,660.00	3,081.25	5,920.00	0.00	0.00
City of Twin Falls	182.68	0.00	0.00	0.00	0.00	182.68
City of Weiser	800.00	800.00	0.00	0.00	0.00	0.00
Crea Construction	6,572.50	5,677.50	420.00	180.00	0.00	295.00
Dennis Hourany	350.03	0.00	105.00	0.00	245.03	0.00
Derrick Ellis	35.00	0.00	0.00	0.00	35.00	0.00
Evergreen Highway District	11,841.93	11,442.29	399.64	0.00	0.00	0.00
Ferguson Enterprises, Inc.	-80.00	0.00	0.00	0.00	0.00	-80.00
Franklin County	13,244.46	0.00	810.00	1,400.00	1,267.50	9,766.96
Greco Construction, Inc.	6,330.00	6,330.00	0.00	0.00	0.00	0.00
Idaho County Airport	586.75	45.00	112.50	69.75	139.50	220.00
ITD District 1	5,288.28	0.00	0.00	0.00	192.94	5,095.34
ITD District 4	39,673.27	7,988.91	7,714.93	2,211.70	6,850.26	14,907.47
Keystone Construction & Development	292.41	0.00	0.00	292.41	0.00	0.00
LKV Architects	232.50	0.00	0.00	0.00	0.00	232.50
Michael O'Malley	960.00	0.00	0.00	0.00	0.00	960.00
Nate Kelsey	741.86	105.00	636.86	0.00	0.00	0.00
OFCO Investments, LLC	1,479.77	1,221.79	257.98	0.00	0.00	0.00
Port of Othello	12,723.68	9,257.50	3,466.18	0.00	0.00	0.00
R. G. Messersmith	180.00	60.00	0.00	0.00	120.00	0.00
Suresh C Paranjpe Ph,D Engineering	1,102.50	0.00	0.00	0.00	0.00	1,102.50

EXHIBIT 3



Riedesel Engineering, Inc.
 Sort order: Client
 Limit by: No limit
 Amount type: Spent
 Age by: Accounting Date

Aging as of date: 3/15/2018

Thursday, March 15, 2018
 Page 2 of 2

Client	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
Ted Johnson	300.00	0.00	0.00	300.00	0.00	0.00
Twin Falls Highway District	360.00	240.00	120.00	0.00	0.00	0.00
Wemhoff Architecture	70.00	0.00	0.00	0.00	0.00	70.00
Wendell Highway District	526.46	176.46	0.00	0.00	0.00	350.00
Report Total	153,274.41	71,356.63	23,286.66	11,604.39	12,736.01	34,290.72

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on March 15, 2018, I filed the foregoing document electronically through the CM/ECF system, which caused the following parties or counsel to be served by electronic means, as more fully reflected on the Notice of Electronic Filing:

- Holly Roark on behalf of Debtor Reidesel Engineering, Inc: holly@roarklawboise.com, courtnotices@roarklawoffices.com
- US Trustee: ustp.region18.bs.ecf@usdoj.gov

AND I FURTHER CERTIFY that on March 15, 2018, I caused to be served the foregoing on the following non CM/ECF Registered Participants via postage prepaid, first class, U.S. Mail:

Attorney for First Federal Savings Bank

David A. Coleman
Coleman, Ritchie & Jacobson
Attorneys at Law
156 2nd Avenue West
P.O. Box 525
Twin Falls, Idaho 83303-0525
Also served via email: david@crctflaw.com

See attached Matrix

Label Matrix for local noticing
0976-1
Case 18-00288
District of Idaho
Boise
Thu Mar 15 14:07:05 MDT 2018

ALLWEST Testing & Engineering, LLC
690 Capstone Ct
Hayden, ID 83835-8774

Aaron L. Wert
1306 Elmwood Circle
Twin Falls, ID 83301-4841

Andrew Kimmel
4321 N Chatterton Ave.
Boise, ID 83713-1934

Association of Idaho Cities
3100 Vista Ave, Ste 201
Boise, ID 83705-7370

Avista Utilities
1411 E Mission Ave
Spokane, WA 99252-0001

Bentley Systems, Inc.
PO Box 828836
Philadelphia, PA 19182-8836

Boise Offices Equipment
330 N Ancestor Pl, Ste 100
Boise, ID 83704-0655

Bonneville Blueprint Supply, Inc.
1802 Curtis
Idaho Falls, ID 83402-4499

Brook Lela Bishop
2200 East 3570 North
Filer, ID 83328

Cable One
PO Box 78000
Phoenix, AZ 85062-8000

Cache Valley Publishing
c/o ISJ Payment Processing Center
PO Box 1570
Pocatello, ID 83204-1570

Cameron Phillips, P.A.
924 Sherman Ave.
Coeur D'Alene, ID 83814-4151

Carmen L. Dunham
1101 8th Street
Clarkston, WA 99403-2503

Century Link
P.O. Box 29040
Phoenix, AZ 85038-9040

Charles Vance
3548 E 3131 N
Kimberly, ID 83341-5366

Chevy L Baily
3928 E 3800 N
Hansen, ID 83334

City of Meridian
PO Box 670
Caldwell, ID 83606-0670

City of Twin Falls
321 2nd Avenue East
PO Box 1907
Twin Falls, ID 83303-1907

Clearwater Economic Development Associat
1626 6th Ave. N.
Lewiston, ID 83501-1539

Credit Collection Services
725 Canton Street
Norwood, MA 02062-2679

Culligan of Twin Falls
aka Northwest Water Conditioning Co.
6030 Culligan Way
Minnetonka, MN 55345-5917

De Lage Landen Financial Services, Inc.
PO Box 41602
Philadelphia, PA 19101-1602

Donald Acheson
629 Megan Court
Twin Falls, ID 83301-3280

Eagle Transfer / TrinaCo, Inc.
PO Box 384
Lewiston, ID 83501-0384

Ed R. Spears
1328 8th
Clarkston, WA 99403-3332

Edward Jones
PO Box 5296
Twin Falls, ID 83303-5296

Effective Life Management
524 Ambler Trail
Post Falls, ID 83854-6570

EideBailly LLP
877 W Main St Ste 800
Boise, ID 83702-5858

EverBank Commercial Finance, Inc.
PO Box 911608
Denver, CO 80291-1608

Farren Engineering, Inc.
600 W Curling Dr.
Boise, ID 83702-1673

FedEx
PO Box 1140
Memphis, TN 38101-1140

FedEx Office
Customer Administrative Services
PO Box 672085
Dallas, TX 75267-2085

First Collection Services
10925 Otter Creek E. Blvd.
Mabelvale, AR 72103-1661

First Federal Savings Bank
Main Branch Commercial Department
383 Shoshone St. N.
Twin Falls, ID 83301-6152

Freddie Garcia
1629 Brookfield Ct
Twin Falls, ID 83301-3674

(p)FRONTIER COMMUNICATIONS
BANKRUPTCY DEPT
19 JOHN STREET
MIDDLETOWN NY 10940-4918

GeoTerra, Inc.
860 McKinley St.
Eugene, OR 97402-2710

Geoline Inc.
13218 NE 20th St. Ste. 400
Bellevue, WA 98005-2004

George E. Mustard
8096 W San Fernando Ct
Boise, ID 83704-5773

Great West Engineering
PO Box 4817
Helena, MT 59604-4817

Greenberg, Grant & Richards, Inc.
5858 Westheimer Rd., Ste. 500
Houston, TX 77057-5645

H&H Business Systems
PO Box 846
Veradale, WA 99037-0846

IMS
945 Hornblend St., Suite G
San Diego, CA 92109-4057

Idaho Airport Management Association
C/O Dave Mitchell, P.E.
2471 S Titanium Place
Meridian, ID 83642-6703

Idaho County Prosecuting Attorney's Off
416 W Main Street
PO Box 463
Grangeville, ID 83530-0463

Idaho Department of Labor
317 W Main Street
Boise, ID 83735-0610

Idaho Power
PO Box 34966
Seattle, WA 98124-1966

Idaho Springs Water Co.
8095 E Executive Dr Suite A
Nampa, ID 83687-3827

Idaho State Tax Commission
PO Box 36
Boise ID 83722-0410

Inland Cellular Telephone
P O Box 688
Roslyn, WA 98941-0688

Integrinet
10020 W Fairview Ave, Ste 102
Boise, ID 83704-8570

(p)INTERMOUNTAIN GAS COMPANY
PO BOX 5603
BISMARCK ND 58506-5603

Internal Revenue Service
Centralized Insolvency Operation
Post Office Box 7346
Philadelphia, PA 19101-7346

JUB Engineers, Inc.
115 Northstar Ave
Twin Falls, ID 83301-4073

Jeremy Robbins
16673 N Yorkshire Ln
Nampa, ID 83687-9467

Jon Gabriel Rostberg
9140 E Hansen Rd
Middleton, ID 83644-5050

Kelly Services, Inc.
1212 Solutions Ctr
Chicago, IL 60677-1002

Key Design Websites LLC
350 N 9th Street Suite 400
Boise,, ID 83702-5471

Kim Nielsen
ISTC
440 Falls Ave.,
Twin Falls ID 83301-3320

Kiwanis Club
PO Box 855
Twin Falls, ID 83303-0855

LEAF
PO Box 742647
Cincinnati, OH 45274-2647

Leaf Capital Funding
2005 Market Street, 14th FL
Philadelphia, PA 19103-7009

Lerma Grover Law
John J. Lerma
PO Box 190719
Boise, ID 83719-0719

Lighting Analysts
10268 W Centennial Rd Ste 202
Littleton, CO 80127-6424

M. Kent Atkin
695 Bristelcone Drive
Twin Falls, ID 83301-8918

Martin G. Gergen
1491 W Crestwood Dr.
Meridian, ID 83642-2422

Marvin L. Kerbs
1983 W. Hendricks Ct.
Meridian, ID 83646-1336

Matthew C. Brander
244 8th Avenue North
Twin Falls, ID 83301-6348

Media Collections, Inc.
dba Joseph Mann & Creed
8948 Canyon Falls Blvd. Ste. 200
Twinsburg, OH 44087-1900

PSI Environmental Systems, Inc.
222 Gem St. S.
Twin Falls, ID 83301-7873

Pitney Bowes Global Financial Services L
PO Box 371887
Pittsburgh, PA 15250-7887

Purchase Power
PO Box 371874
Pittsburgh,, PA 15250-7874

Racine Olson
201 East Center Street
Pocatello, ID 83201-6329

Rex Harding
122 E 275 S
Jerome, ID 83338-6322

Riedesel Engineering, Inc.
850 E. Franklin Rd. Ste. 408A
Meridian, ID 83642-8917

Holly Roark
Roark Law Offices
950 Bannock St. Ste. 1100
Boise, ID 83702-6140

Robert Lee Sappington, Ph.D., RPA
1124 South Lynn
Moscow,, ID 83843-3909

SOS Copy and Print
671 Filer Avenue
Twin Falls, ID 83301-4008

Selby's
PO Box 80625
Billings, MT 59108-0625

Skypark Office Suites
2151 Beam Rd.
Granger, WA 98932-9730

Southway Plaza, LLC
77 Southway, Ste B
Lewiston, ID 83501-2203

Staples Credit Plan
Dept. 51 787247152878004
Phoenix, AZ 85062-8004

State of Washington
Department of Revenue
PO Box 47473
Olympia, WA 98504-7473

Synter Resource Group, LLC
PO Box 1870
Ashland, VA 23005-4870

TD&H Engineering
210 Main St
Lewiston, ID 83501-1818

Teresa H Burke-Ellet
9951 W Eshelman St
Boise, ID 83704-6521

The Owyhee Avalanche
PO Box 97
Homedale, ID 83628-0097

Tim G. Bretz
17381 Plainview Road
Bend, OR 97703-9212

Tore Up
PO Box 1181
Twin Falls, ID 83303-1181

Tracey S. McAuley
PO Box 27
Hazelton, ID 83335-0027

Tracy S. Reed
800 S Main
Kimberly, ID 83341-2104

Trindera Engineering
1875 N Lakewood Dr, Ste 201
Coeur d'Alene, ID 83814-4928

Twin Falls Area Chamber of Commerce
2015 Neilsen Point Pl, Ste 100
Twin Falls, ID 83301-4071

UPS
Lock Box 577
Carol Stream, IL 60132-0577

US Trustee
Washington Group Central Plaza
720 Park Blvd, Ste 220
Boise, ID 83712-7785

Unified Office Services
5715 Chase Point Cir.
Colorado Springs, CO 80919-3589

Valerie Smith
360 Heyburn Avenue West
Twin Falls, ID 83301-4626

Valley Paving & Asphalt, Inc.
Ron T. Blewett
PO Box 1990
Lewiston, ID 83501-1464

Visa
PO Box 249
Twin Falls, ID 83303-0249

WHPacific
9755 SW Barnes Rd, Ste 300
Portland, OR 97225-6627

Wells Fargo Financial Leasing
PO Box 10306
Des Moines, IA 50306-0306

Worst, Fitzgerald & Stover, P.L.L.C.
PO Box 1428
Twin Falls, ID 83303-1428

Xerox Financial Services
PO Box 202882
Dallas, TX 75320-2882

Yimeng Wang
2318 N Laughridge Ave
Meridian, ID 83646-5755

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g)(4).

Frontier
PO Box 20550
Rochester, NY 14602-0550

Intermountain Gas Company
555 South Cole Road
PO Box 7608
Boise, ID 83707

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)Blue Cross of Idaho
PO Box 7408

(u)Boise, ID 83707-1408

(d)Tim G. Bretz
17381 Plainview Road
Bend, OR 97703-9212

End of Label Matrix
Mailable recipients 104
Bypassed recipients 3
Total 107