Danville-Pittsylvania Regional Industrial Facility Authority

CITY OF DANVILLE, VIRGINIA
COUNTY OF PITTSYLVANIA, VIRGINIA

AGENDA

MONDAY, SEPTEMBER 12, 2011

12:00 NOON

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

COUNTY OF PITTSYLVANIA MEMBERS

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

CITY OF DANVILLE MEMBERS

SHERMAN M. SAUNDERS, VICE 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
SUSAN M. DEMASI, AUTHORITY SECRETARY
BARBARA A. DAMERON, AUTHORITY TREASURER

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

1. **MEETING CALLED TO ORDER**

2. **ROLL CALL**

3. **PUBLIC COMMENT PERIOD**

   Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comments. (Please note that the public comment period is not a question-and-answer session between the public and the Authority.)

4. **APPROVAL OF MINUTES FOR THE AUGUST 8, 2011 MEETING**

5. **NEW BUSINESS**

   A. Consideration of concept for proposed expansion of the Regional Center for Advanced Technology & Training (RCATT), which is located in the Authority's Cyber Park site [No written resolution].

   B. Financial Report as of August 31, 2011.

6. **CLOSED SESSION**

   A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning a prospective business where no previous announcement has been made of the business' interest in locating its facilities in the community; and as permitted by Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended, for discussion or consideration of leasing to such prospective business, that certain real property located in the Authority's Cane Creek site (a portion of GPINs 2347-46-0892 and 2347-35-9903), commonly known as the Lake House and apartments, 390 Cedar Lane, in Pittsylvania County, Virginia, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

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

   C. Motion to Certify Closed Meeting.

7. **COMMUNICATIONS FROM:**

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

8. **ADJOURN**

AGENDA
ITEM NUMBER 4

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes
August 8, 2011

The Regular Meeting of the Danville Pittsylvania Regional Industrial Facility Authority convened at 12:15 p.m. on the above date in the Conference Room located at the Danville Regional Airport, 424 Airport Drive. Present were City of Danville Members Vice-Chairman Sherman Saunders, David Luther and alternate Fred Shanks; Pittsylvania County Members present were Chairman Coy Harville and Henry A. "Hank" Davis, Jr.; Pittsylvania County alternate Fred Ingram was absent.

City/County staff members attending were: City Manager Joe King, Pittsylvania County Administrator Dan Sleeper, Assistant County Administrator Otis Hawker, Danville Finance Director/Authority Treasurer Barbara Dameron, Pittsylvania County Finance Director Kim Van der Hyde, Director of Economic Development Jeremy Stratton, Assistant County Administrator for Planning & Development Gregory Sides, Danville Senior Accountant Patricia Knutti, Clement and Wheatley Attorney Michael Guanzon, and Secretary to the Authority Susan DeMasi.

Also present was Dewberry & Davis project manager Shawn Harden.

Chairman Harville called the Meeting to order.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF JULY 11, 2011 MINUTES

Upon **Motion** by Mr. Davis and **second** by Mr. Luther, Minutes of the July 11, 2011 Meeting were approved, as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

CONSIDERATION OF RESOLUTION NO. 2011-08-08-5A

Chairman Harville noted that a corrected Resolution has been distributed that shows that the rent will be reduced to $500 a month as the tenant is not occupying the house full time.

Authority Attorney Michael Guanzon stated that the other revision in the attachment notes that it did not extend the lease for an extra year, this is just to change it for the balance of this year.

Mr. Saunders **moved** to adopt Resolution 2011-08-08-5A (corrected) a Resolution to Approve An Amendment to the One-Year Lease to Browning & Associates, Ltd., A Virginia Corporation, Of The Residence Located At The Authority's Mega Park Site, In Pittsylvania County, Virginia, Commonly Known As 4380 Berry Hill Road, Danville, Virginia (Part of GPIN 1367-70-4519), At A Total Rental Fee Of $3,250.

The Motion was **seconded** by Mr. Davis and carried unanimously.

CONSIDERATION OF A RESOLUTION TO APPROVE CHANGE ORDER NO. 2, DATED JULY 20, 2011 TO HAYMES BROTHERS, INC.

Mr. Harville noted he spoke with Mr. Hawker, they have reduced the price from $10 a cubic yard to $5 a cubic yard and it will be put on the back side of the property.

Dan Sleeper noted that it was originally a stock pile from Yorktowne that was put over there and now is in the way.

Mr. Luther **Moved** To Adopt a Resolution To Approve Change Order No. 2 dated July 20, 2011, To Haymes Brothers, Inc., A Virginia Corporation, in the Amount Of $156,750, For Removal Of Stockpile Located On The Authority's Cane Creek Project Lot #9, Where Such Stockpile Is Unsuitable For Landfill Needed For The Construction Of Graded Pads and Sewer Line **[No Written Resolution].**

Chairman Harville noted also that the Board authorizes the County Administrator to sign on behalf of the Authority.

The Motion was **seconded** by Mr. Davis and carried unanimously.

CONSIDERATION OF PROPOSED CONSOLIDATION OF THE DAN RIVER BUSINESS DEVELOPMENT OPERATION UNDER RIFA

City Manager Joe King noted that the Board of Directors of Dan River Business Development Center had voted unanimously to request that RIFA take over the operation of the Center due to budget restraints. Mr. King reviewed the proposed consolidation of the Center's operations under RIFA. The focus of the operations of the Center would be on the role it plays to house new businesses and to refocus the Center employee as a facility manager instead of the President of the Center. For discussion purposes, the person would serve as custodian to the Business Development Center as well as any light real estate management functions for RIFA industrial parks. The Center's Board would continue as an advisory role to RIFA, not a governing body.

Mr. Luther questioned how the employee would be funded and the City Manager stated there is an approved budget for the Center, but it is not sustainable. A revised budget would have to be put together, but at this point in time there are adequate funds in the budget to cover this position depending on the pay.

Mr. Shanks noted his concern with this situation and taking and creating a full time position that would incur benefits, including retirement.

Chairman Harville noted he would like to go ahead with a temporary person at the business center to oversee it and let City Manager and County Administrator work on the details of a

position with a salary, benefits and duties, either part time or full time position. He also noted that he does not agree with all of the suggested duties listed for the facility's manager on the staff report.

Joe King noted that a part time person is being trained.

RIFA attorney, Michael Guanzon noted the Center board is a separate corporation that is a tax exempt entity. RIFA can talk to them about staying together or not, and their level of participation moving forward. The name of the building can stay, but if RIFA should take it over RIFA would have to operate under RIFA's name but the name of the building can stay the same. There are some assets such as equipment and office furniture; the Authority would have to negotiate purchasing that equipment. The Board's articles of incorporation do not provide for donations to a non-501(3)(C).

After further discussion and questions by Board members, Mr. King noted that they would bring back more details at the next meeting for further discussion.

Mr. Davis **moved** to **TABLE** the Motion. The Motion to Table was **seconded** by Mr. Luther and carried by the following vote:

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

FINANCIAL REPORT AS OF JULY 31, 2011

Authority Treasurer Barbara Dameron presented the financial report as of July 31, 2011. In the last month, there were $264,000 in expeditures, the largest being $232,000 for Haymes Brothers for Lots 3 and 9 at Cain Creek. There was $6,550 in rental revenue and legal fees totaled $19,939.00 - $16,094 for FY 2011and $3,825 for the current fiscal year. Mega Park shows no changes from last month.

Ms. Dameron also reviewed Utilities, Rent, Interest and Other Income and answered questions with respect to the financial report.

Mr. Saunders questioned what effects there might be on RIFA's bond issue from with respect to the Washington issues. Ms. Dameron noted that national problems do trickle down and we might see some increase in interest costs when RIFA does issue their bonds. However, RIFA cannot move forward because of the litigation issue.

Mr. Shanks noted that RIFA needs to discuss the costs involved with lawsuits and countersuits.

Mr. Davis **moved** approval of the Financial Report as of July 31, 2011. The Motion was **seconded** by Mr. Saunders.

Ms. Dameron also noted that the Letter of Credit with Wachovia for the Cain Creek bonds has been renewed with the same terms.

The Motion was carried by the following vote:

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

CONSIDERATION OF CHANGING THE MONDAY, OCTOBER 10, 2011 MEETING TO OCTOBER 11, 2011

Mr. Saunders **moved** to approve changing the Monday, October 10, 2011 meeting of the Authority to Tuesday, October 11, 2011 due to the Columbus Day Holiday.

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

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

COMMUNICATIONS

Mr. Harville noted that everyone should have a Brown & Edwards Co., CPA letter to review. Members will meet at 7:30 a.m. at IALR for the trip to Wytheville on Wednesday. Thanks to Dan Sleeper and to Joe King for getting the van for the trip.

Mr. Saunders noted that due to a funeral on Wednesday he would not be able to attend the trip.

Michael Guanzon noted that the October 11th meeting might include someone from the Virginia Freedom of Information Council here to do general training. This would be a public meeting and if anyone from City Council or Board of Supervisors who would like to attend, they can.

Joe King noted that if it would be beneficial, the City could have Mark Aron videotape the training and make it available to members who could not attend.

Dan Sleeper noted this week that the County Board of Supervisors is sending a note to VDOT; they have some state money they want to put in revenue sharing and want to add it to an active project. The County has not been notified yet, but it is the connector road to the Mega Park.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

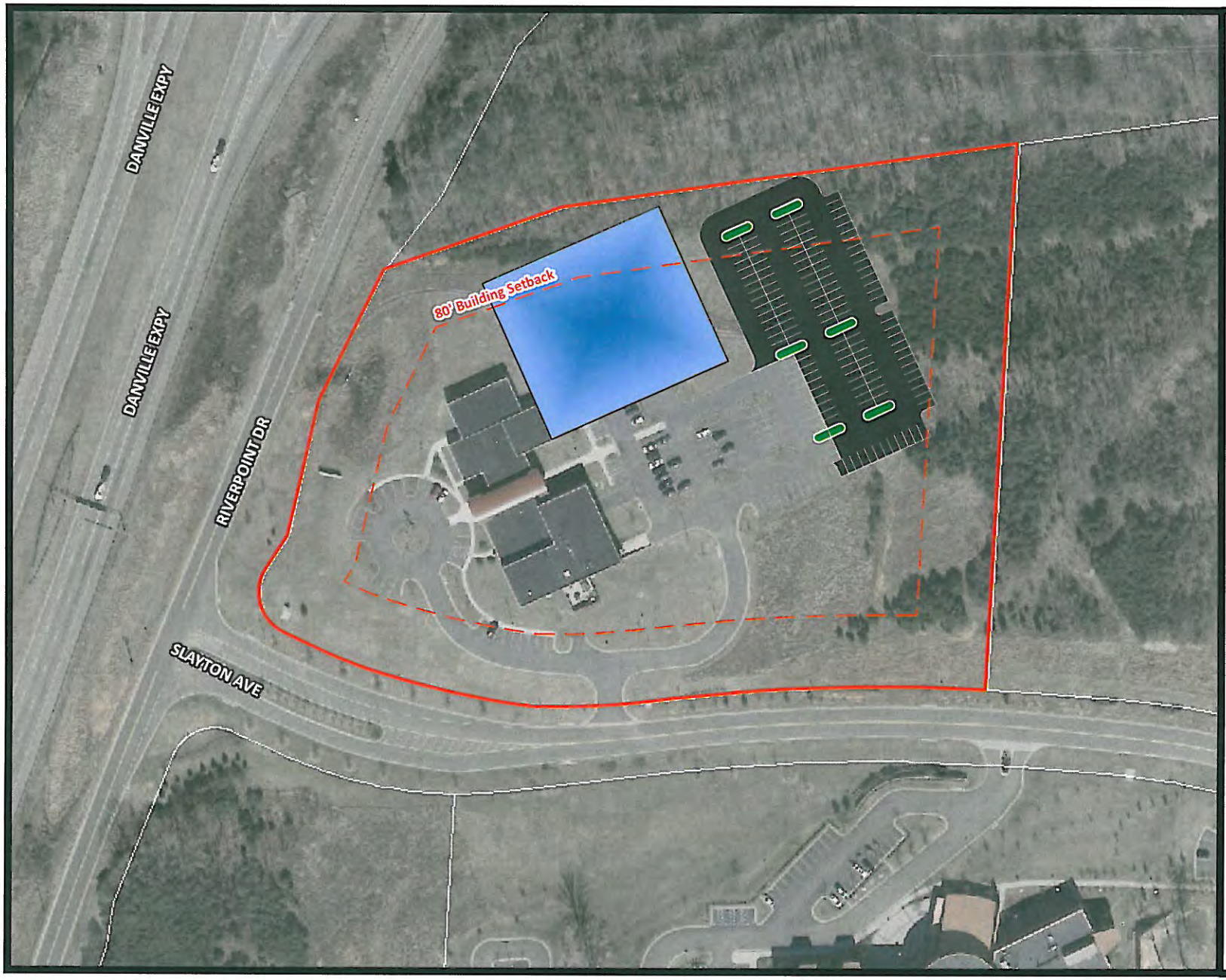
Minutes
August 8, 2011

Upon **Motion** by Mr. Luther and **second** by Mr. Davis, the meeting was adjourned at 1:10 p.m.

_____
Chairman

_____
Clerk to the Authority

AGENDA
ITEM NUMBER 5A



Danville

RCATT Expansion

Conceptual Plan:

40,000 SF Building

N
W E
S

2009 Orthophotography

0 50 100 200 Feet

Location Map

Map Prepared by the Office of the City Engineer - Sept. 1, 2011

AGENDA
ITEM NUMBER 5B

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

Table of Contents

A. $7.3 Million Bonds

B. General Expenditures for FY 2011

C. General Expenditures for FY 2012

D. Mega Park

E. Cane Creek Centre – Lots 3 & 9

F. Yorktowne Reimbursement

G. Rent, Interest, and Other Income Realized

H. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

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

As of August 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	486,451.17				
Cane Creek Parkway [3]		$ 3,804,576.00	$ 3,724,241.16	$ -	
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]		71,881.00	8,412.00	63,469.00	
Yorktowne Sound Buffer		-	-	-	
Land			2,560,921.67	-	
Demolition services			33,761.62	-	
Legal fees			48,954.23	-	
Other expenditures			9,689.70	-	
Total	$ 7,630,951.59	$ 4,095,388.50	$ 6,586,455.58	$ 63,469.00	$ **981,027.01**

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	$ 1,467,340.00
Bonds	3,804,576.00
	$ 5,271,916.00

A

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2011

As of August 31, 2011

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City	$ 20,000.00				
County	20,000.00				
Carryforward from FY10	79,533.66				
Transfer in from rental income realized [3]	50,000.00				
Transfer in from Research Facility-Build Out budget [1]	37.16				
Contingency					
Bank Fees		$ -	$ 4,071.25	$ -	$ -
Surveying of lots		-	1,700.00	-	-
Subsurface exploration at Cane Creek Centre		-	2,889.00	-	-
Dewberry - subdivide Cane Creek Centre		-	10,250.00	-	-
Repairs to Mega Park rental property		-	30.26	-	-
Employee Reimbursement			21.52		
Mega Park - rezoning fees		-	278.24	-	-
Total Contingency Budget		21,400.00	19,240.27	-	2,159.73
Legal [2]		110,570.82	115,178.97	-	(4,608.15)
Accounting		18,000.00	18,000.00	-	-
Postage & Shipping		100.00	-	-	100.00
Meals		2,500.00	2,575.67	-	(75.67)
Utilities		10,000.00	8,727.91	-	1,272.09
Insurance		7,000.00	5,848.00	-	1,152.00
Total	$ 169,570.82	$ 169,570.82	$ 169,570.82	$ -	$ -

[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.

[3] The RIFA Board approved at its March 14, 2011 meeting to transfer $50,000 from rental income realized to the General Expenditures budget to cover legal and contingency items. The entire $50,000 has been budgeted for legal at this time.

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2012

As of August 31, 2011

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City Contribution	$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY11	-				
Contingency					
Bank Fees		$ 4,100.00		$ -	$ -
Arbitrage Rebate Calculation Fees		2,000.00			
Miscellaneous contingency items		15,000.00		-	-
Total Contingency Budget		21,100.00	-	-	21,100.00
Legal		90,250.00	5,574.37	-	84,675.63
Accounting		18,750.00	-	18,750.00	-
Postage & Shipping		100.00	-	-	100.00
Meals		2,800.00	222.93	-	2,577.07
Utilities		10,000.00	488.04	-	9,511.96
Insurance		7,000.00	-	-	7,000.00
Total	$ 150,000.00	$ 150,000.00	$ 6,285.34	$ 18,750.00	**$ 124,964.66**

C

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park

As of August 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	948,385.79	42,464.21	
Consulting Services - McCallum Sweeney		115,000.00	92,130.18	22,869.82	
Total	$ 14,388,399.83	$ 14,231,524.83	$ 14,166,190.80	$ 65,334.03	$ 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.*

D

Danville-Pittsylvania Regional Industrial Facility Authority

Cane Creek Centre - Lots 3 & 9

As of August 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					
Haymes Brothers, Inc. [2]		$ 1,392,425.00	$ 596,091.75	$ 796,333.25	
Dewberry & Davis		$ 111,600.00	$ 21,870.00	$ 89,730.00	
Advertisements for bids		-	2,383.00	-	
Total	$ 2,843,788.00	$ 1,504,025.00	$ 620,344.75	$ 886,063.25	$ 1,337,380.00

[1] *Bond funds are available to cover this local match.*

[2] *Please note that the expended amount does not include 5% retainage withheld that has not yet been paid by RIFA to Haymes Brothers, Inc.*

Danville-Pittsylvania Regional Industrial Facility Authority

Yorktowne Reimbursement

As of August 31, 2011

Yorktowne Reimbursement*	$ 181,339.68

*Since Yorktowne did not meet the job requirements set forth in its initial Performance Agreement executed in 2005, it is repaying incentive money to RIFA to account for the jobs not created. In accordance with the amended 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. No further payments are due unless Yorktowne fails to meet the new targets in the amended performance agreement. The RIFA Board approved at the March 14, 2011 meeting to retain these funds for use within RIFA. These funds are available for the RIFA Board to allocate to budgets as needed.

F

Danville-Pittsylvania Regional Industrial Facility Authority

Rent, Interest, and Other Income Realized
As of August 31, 2011

Funding		Funding	Expenditures	Unexpended / Unencumbered
Rental Properties				
Lessee	*Property*	*Rent Received*		
Cyberpark				
Institute for Advanced Learning and Research (IALR) [1, 4]	Hawkins Research Building at 230 Slayton Ave.	$ 445,029.27		
Securitas	Gilbert Building at 1260 South Boston Rd.	11,000.00		
Cane Creek Centre				
Stephen R. & Susan G. Wilson	Hughes House at 390 Cedar Lane	2,800.00		
Douglas C. Agner	Hughes House at 390 Cedar Lane	6,000.00		
Richard A. Parker	Hughes House at 390 Cedar Lane	2,400.00		
Berry Hill Mega Park				
Guilford Whitetail Management	Kluttz Farm off State Rd. 863	11,000.00		
Oak Hill Hunt Club	Hairston Farm off State Rd. 863	8,000.00		
Patten Seed Company	30 acre tract on Stateline Bridge Rd.	6,500.00		
Browning & Associates, Ltd. [5]	4380 Berry Hill Road House	5,750.00		
Osborne Company of North Carolina, Inc.	4380 Berry Hill Road Pastureland	800.00		
Total Rent		$ 499,279.27		
Interest Received [2]		$ 23,093.20		
Expenditures				
Disbursement to IALR for SEnTeC project [1]			$ 278,812.00	
Transfer to General Expenditures budget [3]			50,000.00	
Total		$ 522,372.47	$ 328,812.00	$ 193,560.47

[1] *A portion of the rent received from the IALR for the Hawkins Research Building was Board-restricted for the SEnTeC project RIFA disbursed $278,812.00 to the IALR to fully satisfy this commitment made by the Board at the June 11, 2008 meeting.*

[2] *Please note that this is only interest received on RIFA's general money market account.*

[3] *The RIFA Board approved to transfer $50,000 from rental income realized to the General Expenditures budget at its March 14, 2011 meeting.*

[4] *Please note that these rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions*

[5] *Please note that Browning & Associates has paid a $1,000 security deposit per the lease agreement that is not included in rental income above.*

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

		Unaudited FY 2012
Assets		
Current assets		
Cash - checking	$	793,593
Cash - money market		389,684
Total current assets		1,183,277
Noncurrent assets		
Restricted cash - project fund		1,046,409
Restricted cash - debt service fund		619,564
Capital assets not being depreciated		24,154,661
Capital assets being depreciated, net		28,161,909
Construction in progress		1,023,794
Unamortized bond issue costs		108,781
Total noncurrent assets		55,115,118
Total assets		56,298,395
Liabilities		
Current liabilities		
Due to City of Danville		10,479,073
Bonds payable - current portion		285,000
Retainage payable		31,373
Security deposit		1,000
Total current liabilities		10,796,446
Noncurrent liabilities		
Bonds payable - less current portion		5,895,000
Total noncurrent liabilities		5,895,000
Total liabilities		16,691,446
Net Assets		
Invested in capital assets - net of related debt		38,347,264
Unrestricted		1,259,685
Total net assets	$	39,606,949

[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 all 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 August 31, 2011 as of August 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
*August 31, 2011**

	Unaudited FY 2012
Operating revenues	
Rental income	47,681
Other grants	-
Total operating revenues	47,681
Operating expenses [4]	
Mega Park expenses [3]	-
Cane Creek Centre expenses [3, 5]	399,897
Cyber Park expenses [3]	-
Insurance	5,729
Other operating expenses	711
Total operating expenses	406,337
Operating loss	(358,656)
Non-operating revenues (expenses)	
Interest income	120
Interest expense	(979)
Total non-operating expenses, net	(859)
Net loss before capital contributions	(359,515)
Capital contributions	
Contribution - City of Danville	337,392
Contribution - Pittsylvania County	337,392
Total capital contributions	674,784
Change in net assets	315,269
[6] **Net assets at July 1,**	39,291,680
Net assets at August 31,	$ 39,606,949

[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 $17,062 for fees related to the $7.3M bonds for Cane Creek.

[6] Please note that this will change once all FY2011 entries are made and may also change depending on whether there are audit adjustments for FY2011 and the nature of those audit adjustments.

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

		Unaudited FY 2012
Operating activities		
Receipts from grant reimbursement requests	$	77,120
Receipts from incentive repayment		-
Receipts from leases		44,481
Payments to suppliers for goods and services		(644,350)
Net cash used in operating activities		(522,749)
Capital and related financing activities		
Capital contributions		674,784
Interest paid on bonds		(1,945)
Principal repayments on bonds		-
Net cash provided by capital and related financing activities		672,839
Investing activities		
Interest received		120
Net cash provided by investing activities		120
Net increase in cash and cash equivalents		150,210
Cash and cash equivalents - beginning of year (including restricted cash)		2,699,040
Cash and cash equivalents - through August 31, 2011 (including restricted cash)	$	2,849,250
Reconciliation of operating loss before capital contributions to net cash used in operating activities:		
Operating loss	$	(358,656)
Changes in assets and liabilities:		
Change in prepaids		10,113
Change in due from other governments		77,120
Change in other receivables		3,500
Change in accounts payable		(248,126)
Change in unearned income		(6,700)
Change in security deposit		-
Net cash used in operating activities	$	(522,749)

Components of cash and cash equivalents at August 31, 2011:		
American National - Checking	$	793,593
American National - General money market		389,684
Wachovia - $7.3M Bonds CCC Debt service fund		619,564
Wachovia - $7.3M Bonds CCC Project fund		1,046,409
	$	2,849,250