Danville-Pittsylvania Regional Industrial Facility Authority

CITY OF DANVILLE, VIRGINIA
COUNTY OF PITTSYLVANIA, VIRGINIA

AGENDA

MONDAY, FEBRUARY 14, 2011

12:00 NOON

DANVILLE REGIONAL AIRPORT
EASTERN CONFERENCE ROOM
424 AIRPORT DRIVE, DANVILLE, VIRGINIA

COUNTY OF PITTSYLVANIA MEMBERS

COY E. HARVILLE, VICE CHAIRMAN
HENRY A. "HANK" DAVIS, JR.
FRED M. INGRAM, ALTERNATE

CITY OF DANVILLE MEMBERS

SHERMAN M. SAUNDERS, CHAIRMAN
T. DAVID LUTHER
FRED O. SHANKS, III, ALTERNATE

STAFF

JOSEPH C. KING, CITY MANAGER, DANVILLE
WILLIAM D. SLEEPER, PITTSYLVANIA COUNTY ADMINISTRATOR
CLEMENT & WHEATLEY, ATTORNEY FOR AUTHORITY
BARBARA A. DAMERON, AUTHORITY TREASURER

1. **Meeting Called to Order**

2. **Roll Call**

3. **Public Comment Period**

   Citizens who desire to speak on an agenda item will be heard at this time. Please note the public comment period includes a three-minute time restriction for comments.

4. **Approval of Minutes for the January 10, 2011 Meeting**

5. **Consideration of proposed revisions to the Authority's Amended and Restated Bylaws (adopted August 13, 2007, and last revised on August 9, 2010), to clarify the appointment and qualifications of the Secretary and the Treasurer of the Authority; the election of officers; and requests for a special meeting, and to make those non-substantive revisions set forth in the attached redlined draft.**

6. **Appointment of Authority Secretary**

7. **Consideration of Resolution No. 2011-02-14-07 (i) authorizing a Lease Agreement between the Authority, as landlord, and Browning & Associates, Ltd., a Virginia corporation, as tenant, for the Authority's real property in the Mega Park, commonly known as 4380 Berry Hill Road (GPIN 1367-70-4519), for a one-year period, terminable by either party with at least 30 days notice; during the term, rent would be $1,000 per month, with a $1,000 security deposit; and use of the property would be at all times in compliance with the Agricultural District A-1 zoning ordinance; and (ii) authorizing the Chairman and/or the Vice Chairman to execute all necessary documents pertaining thereto.**

8. **Consideration of U.S. Green Energy Site Plan Approval per Cane Creek Covenants**

9. **Financial Report**

10. **Closed Meeting –**

    A. **Motion to Convene in Closed Meeting as permitted by Section 2.2-3711(a)(7) of the Code of Virginia, 1950, as amended, for consultation with and briefing by legal counsel pertaining to actual litigation regarding *Nancy Barbour Smith, et al. v. Pittsylvania County Board of Supervisors* (Case No. Cl10000088-00), where such consultation or briefing in open meeting would adversely affect the litigating posture of the Authority.**

    B. **Confirmation of Motion and Vote to Reconvene in Open Meeting**

    C. **Motion to Certify Closed Meeting**

11. Action on Matters Considered in Closed Meeting

12. Communications From:

Henry A. "Hank" Davis, Jr.
Coy E. Harville
Fred M. Ingram
T. David Luther
Sherman M. Saunders
Fred O. Shanks, III
Staff

13. Adjourn

AGENDA
ITEM NUMBER 4

Danville-Pittsylvania Regional Industrial Facility Authority

Minutes

January 10, 2011

The Regular Meeting of the Danville Pittsylvania Regional Industrial Facility Authority convened at 12 o'clock Noon on the above date in the Conference Room located at the Danville Regional Airport, 424 Airport Drive. Present were City of Danville Members Chairman Sherman Saunders, David Luther and alternate Fred Shanks and Pittsylvania County Members Chairman Coy Harville and alternate Fred Ingram. Pittsylvania County Member Hank Davis was absent.

City/County staff members attending were: City Manager Joe King, Danville Economic Development Director Jeremy Stratton, Danville Economic Development Consultant Linwood Wright, Pittsylvania County Economic Development Director Ken Bowman, Danville Finance Director Barbara Dameron, Pittsylvania County Finance Director Kim Van der Hyde, Danville Senior Accountant Patricia Knutti, Clement and Wheatley Attorney Michael Guanzon, and Secretary to the Authority Annette Crane.

Dewberry & Davis project manager Shawn Harden, and Brown, Edwards and Company auditor Norman Yoder were also present.

Citizen in attendance was Barbara Hudson.

Mr. Saunders called the Meeting to order. Mr. Saunders asked for a moment of silence to remember the Congresswoman in Arizona and all affected by the shooting tragedy that occurred recently.

APPROVAL OF DECEMBER 13, 2010 MINUTES

Upon **Motion** by Mr. Harville and second by Mr. Ingram, Minutes of the December 13, 2010 Meeting were approved, as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

CONSIDERATION TO APPROVE THE MEMBER AGREEMENT TO CONTINUE PARTICIPATION WITH VML INSURANCE PROGRAM

Mr. Harville moved to approve the member agreement to continue participation with VML Insurance Program. The Motion was seconded by Mr. Ingram and carried by the following vote:

VOTE:	4-0
AYE:	Harville, Ingram, Luther, and Saunders (4)
NAY:	None (0).

DISCUSSION OF THE AUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDING JUNE 30, 2010

Mr. Saunders asked for any discussion or comments. Norman Yoder made comments regarding the report and thanked members in helping prepare the audit. Opinions are unqualified and

correct. Mr. Yoder discussed the report with Authority members and members were given an opportunity to ask questions and make comments. Copies were available for member's review.

Mr. Luther moved to accept the auditor's report. The Motion was seconded by Mr. Harville and carried by the following vote:

VOTE: 4-0
AYE: Harville, Ingram, Luther, and Saunders (4)
NAY: None (0).

AUTHORIZING PERFORMANCE AGREEMENT - VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP.

Mr. Harville moved to approve a Resolution (I) Authorizing a Performance Agreement with the Virginia Economic Development Partnership ("VEDP"), a political subdivision of the Commonwealth of Virginia, under which VEDP would award to the Authority a $500,000 site evaluation and planning grant from the Major Employment and Investment Project Site Planning Grant Fund, for design engineering, surveying, right-of-way procurement, soil analysis, and soil erosion control projects for the benefit of the Authority's Berry Hill Regional Mega Park Site; and (II) authorizing the Chairman and/or the Vice Chairman to execute all necessary documents pertaining thereto.

The Motion was seconded by Mr. Luther and carried by the following vote:

VOTE: 4-0
AYE: Harville, Ingram, Luther, and Saunders (4)
NAY: None (0).

AUTHORIZING GRANT APPLICATION TO THE ECONOMIC DEVELOPMENT ADMINISTRATION OF THE U.S. DEPARTMENT OF COMMERCE

Mr. Harville moved to approve a Resolution (I) authorizing the submission of a grant application to the Economic Development Administration of the U.S. Department of Commerce to pay for certain site improvements to Lots 3 and 9, owned by the Authority, located in the Cane Creek Centre; and (II) authorizing the Chairman and/or the Vice Chairman to execute all necessary documents pertaining thereto.

The Motion was seconded by Mr. Luther and carried by the following vote:

VOTE: 4-0
AYE: Harville, Ingram, Luther, and Saunders (4)
NAY: None (0).

Danville-Pittsylvania Regional Industrial Facility Authority

Minutes

January 10, 2011

MONTHLY FINANCIAL REPORT

Mr. Harville moved to accept the financial report as presented. The Motion was seconded by Mr. Luther and carried by the following vote:

VOTE: 4-0
AYE: Harville, Ingram, Luther, and Saunders (4)
NAY: None (0).

CLOSED MEETING

At 12:30 P.M. Mr. Harville moved that the meeting be recessed and the Authority immediately convene in Closed Meeting as permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950 as amended, for consultation with and briefing by legal counsel pertaining to actual litigation regarding Nancy Barbour Smith, et al. v. Pittsylvania County Board of Supervisors (Case No. CL 10000088-00), where such consultation or briefing in open meeting would adversely affect the litigating posture of the Authority.

The Motion was seconded by Mr. Luther and carried by the following vote:

VOTE: 4-0
AYE: Harville, Ingram, Luther, and Saunders (4)
NAY: None (0).

At 12:55 the Authority returned to open meeting and Mr. Harville **moved** adoption of the following Resolution:

WHEREAS, the Authority convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia, 1950, as amended, requires a Certification by the Authority that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and (ii) only such public business matters as were identified in the Motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

The Motion was seconded by Mr. Luther and carried by the following vote:

VOTE: 4-0
AYE: Harville, Ingram, Luther, and Saunders (4)

NAY: None (0).

COMMUNICATIONS

City Manager Joe King introduced Sue DeMasi as the new City Clerk. Mr. King advised that Ms. DeMasi would be serving as the Clerk to the RIFA board. Former Clerk Annette Crane retired as of December 31, 2010.

The Meeting adjourned at 12:57 P.M.

_____
Chairman

_____
Clerk to the Authority

AGENDA
ITEM NUMBER 5

AMENDED AND RESTATED BYLAWS
OF
DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Adopted August 13, 2007
Revised June 14, 2010
~~Last~~ Revised August 9, 2010
Last Revised February 14, 2011

ARTICLE I. PURPOSES AND POWERS

Danville-Pittsylvania Regional Industrial Facility Authority (the "Authority") shall be organized and operated in accordance with Title 15.2, Chapter 64 of the Code of Virginia, 1950, as amended, also known as the Virginia Regional Industrial Facilities Act (the "Act"), as the same may be amended from time to time. The Authority shall also comply with all lawful directives as may be mutually agreed to between the City of Danville, Virginia (the "City"), and the County of Pittsylvania, Virginia (the "County"). The general purpose of the Authority shall be to enhance the economic base of the City and the County by developing, owning, and operating one or more facilities on a cooperative basis involving such localities (each locality being hereinafter referred to as a "Member Locality" or collectively hereinafter referred to as "Member Localities"), including without limitation the specific purpose to develop The Cyber Park of Danville and Pittsylvania County (as defined in the Agreement (as hereinafter defined)) and to develop one or more parcels in both the City and the County as regional industrial parks and for additional purpose of future development of other industrial properties or other reasons as permitted by the Act and as agreed upon by the Member Localities. The Authority shall have any and all powers under the Act, as the same may be amended from time to time.

ARTICLE II. OFFICES

1. The principal office of the Authority shall be located within a Member Locality as designated by the Board of Directors of the Authority (the "Board").

2. The title to all property of every kind belonging to the Authority shall be titled in the name of the Authority, which shall hold such title for the benefit of its Member Localities.

3. Except as otherwise required by resolution of the

Authority, or as the business of the Authority may require, all of the books and records of the Authority shall be kept at the office to be designated as provided above.

4. The minutes of the Authority shall be open and available for inspection as required by The Virginia Freedom of Information Act, Virginia Code § 2.2-3700 *et seq.*, as amended. Draft minutes shall be made reasonably available within ten (10) business days of the meeting to which they relate. Final minutes shall be made reasonably available within three (3) business days of approval by the Board.[1]

ARTICLE III. MEMBERSHIP

The Member Localities of the Authority are the City and the County, each of which is a political subdivision of the Commonwealth of Virginia, and each of which is authorized by the Act to participate in the Authority. The membership may, with unanimous approval of the Board, be expanded as may be authorized in the Act.

ARTICLE IV. MEMBER LOCALITY AGREEMENT

The Authority shall be governed by the Act, these Bylaws and by the Agreement For Cost Sharing and Revenue Sharing between the City of Danville, Virginia, and Pittsylvania County, Virginia, dated October 2, 2001, executed by the Governing Body of each Member Locality (the "Agreement"). The Agreement establishes the respective rights and obligations of the Member Localities and provides for revenue and economic growth-sharing arrangements with respect to tax revenues and other income and revenues generated by any facility owned by the Authority.

ARTICLE V. BOARD OF DIRECTORS

1. The powers, rights, and duties conferred by the Act upon the Authority shall be exercised by the Board, which shall consist of four (4) members selected as follows: two (2) members shall be appointed by the Governing Body of each Member Locality. In addition to the members of the Board, each Governing Body of each Member Locality shall select one (1) alternate director, to serve in the absence of a director appointed by the Governing Body of such Member Locality, in accordance with the provisions of these Bylaws.

2. Each Member Locality shall appoint to the Board one (1) member from its Governing Body to serve an initial two (2) year term and one (1) member from its Governing Body to serve an

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[1] 06/14/2010: Entire paragraph revised.

initial four (4) year term pursuant to the Act. Each Member Locality shall also appoint one (1) member from its Governing Body to serve an initial four (4) year term as an alternate director. Each appointee of a Governing Body shall be a resident of the Member Locality of that Governing Body. All subsequent terms shall be four (4) year terms, and no director or alternative director may serve more than one (1) additional term.

3. In order to remain a director or alternate director of the Authority, such director or alternate director must be a current member of the Governing Body. Once a director or alternate director of the Authority is no longer a member of the Governing Body, the locality will appoint a new director or alternate director, as the case may be, from its Governing Body to fill the unexpired term of the vacating director or alternate director as the case may be. In the event of a vacating director, the alternate director from the same Member Locality shall serve until a replacement director is appointed by the Governing Body of such Member Locality, which shall have the authority to fill any such vacancies.

4. Each director or alternate director of the Board, before entering upon the discharge of the duties of the office, shall take and subscribe to the oath prescribed in Virginia Code • 49-1, as amended, and shall serve in compliance with the Act, these Bylaws and the Agreement.

5. In the absence of a director appointed by the Governing Body of a Member Locality, the alternate director of the same Member Locality may act in place of such absent director. The alternate director from one Member Locality shall not have the right to vote unless at least one (1) director from the same Member Locality is absent.

6. All powers and duties of the Authority shall be exercised and performed by the Board, acting by simple majority vote of those directors present at a meeting at which a quorum is present, except that no facilities owned by the Authority shall be leased or disposed of in any manner without a majority vote of the Board. A quorum shall consist of three (3) directors (including any alternate director entitled to vote at such meeting) of the Board. For the purposes of determining quorum, an alternate director from one Member Locality shall not be counted unless a director of the same Member Locality is absent. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Board.

7. Members of the Board shall be reimbursed for actual and reasonable expenses incurred the performance of their duties from

funds available to the Authority.

ARTICLE VI. OFFICERS

1. The Board shall elect from its directors a Chairman and a Vice Chairman[2]. The director elected to the office of chairman shall alternate each term of office from one Member Locality to another Member Locality, beginning with the County.

2. The term of office for the officers shall be for the fiscal year in which they are elected, and shall continue until their successors are elected.

3. The duties of the Chairman shall be to preside at meetings of the Authority; to prepare the agenda for any and all meetings, and to make a copy of such agenda available to the Secretary for the purpose of providing notice of special meetings as hereinafter provided; to call special meetings; to call special elections; to appoint committees as may be deemed appropriate to carry out the intents and purposes of the Authority; to be ex officio a member of all committees; to sign, with the Secretary or any other proper officer of the Authority authorized by the Board, any documents or instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer of the Authority, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of chairman and such other duties as may be prescribed by the Board from time to time. The Chairman shall have an equal vote with the other directors, and shall not have a second, tie-breaking vote on any question.

4. The Vice Chairman shall, in the absence or disability of the Chairman, perform the duties imposed upon the Chairman and exercise the powers granted to the Chairman, including without limitation those duties and powers set forth in these Bylaws.[3]

5. The Board shall appoint a Secretary and a Treasurer from the Authority's staff, which may ~~be comprised of~~include staff provided by a Member Locality~~.~~ or other persons employed or contracted by the Authority.[4] The offices of ~~secretary~~Secretary and ~~treasurer~~Treasurer may be held by the same person.[5,6] If a

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[2] 08/09/2010: Vice Chairman inserted. Offices of secretary and treasurer shall be appointed by the Board from the Authority's staff.

[3] 08/09/2010: Entire new paragraph added.

[4] 02/14/2011: The Authority's staff may include staff provided by a Member Locality or other persons employed or contracted by the Authority.

[5] 08/09/2010: Secretary and Treasurer shall by appointed by the Board from the Authority's staff.

person serving as Secretary or Treasurer ceases to be staff of a Member Locality, such person shall not be disqualified from serving as Secretary or Treasurer and shall continue to serve the remainder of the term of office unless such person is sooner removed or resigns from such office.[7]

a. The duties of the Secretary shall be to take the minutes of the meetings of the Board; to have custody of all records of the Authority; to have custody of the Seal of the Authority and to ensure that the Seal of the Authority is affixed to all documents or instruments, the execution of which on behalf of the Authority under its Seal is duly authorized by the Board; to sign with the Chairman (or the Vice Chairman, as the case may be)[8] any documents or instruments which the Board has authorized to be executed; to ensure that all notices are duly given as required by law, these Bylaws or by the Board; to call meetings of the Board to order in the absence of the Chairman and the Vice Chairman,[9] and thereupon to conduct an election for a temporary presiding officer for that meeting; and in general to perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the Board. In the absence of the Secretary, the Chairman shall appoint a director or alternate director or shall direct a member of the Authority's staff to be[10] responsible for the preparation of detailed minutes of any meeting.

b. The duties and authority of the Treasurer shall include: (a) the duty to keep suitable records of all financial transactions of the Authority; (b) the authority to arrange for the preparation of any audits of the financial records of the Authority, as may be directed by the Board; (c) the duty and authority to have charge and custody of all funds and arrange for their investment and deposit in the name of the Authority when authorized by the Board; and (d) in general, to perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the Board. The Treasurer shall give bond in such sum as may be fixed by the Board with surety to be approved by the Board. The cost of such surety shall be paid by the Authority.

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[6] 02/14/2011: Corrected capitalization of Secretary and Treasurer.

[7] ~~08/09/2010: Secretary and Treasurer shall by appointed by the Board from the Authority's staff.~~ 02/14/2011: Added "If a person serving as Secretary or Treasurer ceases to be staff of a Member Locality, such person shall not be disqualified from serving as Secretary or Treasurer and shall continue to serve the remainder of the term of office unless such person is sooner removed or resigns from such office."

[8] 08/09/2010: Reference to Vice Chairman added.

[9] 08/09/2010: Reference to Vice Chairman added.

[10] 08/09/2010: Reference to the Authority's staff added.

ARTICLE VII. ELECTIONS OF OFFICERS

1. Regular elections of officers shall be held at the regular meeting of the Board in July of each fiscal year.

2. Special elections of officers in order to fill vacancies or to fill newly created offices shall be held (i) at a regular meeting duly called or (ii) at a special meeting designated by the Chairman ~~in order to fill vacancies or to fill newly created offices~~, but only after notice of such special meeting, as hereinafter provided, has been given~~.~~.[11]

ARTICLE VIII. MEETINGS

1. The Board shall determine the times and places of its regular meetings, but shall meet at least, for its annual meeting, as set forth in Paragraph 2 below. Regular meetings of the Board shall be held in the City or in the County, upon call of the Chairman or as otherwise provided in these Bylaws. At a regular meeting, any business may be brought before the Board, whether or not that business is set forth in the notice of regular meeting.

2. The annual meeting of the Board shall take place at the regular meeting of the Board in July of each year, at such place, time, and date as may be established by the Board or the Chairman. Each Member Locality shall make their appointments prior to such annual meeting so that the membership of the Board will be complete for such annual meeting. At the annual meeting, the Board shall elect its officers to serve for the then current fiscal year.

3. Special meetings of the Board may be called by the Chairman at the request of (a) any two (2) directors; (b) two (2) alternate directors; or (c) one (1) director and one (1) alternate director, so long as those two (2) persons requesting the special meeting represent both Member Localities.[12] Such request shall be in writing, which may be by email to the Chairman at the email address of record,[13] and shall specify the time and place of the special meeting and the matters to be considered at the special meeting. No matter not specified in the notice of special meeting shall be considered at such special meeting unless all directors (or an alternate director acting in lieu of an absent director) of the Board are present.

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[11] 02/14/2011: Requests for special meetings shall be in writing.

[12] 08/09/2010: Clarification that directors or alternate directors representing two Member Localities may request a special meeting.

[13] 02/14/2011: Clarification that the request must be in writing, which may include an email to the Chairman at the email address of record. See Va. Code § 1-257.

4. Notices of both regular and special meetings shall be mailed by the Secretary to each member of the Board not less than three (3) business days before any such meeting; and notices of special meetings shall state the purposes thereof. All notices required herein shall state the date, time, and location of the meeting and shall be delivered by hand, United States mail, or a private courier service which provides evidence of receipt as part of its service to the address of record of all directors and alternate directors. A notice given hereunder shall be deemed given on the date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate. Any notice required herein may be waived in writing by the party entitled to such notice, and such waiver may specify that notice may be given to such party electronically (including without limitation by email or access to a website) in lieu of other means of delivery.

At the time that any such notice is given to the directors and alternate directors, a copy of such notice shall be posted (i) in a prominent location at which notices are regularly posted, and (ii) at the office of the clerk of the Authority, currently at 427 Patton Street, Room 428, Danville, Virginia. A copy of any agenda materials or other information included with the notice to the directors and alternate directors (other than materials exempt from disclosure under The Virginia Freedom of Information Act, Virginia Code § 2.2-3700, *et seq.*, as amended) shall be posted or made available with the copy of such notice. Notice may also be posted electronically on the Authority's website or otherwise, but such posting shall not be required.

At least one (1) copy of the agenda materials or other information given at the meeting to the directors and alternate directors (other than materials exempt from disclosure under The Virginia Freedom of Information Act, Virginia Code § 2.2-3700, *et seq.*, as amended) shall be made open and available for inspection at the meeting.

Attendance of a director or alternate director at a meeting shall constitute a waiver of notice of such meeting, except where a director or alternate director attends for the express purpose of objecting to the sufficiency of the notice given or to the lack of notice.[14]

5. Formal action shall be taken by the Board only at open sessions and such meetings shall be open to the public.

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[14] 06/14/2010: Entire paragraph revised.

6. The vote on the adoption of every resolution, any proposals creating a liability, or for the appropriation or expenditure of funds shall be by yeas or nays, and whenever the vote is not unanimous, the names of the directors (or alternate directors, where permitted under these Bylaws) voting for and of those voting against such action shall be entered upon the minutes.

7. Unless otherwise provided, procedure at meetings shall follow Robert's Rules of Order as then revised.

8. When approved, all minutes shall be signed by the Secretary and the presiding officer of the particular meeting.

9. All actions of the Board requiring the approval of an expenditure will be accompanied by a budget reference and/or funding source.

10. No item will be added to the agenda of a Board meeting without the unanimous consent of the Board members present.

ARTICLE IX. REQUIRED REPORTS

1. Annual Reports. The Board shall report to the Governing Body of each Member Locality annually, on or before the last March meeting of the Governing Body, on the activities of the Authority. In addition to oral presentation at the meeting, a written annual report shall be provided prior to the meeting and shall contain, at a minimum, the following information:

a. A financial update through December 31 of the current fiscal year;

b. After completion of the first fiscal year, an audited financial report showing expenditures and revenues and a statement showing financial condition at the end of the preceding fiscal year;

c. A written report, approved by the Board, of the activities and accomplishments of the Authority and recommendations regarding future activities of the Authority; and

d. A list of tenants, purchasers or other persons occupying The Cyber Park of Danville and Pittsylvania County or any other regional industrial facilities developed by the Authority.

2. Special Reports. Upon written request of the Governing Body of any Member Locality, the Board shall report to such

Governing Body within thirty (30) days of receipt of such request or within a longer period if so provided in such request. The special report shall describe the activities and financial status of the Authority within the six (6) month period immediately preceding the request, or as otherwise specified in the request and shall be furnished to each Member Locality. A written report shall be provided if requested.

ARTICLE X. FUNDING

Funding of the Authority shall be by appropriation as decided from time to time by the Governing Bodies of the Member Localities and from such other sources as are identified in the Agreement.

ARTICLE XI. STAFF

The Board may hire such employees as are necessary to accomplish the purposes and powers of the Authority.

ARTICLE XII. OFFICIAL SEAL

The Seal of the Authority shall show the name of the Authority, the name of the Commonwealth, and the year of its formation; i.e., "DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY - VIRGINIA - 2001."

ARTICLE XIII. FISCAL YEAR

The fiscal year of the Authority shall be from July 1 until June 30 of the following year.

ARTICLE XIV. AMENDMENTS

Except as otherwise provided by law, these Bylaws may be amended, repealed, or altered, in whole or in part, by a majority vote of the Board, at any regular meeting of the Board, or at any special meeting where such action has been announced in the call and notice of such meeting; however, instead of the time frame described in paragraph 3 of Article VIII above, at least one (1) week advance written notice of such proposed amendment, repeal or alteration shall be given the directors and alternate directors.

The undersigned hereby certify that the foregoing are the Amended and Restated Bylaws adopted by the Board of Directors at its monthly meeting held August 13, 2007, revised at its monthly meeting held June 14, 2010, and revised at its monthly meeting held August 9, 2010, and as last revised at its monthly meeting

held ~~August 9, 2010~~February 14, 2011.[15]

Secretary

** The bracketed footnotes and annotations do not constitute a part of these Bylaws and are provided for convenience only.*[16]

[15] 06/14/2010 and 08/09/2010 and 02/14/2011: Updated references to monthly meetings.

[16] 02/14/2011: Footnotes and annotations do not constitute a part of the Bylaws and are for convenience only.

AGENDA
ITEM NUMBER 7

RESOLUTION OF
THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Resolution No. 2011-02-14-07

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the **"Authority"**) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority's Board of Directors considered a one (1) year Lease Agreement (the **"Lease"**), a copy of which is attached hereto as Exhibit A and incorporated herein by this reference, to Browning & Associates, Ltd., a Virginia corporation, for the house commonly known as 4380 Berry Hill Road, Danville, Virginia (GPIN 1367-70-4519) (the **"Property"**); and

WHEREAS, the Property is a part of that certain real property owned by the Authority known as the Mega Park; and

WHEREAS, the Property is currently vacant, and it is cost effective for the maintenance and security of the Property to have a tenant occupying the Property and paying for its maintenance and security, pending development of the Mega Park; and

WHEREAS, the Board of Directors has determined that it is in the best interests of the Authority and of the citizens of Danville and Pittsylvania County, Virginia, for the Authority to enter into the Lease and for the Authority to perform its obligations as contemplated therein.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

1. The Authority hereby approves the Lease as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Lease on behalf of the Authority, such execution of the Lease by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Lease, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Lease and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

[CERTIFICATE ON FOLLOWING PAGE]

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on February 14, 2011, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this ____ day of February 2011.

_____

Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

[EXHIBIT A]

THIS LEASE AGREEMENT ("Lease") is made as of the 14th day of February 2011, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY,** a political subdivision of the Commonwealth of Virginia (**"Landlord"**); and **BROWNING & ASSOCIATES, LTD.,** a Virginia corporation (**"Tenant"**).

W I T N E S S E T H :

That for and in consideration of the mutual promises and covenants contained in this Lease, the parties agree as follows:

Section 1 – Lease of Real Property. Landlord leases to Tenant, and Tenant leases from Landlord, the house commonly known as 4380 Berry Hill Road, Danville, Virginia 24541, and the household appliances located therein (collectively, the **"Property"**), during the Term (as defined below), under the terms and conditions below.

Section 2 - Term. This Lease shall be for a term commencing on February 14, 2011, and ending on February 13, 2012 (the **"Term"**), unless sooner terminated as provided for below. Notwithstanding the foregoing, this Lease may be terminated for any reason by either party upon at least 30 days' written notice to the other party.

Section 3 - Rent. Tenant agrees to pay as rent (the **"Rent"**) the sum of $1,000 per month, due and payable in advance, without notice, demand, or offset. Rent for the first month is due when Tenant signs this Lease. Rent for each month thereafter shall be due on the first day of such month. Partial months of the Term shall be prorated. Rent shall be paid to Landlord at the address set forth in Section 15 below, or at such other place as Landlord may from time to time designate in writing.

Section 4 - Security Deposit. Tenant agrees to pay the sum of $1,000 as a security deposit (the **"Security Deposit"**). This sum is due within 5 days after Tenant signs this Lease. The Security Deposit will be held by Landlord to secure Tenant's full compliance with the terms of this Lease. During the Term, until 30 days prior to the termination or expiration of this Lease, if Landlord determines that any deduction is to be made from the Security Deposit for charges arising under this Lease or by law, Landlord will give written notice to Tenant of such deduction and the reason for such deduction within 30 days of the date on which Landlord makes such deduction. Tenant agrees to pay Landlord such sums as may be necessary to restore the Security Deposit to the amount set forth above.

Within 30 days after the termination of this Lease, Landlord may apply the Security Deposit to offset any damages Landlord has sustained due to Tenant's failure to fully comply with the terms of this Lease. Any remaining balance shall be applied to unpaid Rent. Landlord shall provide Tenant with an itemized written accounting, showing all such deductions and the reasons for such deductions. Within 30 days after termination of this Lease, Landlord shall give or mail to Tenant the Security Deposit or its balance. The Security Deposit shall not bear interest. Landlord shall maintain itemized records of all deductions from the Security Deposit for a period of one year from the date of such deduction. Such records may be inspected by Tenant or its authorized agent or attorney.

Section 5 - Assignment. Tenant may not assign or sublet the Property for any reason without Landlord's prior written consent, which consent may be withheld in the sole discretion of Landlord. No assignment or sublease shall affect the obligation of Tenant to perform all of Tenant's obligations under this Lease, unless Landlord executes a written document releasing Tenant from such obligations.

Section 6 - Insurance; Personal Property. Landlord is not an insurer of Tenant's personnel, property or security. It shall be the sole responsibility of Tenant to protect and, if Tenant desires, to insure Tenant's personal property located on the Property. Landlord shall have no liability for any damage to any persons or personal property located in the Property.

Section 7 - Alterations; Surrender of Property. Tenant may not make any alterations or changes to the Property, without the express written consent of Landlord, which consent may be withheld in the sole discretion of Landlord. Tenant shall, at the termination of this Lease, surrender the Property in at least as good condition as the Property was in at the beginning of this Lease, reasonable wear and tear excepted.

Section 8 - Repairs and Maintenance. Landlord shall be responsible for structural repairs and repairs to major systems (to include the HVAC, electrical, plumbing, gas, septic, water/well systems) to any improvements on the Property. Except as provided in the preceding sentence, Tenant, at Tenant's own expense, shall maintain the Property in good order and repair unless otherwise agreed to in writing by Landlord. Except as provided in the first sentence of this Section, Tenant shall be responsible for and shall maintain the Property, and shall perform at Tenant's own expense, any and all maintenance that is or becomes necessary. Tenant shall not,

however, be responsible for replacing or repairing (other than routine maintenance) any building fixtures or building structures, or any heating or air conditioning components, except to the extent such repair or replacement is required as a result of damage caused by the negligence or willful misconduct of Tenant or any invitees of Tenant. Tenant agrees to maintain the grounds around the Property.

Section 9 - Utility Charges and Taxes. Tenant shall provide and promptly pay for all utilities furnished to the Property, including without limitation electricity, water, heat, and other utility services. Bills for all such services which are unpaid at the end of this Lease shall be regarded as rent due to Landlord and may be recovered by all the remedies to which Landlord may be entitled for recovery of rent. Landlord shall pay any and all real estate taxes assessed against the Property.

Section 10 - Use of Property by Tenant. The Property shall be used as temporary lodging for Tenant's personnel and shall not be used for any purpose or in any manner which constitutes a violation of any federal, state, or local laws or regulation. Without limiting the generality of the preceding sentence, Tenant shall not use the Property for any purpose or use prohibited by the applicable zoning ordinance on Agricultural District A-1. Tenant acknowledges that it has reviewed such ordinance pertaining to Agricultural District A-1.

Section 11 - Waiver of Liability. Landlord shall not be responsible for any damage to Tenant or its invitees, or for any other occupant of the Property, resulting from any cause whatsoever unless caused by willful misconduct of Landlord. Tenant promises and agrees to insure, protect, and save harmless Landlord from any liabilities, costs, or expenses incurred by reason of personal injuries to any person or damage to any property on or about the Property during the Term, or arising from Tenant's occupancy or use of the Property.

Section 12 - Destruction of Premises and Risk of Loss. If the Property be demolished or materially damaged by fire or otherwise, then this Lease shall automatically terminate as of the date of the destruction or damage. Landlord is under no duty to make repairs or rebuild under this clause. Tenant shall have the sole and exclusive responsibility for insuring Tenant's personal property.

Section 13 - Default of Tenant. Upon (i) the breach of any covenant of this Lease which is not cured within 5 days after notice of such breach is given to Tenant, or (ii) the use of the Property for any illegal purpose, Landlord shall have the right, at Landlord's sole option, to immediately terminate this Lease without further notice to Tenant. The exercise by Landlord of the rights granted pursuant to this Section shall not deprive the Landlord of any other remedy against Tenant for possession or for damages.

Section 14 - Condition of Property. Landlord makes no warranties whatsoever regarding the fitness, operation, and continued usefulness of the Property for any purpose. Tenant represents and warrants that Tenant has inspected the Property and all equipment located thereon and that such is suitable for Tenant's purposes; therefore, Tenant hereby accepts the Property in its present **"AS IS"** condition and **"WITH ALL FAULTS"**.

Section 15 - Notice. Any notice required or contemplated to be given to any of the parties by any other party shall be in writing and shall be given by hand delivery, certified or registered United States mail, or a private courier service which provides evidence of receipt as part of its service, as follows:

If to Landlord:
Danville-Pittsylvania Regional
Industrial Facility Authority
Attn.: Assistant County Administrator
County of Pittsylvania, Virginia
21 North Main Street
Chatham, Virginia 24531

If to Tenant:
Browning & Associates, Ltd.
Attn.: President
2240 Chartstone Drive
Midlothian, Virginia 23113

with a courtesy copy to:
Dewberry & Davis, Inc.
Attn.: Manager of Civil/Economic Development
P.O. Box 1509
551 Piney Forest Road
Danville, Virginia 24543

Any party may change the address number to which notices hereunder are to be sent to it by giving written notice of such change in the manner herein provided. Independent of whether a courtesy copy is given, a notice given hereunder shall be deemed given on the

date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate.

Section 16 – Construction; Successors In Interest. Throughout this Lease, wherever the context requires or permits, the neuter gender shall be deemed to include the masculine and feminine, and the singular number to include the plural, and vice versa. This Lease is not governed by the Virginia Residential Landlord and Tenant Act, but this Lease shall be otherwise construed under the laws of the Commonwealth of Virginia. This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors, permitted assigns, and legal representatives.

Section 17 - Final Agreement. This Lease represents the final understanding between the parties as to the subject matter hereof; no representations shall be binding upon Landlord unless stated in this Lease; no agent of Landlord has authority to change or modify any of the terms hereof except by writing endorsed on or attached to this Lease.

Section 18 - Attorneys' Fees and Costs. In the event that a party to this Lease defaults in the performance of any of the terms or obligations imposed upon such party by this Lease or the transactions contemplated hereby, the non-defaulting party may institute legal proceeding to enforce the provisions of this Lease. In such instance, in addition to any other remedy, the non-prevailing party shall be responsible for the reasonable attorneys' fees and costs incurred by the prevailing party in pursuing such action. The parties retain all rights at law and in equity to enforce the provisions of this Lease in accordance with applicable law.

Section 19 - Non-waiver. No waiver of any term or condition of this Lease by any party shall be deemed a continuing or further waiver of the same term or condition or a waiver of any other term or condition of this Lease.

Section 20 - No Third-Party Beneficiaries. Nothing in this Lease is intended, nor will be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Lease.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS the following signatures to this **LEASE AGREEMENT**:

LANDLORD:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of the Commonwealth of Virginia

By:_____
Sherman M. Saunders, Chairman

TENANT:

BROWNING & ASSOCIATES, LTD., a Virginia corporation

By:_____
Title:_____

AGENDA
ITEM NUMBER 9

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

Table of Contents

A. $7.3 Million Bonds

B. General Expenditures for FY 2011

C. Mega Park

D. Cane Creek Centre – Lots 3 & 9

E. Yorktowne Reimbursement

F. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

$7.3 million Bonds for Cane Creek Centre - Issued in August 2005

As of January 31, 2011

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
Funds from bond issuance	$ 7,300,000.00				
Issuance cost	(155,401.33)				
Bank fees	(98.25)				
Interest earned to date	485,494.39				
Cane Creek Parkway		$ 3,423,296.09	$ 3,342,961.25	$ 80,334.84	
Swedwood Drive [2]		69,414.00	69,414.00	-	
Cane Creek Centre entrance [3]		72,335.00	53,878.70	-	
Financial Advisory Services		7,600.00	7,600.00	-	
Dewberry contracts [1]		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant [4,5]		71,461.00	6,854.50	64,606.50	
Yorktowne Sound Buffer		-	-	-	
Land		-	2,560,921.67	-	
Demolition services		-	33,761.62	-	
Legal fees		-	48,179.23	-	
Other expenditures		-	9,689.70	-	
Total	$ 7,629,994.81	$ 3,713,688.59	$ 6,202,843.17	$ 144,941.34	**$ 1,282,210.30**

notes:

[1] *Dewberry Contracts consist of wetland, engineering, surveying and site preparation*

[2] *Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive*

[3] *Project completed under budget*

[*] *In September 2008 the outstanding principal balance of $6,965,000 on the Series 2005 Cane Creek Project Revenue Bonds was tendered and not remarketed. These bonds were converted to bank bonds and are now subject to the Credit and Reimbursement agreement the Authority has with Wachovia Bank. The remarketing agent will continue its attempt to remarket these bonds in order to convert them back to Variable Rate Revenue Bonds. As a result, it is likely that the City and County will have to contribute additional funds in order to make future interest payments on the letter of credit attached to these bonds.*

[4] *These contracts were originally to be paid by the $1.7M Special Projects Grant, this grant has expired and the TIC did not issue an extension. The remaining amounts of the contract will be paid using bond funds.*

[5] *The budget amount decreased $71,279.61 from the September 30, 2010 reports. This amount represented the remaining budget amount carried from the $1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract.*

Road Summary-Cane Creek Parkway:	
English Contract-Construction	$ 5,363,927.00
Change Orders	165,484.50
Expenditures over contract amount	3,579.50
(Less) County's Portion of Contract	(935,207.00)
(Less) Mobilization Allocated to County	(9,718.00)
Portion of English Contract Allocated to RIFA	4,588,066.00
Dewberry Contract-Engineering	683,850.00
Total Road Contract Allocated to RIFA	**$ 5,271,916.00**

Funding Summary - Cane Creek Parkway	
VDOT	$ 1,848,619.91
Bonds	3,423,296.09
	$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2011

As of January 31, 2011

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City	$ 20,000.00				
County	20,000.00				
Carry forward from FY10	79,533.66				
Transfer in from Research Facility-Build Out budget [1]	37.16				
Contingency					
Bank Fees		$ -	$ 4,071.25	$ -	$ -
Surveying of lots		-	2,700.00	-	-
Dewberry - subdivide Cane Creek Centre		-	9,737.50	-	-
Total Contingency Budget		21,400.00	16,508.75	-	4,891.25
Legal		60,570.82	62,345.75	-	(1,774.93)
Accounting		18,000.00	18,000.00	-	-
Postage & Shipping		100.00	-	-	100.00
Meals		2,500.00	1,394.89	-	1,105.11
Utilities		10,000.00	2,600.55	-	7,399.45
Insurance		7,000.00	119.00	-	6,881.00
Total	$ 119,570.82	$ 119,570.82	$ 100,968.94	$ -	$ 18,601.88

[1] This was the remaining balance on the Research Facility - Build Out project upon completion. This is a portion of the interest earned while the funds from the Danville Regional Foundation were invested in a money market account. Per the Danville Regional Foundation, this belongs to RIFA. The RIFA Board approved to transfer this to the General Expenditures budget at its October 12, 2010 meeting.

[2] The Board approved at its December 13, 2010 meeting to increase the legal budget using $14,570.82 of available funding and transferring $6,000 from the Contingency budget.

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park

As of January 31, 2011

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City contribution	$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property [1]	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Land					
Klutz property		$ 8,394,553.50	$ 8,394,553.50	$ -	
Canter property [2]		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
Other					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis[3]		990,850.00	931,713.34	59,136.66	
Consulting Services - McCallum Sweeney		115,000.00	80,343.52	34,656.48	
Total	$ 14,388,399.83	$ 14,231,524.83	$ 14,137,731.69	$ 93,793.14	$ 156,875.00

[1] *This figure does not include the interest the City is losing from the uninvested funds.*

[2] *Settlement fees have been charged to general expenditures until a funding source is available*

[3] *This contract was originally for $814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. $740,000 will be covered by the FY09 Tobacco Allocation and $250,850 will be covered by the FY10 Tobacco Allocation.*

Danville-Pittsylvania Regional Industrial Facility Authority

Cane Creek Centre - Lots 3 & 9

As of January 31, 2011

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
EDA Grant Investment	$ 2,275,030.00				
Tobacco Commission FY10 Reserve Fund Allocation	426,568.00				
Local Match - RIFA [1]	142,190.00				
Expenditures					
Dewberry & Davis		$ 111,600.00	$ 3,060.00	$ 108,540.00	
Total	$ 2,843,788.00	$ 111,600.00	$ 3,060.00	$ 108,540.00	**$ 2,732,188.00**

[1] *Pending approval from RIFA Board*

Danville-Pittsylvania Regional Industrial Facility Authority

Yorktowne Reimbursement

As of January 31, 2011

Yorktowne Reimbursement*	$ 181,339.68

*The City and County both contributed $525,000 to RIFA in July of 2005 for Yorktowne Incentives. Because Yorktowne did not meet the job requirements set forth in the Performance Agreement, they are having to repay incentive money to account for the jobs not created. According to the revised Performance Agreement, we received one payment from Yorktowne in the amount of $45,334.92 in November 2009. We received another payment of $136,004.76 in November 2010.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Assets [1, 2]
*January 31, 2011**

	Unaudited FY 2011
Assets	
Current assets	
Cash - checking	$ 572,045
Cash - money market	489,252
Total current assets	1,061,297
Noncurrent assets	
Restricted cash - project fund	1,224,871
Restricted cash - debt service fund	670,851
Capital assets not being depreciated	24,773,944
Capital assets being depreciated, net	28,161,909
Construction in progress	1,023,794
Unamortized bond issue costs	116,551
Total noncurrent assets	55,971,920
Total assets	57,033,217
Liabilities	
Current liabilities	
Due to City of Danville	10,457,372
Bonds payable - current portion	285,000
Total current liabilities	10,742,372
Noncurrent liabilities	
Bonds payable - less current portion	5,895,000
Total noncurrent liabilities	5,895,000
Total liabilities	16,637,372
Net Assets	
Invested in capital assets - net of related debt	39,217,997
Unrestricted	1,177,848
Total net assets	$ 40,395,845

[1] Please note that this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

[2] Please note that this balance sheet does not include general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

*Please note that these statements are for the period ended January 31, 2011 as of January 31, 2011, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Assets
*January 31, 2011**

	Unaudited FY 2011
Operating revenues	
Rental income	314,821
Total operating revenues	314,821
Operating expenses [4]	
Mega Park expenses [3]	103,744
Cane Creek Centre expenses [3, 5]	58,034
Cyber Park expenses [3]	1,150
Economic development - Cane Creek Centre	622,126
Professional fees	48,375
Insurance	6,065
Other operating expenses	4,659
Total operating expenses	844,153
Operating loss	(529,332)
Non-operating revenues (expenses)	
Interest income	2,085
Interest expense	(11,173)
Total non-operating expenses, net	(9,088)
Net loss before capital contributions	(538,420)
Capital contributions	
Contribution - City of Danville	283,058
Contribution - Pittsylvania County	283,058
Total capital contributions	566,116
Change in net assets	27,696
Net assets at July 1,	40,368,149
Net assets at January 31,	$ 40,395,845

[3] A portion or all of these expenses may be capitalized at fiscal year-end.

[4] Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

[5] Please note that this line item includes $37,352 for fees related to the $7.3M bonds for Cane Creek.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*January 31, 2011**

		Unaudited FY 2011
Operating activities		
Receipts from grant reimbursement requests	$	254,814
Receipts from incentive repayment		136,005
Receipts from leases		319,121
Payments to suppliers for goods and services		(238,049)
Net cash provided by operating activities		471,891
Capital and related financing activities		
Capital contributions		566,116
Interest paid on bonds		(13,296)
Principal repayments on bonds		(275,000)
Net cash provided by capital and related financing activities		277,820
Investing activities		
Interest received		2,085
Net cash provided by investing activities		2,085
Net increase in cash and cash equivalents		751,796
Cash and cash equivalents - beginning of year (including restricted cash)		2,205,223
Cash and cash equivalents - through January 31, 2011 (including restricted cash)	$	2,957,019
Reconciliation of operating loss before capital contributions to net cash provided by operating activities:		
Operating loss	$	(529,332)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Non-cash economic incentive expenses		622,126
Changes in assets and liabilities:		
Change in prepaids		10,470
Change in due from other governments		254,814
Change in other receivables		140,305
Change in accounts payable		(26,492)
Net cash provided by operating activities	$	471,891

Components of cash and cash equivalents at January 31, 2011:		
American National - Checking	$	572,045
American National - General money market		489,252
Wachovia - $7.3M Bonds CCC Debt service fund		670,851
Wachovia - $7.3M Bonds CCC Project fund		1,224,871
	$	2,957,019