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Bruce T Beesley

Honorable Bruce T. Beesley
United States Bankruptcy Judge



Entered on Docket
January 18, 2018

JOHN F. MURTHA, ESQ.
Nevada Bar No. 835
WOODBURN AND WEDGE
Sierra Plaza
6100 Neil Road, Ste. 500
P.O. Box 2311
Reno, Nevada 89505
Telephone : 775-688-3000
Fax: 775-688-3088
jmurtha@woodburnandwedge.com
sadams@woodburnandwedge.com

Attorneys for Creditor
Bank of the West

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

* * *

In re
PRODUCTION PATTERN AND
FOUNDRY CO., INC.

Case No. BK-17-51106 BTB
Chapter 11

Debtor.

**ORDER REGARDING DEBTOR'S
EMERGENCY MOTION FOR
DETERMINATION THAT POST-
PETITION REVENUES ARE NOT
CASH COLLATERAL OR
ALTERNATIVELY FOR USE OF
CASH COLLATERAL OF BANK
OF THE WEST**

Hearing Date : January 17, 2018
Hearing Time : 4:00 p.m.

_____ /

1 This matter came before the Court on January 17, 2018, on the Debtor's *Emergency*
2 *Motion for Determination that Post-Petition Revenues are not Cash Collateral or Alternatively,*
3 *for use of Cash Collateral of Bank of the West* ("Motion") filed herein on September 28, 2017
4 (ECF 10); the Court having entered an *Interim Order Approving Emergency Motion for*
5 *Determination that Post-Petition Revenues are not Cash Collateral or Alternatively, for use of*
6 *Cash Collateral of Bank of the West* ("Interim Order") on October 6, 2017 (ECF 23); the
7 Debtor and Bank of the West ("Bank") having filed a *Stipulation for Adequate Protection of*
8 *Bank of the West's Interest in Cash Collateral and Authorization for Debtor's Use of Cash*
9 *Collateral (11 SC § 363(c)(2)* ("Stipulation") on November 7, 2017 (ECF 73); the Court
10 having entered an *Adequate Protection Order Relating to Bank of the West's Interest in Cash*
11 *Collateral and Authorization for Debtor's Use of Cash Collateral (11 USC §363(c)(2))*
12 ("Adequate Protection Order") on December 19, 2017 (ECF 109) in which it approved the
13 Stipulation; it appearing from the record that notice of the hearings on the Motion and the
14 Stipulation has been given as required by law; it appearing further from the record that neither
15 the Office of the United States Trustee, nor any creditor or other party in interest filed an
16 objection or other response to the Motion or the Stipulation; appearances at the various
17 hearings on the Motion and the Stipulation were noted on the record; the Court having
18 previously continued the hearing on the Motion to January 9, 2018, to allow for the Debtor to
19 provide the Bank with an Initial Budget (as defined in the Stipulation); the parties having
20 represented to the Court that the Debtor has provided an Initial Budget to the Bank and the
21 Bank has approved the Debtor's Initial Budget as required by the Stipulation, a copy of which
22 is attached hereto as **Exhibit 1**; the Court having read and considered the Motion, the Interim
23 Order, the Stipulation and the Adequate Protection Order and having considered the
24 presentations of counsel at the hearings; and GOOD CAUSE APPEARING:
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It is hereby ORDERED that:

1. This Order is a final order for purposes of 11 USC §363(e).
2. The Motion is GRANTED to the extent provided in the Stipulation and the Adequate Protection Order and as provided herein.
3. The Stipulation and the Adequate Protection Order shall continue in full force and effect and the terms thereof are incorporated herein the same as if they were set out in their entirety herein.
4. The Debtor's Initial Budget attached hereto as Exhibit 1 is APPROVED.
5. The Debtor shall continue to provide the Bank with Subsequent Budgets (as defined in the Stipulation) in accordance with the terms of the Stipulation and the Adequate Protection Order.
6. The Stipulation and the Adequate Protection Order are amended by adding the following provision thereto the same as if it were set forth in its entirety therein:

In the event the Debtor's total Cash Receipts for any rolling four (4) week period are less than 88% of the Debtor's budget projections, then the Bank may, at its option, either declare a default hereunder or waive the occurrence of the default. The Bank shall immediately notify the Debtor if it intends to declare a default, which notice shall be in writing and shall specifically identify the fact(s) supporting the claimed default. The Bank shall not take any action to pursue its default remedies for two (2) business days after delivery of the written notice of default to the Debtor. If the Debtor believes extraordinary and non-recurring circumstances caused its receipts to be less than projected which should relieve it of a declared default, it may, within two (2) business days after the delivery of the written notice of default, apply to the Court for a waiver of the default, which application shall be heard on shortened time. In the event the Debtor files an application for relief under the provisions of this paragraph then the Bank shall not take any action on the declared default until the matter is determined by the Court.

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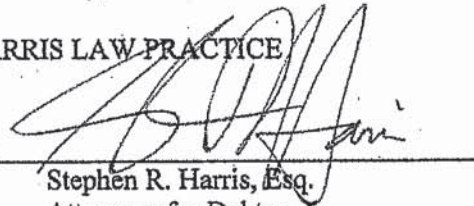
Prepared and Submitted by:

John F. Murtha, Esq.
Woodburn and Wedge
6100 Neil Road, Suite 500
Reno, Nevada 89511
Attorneys for Bank of the West

Approved/Disapproved this 16th day of January, 2018.

HARRIS LAW PRACTICE

By



Stephen R. Harris, Esq.
Attorneys for Debtor
Production Pattern and Foundry,
Co., Inc.

EXHIBIT 1

Production Pattern and Foundry
Weekly Budget

	Week Ending 1/6/2018	1/13/2018	1/20/2018	1/27/2018	2/3/2018
Beginning Cash	743,441	745,979	732,085	645,892	755,248
Cash Receipts					
Sales	384,938	384,938	384,938	384,938	384,938
Price Adjustment		40,418	40,418	40,418	40,418
Total Cash Receipts	384,938	425,357	425,357	425,357	425,357
Cash Distributions					
Material Purchases	112,500	56,250	168,750	112,500	112,500
Consumables (green sand, elements, crucibles, etc...)	22,500	22,500	22,500	22,500	22,500
Expenses					
Payroll					
Hourly	115,000	115,000	115,000	115,000	115,000
Salary		25,000		25,000	
Health Care		72,000			
W/C	71,300				71,300
Insurance					
Property	20,100				8,800
Loan / Lease					
BOW		63,000			
Celtic / TCF			26,200		
Critical Vendor	15,000	7,500	22,500	15,000	15,000
Utilities (power, gas, water, waste)		52,000	11,000		
Legal and Consulting			100,600		
IT Expense	11,000	11,000	30,000	11,000	11,000
All Other	15,000	15,000	15,000	15,000	15,000
Total Cash Distributions	382,400	439,250	511,550	316,000	371,100
Net Cash - End of Week	745,979	732,085	645,892	755,248	809,505
Materials in Pounds	90,000	45,000	135,000	90,000	90,000

Production Pattern and Foundry
Weekly Budget

	2/10/2018	2/17/2018	2/24/2018	3/3/2018	3/10/2018
Beginning Cash	809,505	918,862	802,468	759,275	813,531
Cash Receipts					
Sales	384,938	384,938	384,938	384,938	384,938
Price Adjustment	40,418	40,418	40,418	40,418	40,418
Total Cash Receipts	425,357	425,357	425,357	425,357	425,357
Cash Distributions					
Material Purchases	112,500	168,750	168,750	112,500	168,750
Consumables (green sand, elements)	22,500	22,500	22,500	22,500	22,500
Expenses					
Payroll					
Hourly	115,000	115,000	115,000	115,000	115,000
Salary	25,000		25,000		25,000
Health Care W/C		72,000		71,300	
Insurance					
Property				8,800	
Loan / Lease					
BOW		63,000			
Celtic / TCF			26,200		
Critical Vendor	15,000	22,500	22,500	15,000	22,500
Utilities (power, gas, wat		52,000	11,000		
Legal and Consulting			51,600		
IT Expense	11,000	11,000	11,000	11,000	11,000
All Other	15,000	15,000	15,000	15,000	15,000
Total Cash Distributions	316,000	541,750	468,550	371,100	379,750
Net Cash - End of Week	918,862	802,468	759,275	813,531	859,138
Materials in Pounds	90,000	135,000	135,000	90,000	135,000

Production Pattern and Foundry
Weekly Budget

	3/17/2018	3/24/2018	3/31/2018	Total
Beginning Cash	859,138	806,495	770,801	743,441
Cash Receipts				
Sales	384,938	384,938	384,938	5,004,195
Price Adjustment	40,418	40,418	40,418	485,022
Total Cash Receipts	425,357	425,357	425,357	5,489,217
Cash Distributions				
Material Purchases	112,500	168,750	112,500	1,687,500
Consumables (green sand, elements)	22,500	22,500	22,500	292,500
Expenses				
Payroll				
Hourly	115,000	115,000	115,000	1,495,000
Salary		25,000		150,000
Health Care	72,000			216,000
W/C			149,000	362,900
Insurance				
Property			8,800	46,500
Loan / Lease				
BOW	63,000			189,000
Celtic / TCF		26,200		78,600
Critical Vendor	15,000	22,500	15,000	225,000
Utilities (power, gas, wat	52,000	11,000		189,000
Legal and Consulting		44,100		196,300
IT Expense	11,000	11,000	11,000	162,000
All Other	15,000	15,000	15,000	195,000
Total Cash Distributions	478,000	461,050	448,800	5,485,300
Net Cash - End of Week	806,495	770,801	747,358	747,358
Materials in Pounds	90,000	135,000	90,000	

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ALTERNATIVE METHOD RE: RULE 9021

In accordance with Local Rule 9021, counsel submitting this document certifies as follows: (check one):

The Court waived the requirements of approval under LR 9021.

This is a chapter 7 or 13 case, and either with the motion, or at the hearing, I have delivered a copy of the proposed order to all counsel who appeared at the hearing, any unrepresented parties who appeared at the hearing, and each has approved or disapproved the order, or failed to respond, as indicated below:

Counsel who approved the order: _____

Counsel who disapproved the order: _____

Counsel who did not respond: _____

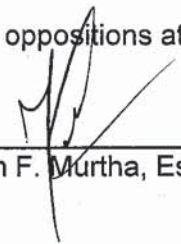
This is a chapter 9, 11 or 15 case, and I have delivered a copy of this proposed order to all counsel who appeared at the hearing, any unrepresented parties who appeared at the hearing, and each has approved or disapproved the order, or failed to respond, as indicated below:

Counsel who approved the order: Stephen R. Harris, Esq.
Harris Law Practice
6151 Lakeside Dr. #2100
Reno, NV 89511

Counsel who disapproved the order: _____

Counsel who did not respond: _____

I certify that there were no appearances or oppositions at the hearing.



John F. Murtha, Esq.

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