

Pocatello Development Authority

Board of Commissioners Meeting
May 15, 2013 – 11:00 a.m.
Paradise Conference Room

City of Pocatello
911 North 7th Avenue
Pocatello, Idaho 83205

An urban renewal agency for the City of Pocatello, Idaho

11:00 a.m.

Call to order – Ryan Ward

Acknowledge guests of the Board

Disclosure of conflicts of interest

Agenda – add or delete action or discussion items

Action and Discussion Items:

Minutes of April 17, 2013 – Motion to approve and/or amend

Financial Report: April Income and Expenses

General Discussion: Positron – Economic Loan Agreement

Cheyenne Connector – Update

Items from staff:

Items from Commission members:

Upcoming Events:

Executive Session:

Matters exist for discussion in an executive session as per I.C. 67-2345 (1) (e)

Motion: "I move that we enter into an executive session as per Idaho Code 67- 2345 (1) (e) to consider preliminary negotiations involving matters of trade or commerce in which the PDA may be in competition with other jurisdictions."

Adjourn

FINANCIAL REPORT
FOR
APRIL 2013

3:17 PM
 05/10/13
 Accrual Basis

Pocatello Development Authority
Profit & Loss by Class
 April 2013

	<u>1-General Fund</u>	<u>2-Central Corridor</u>	<u>3-North Yellowstone</u>	<u>6-North Portneuf</u>	<u>TOTAL</u>
Income					
Interest Income	3.34	101.31	39.49	0.00	144.14
Property Taxes	0.00	0.00	7,409.57	2,961.04	10,370.61
Total Income	<u>3.34</u>	<u>101.31</u>	<u>7,449.06</u>	<u>2,961.04</u>	<u>10,514.75</u>
Gross Profit	3.34	101.31	7,449.06	2,961.04	10,514.75
Expense					
Administrative	124.15	0.00	0.00	0.00	124.15
Total Expense	<u>124.15</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>124.15</u>
Net Income	<u><u>-120.81</u></u>	<u><u>101.31</u></u>	<u><u>7,449.06</u></u>	<u><u>2,961.04</u></u>	<u><u>10,390.60</u></u>

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05/10/13

Accrual Basis

Pocatello Development Authority
Profit & Loss by Class
 October 2012 through April 2013

	<u>1-General Fund</u>	<u>2-Central Corridor</u>	<u>3-North Yellowstone</u>	<u>4-Naval Ordinance</u>
Income				
Interest Income	103.99	3,179.61	221.30	0.00
Proceed from sale of bonds	0.00	0.00	309,808.59	0.00
Professional Fees	10,000.00	0.00	0.00	0.00
Property Taxes	0.00	27,870.94	602,252.36	57,242.68
Total Income	<u>10,103.99</u>	<u>31,050.55</u>	<u>912,282.25</u>	<u>57,242.68</u>
Gross Profit	10,103.99	31,050.55	912,282.25	57,242.68
Expense				
Administrative	1,265.88	10,000.00	252.15	0.00
Closing Cost on Bond Sales	0.00	0.00	106,445.00	0.00
Debt Service				
Interest	0.00	0.00	202,875.00	0.00
Principal	0.00	0.00	1,004,409.18	0.00
Total Debt Service	0.00	0.00	1,207,284.18	0.00
Dues and Memberships	750.00	0.00	0.00	0.00
Economic Grants Issued	375,000.00	197,445.00	122,014.96	375,000.00
Professional Services				
Other Professional Services	5,016.30	0.00	1,000.00	0.00
Total Professional Services	<u>5,016.30</u>	<u>0.00</u>	<u>1,000.00</u>	<u>0.00</u>
Total Expense	<u>382,032.18</u>	<u>207,445.00</u>	<u>1,436,996.29</u>	<u>375,000.00</u>
Net Income	<u><u>-371,928.19</u></u>	<u><u>-176,394.45</u></u>	<u><u>-524,714.04</u></u>	<u><u>-317,757.32</u></u>

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05/10/13

Accrual Basis

Pocatello Development Authority
Profit & Loss by Class
October 2012 through April 2013

	<u>6-North Portneuf</u>	<u>7-Pocatello Regional Airport</u>	<u>Unclassified</u>	<u>TOTAL</u>
Income				
Interest Income	0.00	0.00	0.00	3,504.90
Proceed from sale of bonds	0.00	0.00	0.00	309,808.59
Professional Fees	0.00	0.00	0.00	10,000.00
Property Taxes	61,050.67	55,581.09	0.00	803,997.74
Total Income	<u>61,050.67</u>	<u>55,581.09</u>	<u>0.00</u>	<u>1,127,311.23</u>
Gross Profit	61,050.67	55,581.09	0.00	1,127,311.23
Expense				
Administrative	0.00	0.00	0.00	11,518.03
Closing Cost on Bond Sales	0.00	0.00	0.00	106,445.00
Debt Service				
Interest	0.00	0.00	0.00	202,875.00
Principal	0.00	0.00	0.00	1,004,409.18
Total Debt Service	0.00	0.00	0.00	1,207,284.18
Dues and Memberships	0.00	0.00	0.00	750.00
Economic Grants Issued	0.00	0.00	0.00	1,069,459.96
Professional Services				
Other Professional Services	10,000.00	0.00	0.00	16,016.30
Total Professional Services	<u>10,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>16,016.30</u>
Total Expense	<u>10,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,411,473.47</u>
Net Income	<u>51,050.67</u>	<u>55,581.09</u>	<u>0.00</u>	<u>-1,284,162.24</u>

3:20 PM
 05/10/13
 Accrual Basis

Pocatello Development Authority
 Balance Sheet by Class
 As of April 30, 2013

	1-General Fund	2-Central Corridor	3-North Yellowstone	4-Naval Ordinance
ASSETS				
Current Assets				
Checking/Savings				
Checking Wells Fargo	-127,818.33	391,395.41	-247,728.97	97,877.72
Savings Wells Fargo	133,029.37	4,111,163.06	0.00	0.00
Zions 2004A Bnd Fnd 7110526A	0.00	0.00	0.97	0.00
Zions Bnd Reserve Fnd 7110526B	0.00	0.00	677,521.98	0.00
Zions COI Fnd 7110526C	0.00	0.00	488.61	0.00
Zions Rev Alloc Fnd 7110526	0.00	0.00	1,637,858.91	0.00
Total Checking/Savings	5,211.04	4,502,558.47	2,068,141.50	97,877.72
Accounts Receivable				
Accounts Receivable	50,000.00	596,867.85	0.00	0.00
Total Accounts Receivable	50,000.00	596,867.85	0.00	0.00
Other Current Assets				
Accrued Interest Income	1.11	33.75	21.12	0.00
Property Tax Receivable	0.00	31,478.63	36,335.11	0.00
Total Other Current Assets	1.11	31,512.38	36,356.23	0.00
Total Current Assets	55,212.15	5,130,938.70	2,104,497.73	97,877.72
TOTAL ASSETS	55,212.15	5,130,938.70	2,104,497.73	97,877.72
LIABILITIES & EQUITY				
Liabilities				
Long Term Liabilities				
Deferred Notes Receivable Rev	50,000.00	596,867.85	0.00	0.00
Deferred Tax Revenues	0.00	25,929.55	36,335.11	0.00
Total Long Term Liabilities	50,000.00	622,797.40	36,335.11	0.00
Total Liabilities	50,000.00	622,797.40	36,335.11	0.00
Equity				
Fund Balance	377,140.34	4,684,535.75	2,528,232.80	415,635.04
Opening Balance Equity	0.00	0.00	64,643.86	0.00
Net Income	-371,928.19	-176,394.45	-524,714.04	-317,757.32
Total Equity	5,212.15	4,508,141.30	2,068,162.62	97,877.72
TOTAL LIABILITIES & EQUITY	55,212.15	5,130,938.70	2,104,497.73	97,877.72

3:20 PM
 05/10/13
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Pocatello Development Authority
 Balance Sheet by Class
 As of April 30, 2013

	6-North Portneuf	7-Pocatello Regional Airport	Unclassified	TOTAL
ASSETS				
Current Assets				
Checking/Savings				
Checking Wells Fargo	261,953.58	55,581.09	0.00	431,260.50
Savings Wells Fargo	0.00	0.00	0.00	4,244,192.43
Zions 2004A Bnd Fnd 7110526A	0.00	0.00	0.00	0.97
Zions Bnd Reserve Fnd 7110526B	0.00	0.00	0.00	677,521.98
Zions COI Fnd 7110526C	0.00	0.00	0.00	488.61
Zions Rev Alloc Fnd 7110526	0.00	0.00	0.00	1,637,858.91
Total Checking/Savings	261,953.58	55,581.09	0.00	6,991,323.40
Accounts Receivable				
Accounts Receivable	0.00	0.00	0.00	646,867.85
Total Accounts Receivable	0.00	0.00	0.00	646,867.85
Other Current Assets				
Accrued Interest Income	0.00	0.00	0.00	55.98
Property Tax Receivable	9,407.88	0.00	0.00	77,221.60
Total Other Current Assets	9,407.86	0.00	0.00	77,277.58
Total Current Assets	271,361.44	55,581.09	0.00	7,715,468.83
TOTAL ASSETS	271,361.44	55,581.09	0.00	7,715,468.83
LIABILITIES & EQUITY				
Liabilities				
Long Term Liabilities				
Deferred Notes Receivable Rev	0.00	0.00	0.00	646,867.85
Deferred Tax Revenues	9,407.86	0.00	0.00	71,672.52
Total Long Term Liabilities	9,407.86	0.00	0.00	718,540.37
Total Liabilities	9,407.86	0.00	0.00	718,540.37
Equity				
Fund Balance	210,902.91	0.00	0.00	8,216,446.84
Opening Balance Equity	0.00	0.00	0.00	64,643.86
Net Income	51,050.67	55,581.09	0.00	-1,284,162.24
Total Equity	261,953.58	55,581.09	0.00	6,996,928.46
TOTAL LIABILITIES & EQUITY	271,361.44	55,581.09	0.00	7,715,468.83

May 14, 2013

Ryan Ward, Chairman
Pocatello Development Authority
City of Pocatello
911 North 7th Avenue
Pocatello, Idaho 83205

Dear Mr. Ward,

I want to thank you and the PDA Board for allowing Positron Systems, Inc. to make a presentation and update to the Board at your meeting on April 17th.

It was quite apparent during the meeting and discussion following our presentation that no matter how we attempted to convince the Board of our sincerity, willingness and desire to move forward productively the tenor of the discussions seemed to point toward disengagement much more than continuation.

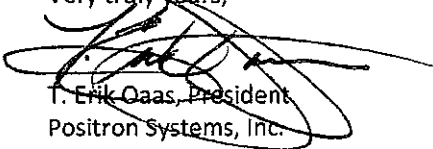
We have painfully come to the conclusion that we see no way to continue working under this cloud of doubt and the untenable conditions being contemplated by the Board. There clearly is no partnership expressed or implied by the Board moving forward in spite of the Positron's recent accomplishments and bright future. We had simply requested time and reasonable accommodations until cash flows would support a loan payback.

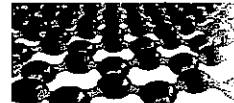
We hereby grant PDA the opportunity it has clearly expressed to invite another party into the Positron Systems, Inc. building under the following conditions:

1. Positron would relinquish all rights and ownership in the building it constructed at the Idaho Accelerator Center in exchange for a payment of \$200,000.00 cash at closing.
2. Positron and PDA would each provide a mutual unconditional release from any and all current or future obligations.
3. Positron would have up to 120 days after closing to wind up its affairs and relocate to another site.

We request your response to this offer at your earliest convenience but no later than June 1, 2013. Please direct any questions you may have to me.

Very truly yours,


T. Erik Oaas, President
Positron Systems, Inc.



POSITRON POSITION IN IAC

Lease Details

- Utilities — ~~none~~ reported by ISU *pay own*
- Rent on land - ~~none~~ reported by ISU *pay \$1/yr.*

More aggressive payment - No

ISU's Relationship with Positron

- Joint research completed for Tinker AFB
- No more research planned
- IAC could specify the space for commercial/revenue generating proposals

Available viable entity for space - none

Available lease space to accommodate new process technologies

- RISE
- Old Co. Hospital