

Danville-Pittsylvania Regional Industrial Facility Authority

**CITY OF DANVILLE, VIRGINIA
COUNTY OF PITTSYLVANIA, VIRGINIA**

AGENDA

MONDAY, AUGUST 13, 2012

12:00 NOON

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

COUNTY OF PITTSYLVANIA MEMBERS

**COY E. HARVILLE, VICE CHAIR
JAMES H. SNEAD
JESSIE L. BARKSDALE, ALTERNATE**

CITY OF DANVILLE MEMBERS

**SHERMAN M. SAUNDERS, CHAIR
FRED O. SHANKS, III
J. LEE VOGLER, JR., ALTERNATE**

STAFF

**JOSEPH C. KING, CITY MANAGER, DANVILLE
WILLIAM D. SLEEPER, PITTSYLVANIA COUNTY ADMINISTRATOR
CLEMENT & WHEATLEY, LEGAL COUNSEL TO 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 JULY 9, 2012 MEETING

5. NEW BUSINESS

- A. Financial Report as of June 30, 2012 – Barbara A. Dameron, CPA, Authority Treasurer; and Patricia K. Conner, CPA, Danville Senior Accountant

6. CLOSED SESSION

During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.

- A. As permitted by Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended (the "Virginia Code"), for discussion or consideration of the acquisition of real property for the public purpose of enhancing the economic base of the Authority's member localities, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and as permitted by Virginia Code § 2.2-3711(A)(5) for discussion concerning a prospective business where no previous announcement has been made of the business' interest in locating its manufacturing and/or assembly facilities in Pittsylvania County, Virginia.
- B. As permitted by Virginia Code § 2.2-3711(A)(7) for consultation with the Authority's legal counsel, Clement & Wheatley, and briefings by the Authority staff or consultants pertaining to probable contract litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Authority. "Probable litigation" means litigation on which the Authority and its legal counsel have a reasonable basis to believe will be commenced against a known party.
- C. Confirmation of Motion and Vote to Reconvene in Open Meeting.
- D. Motion to Certify Closed Meeting.

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7. COMMUNICATIONS FROM:

Jessie L. Barksdale
Coy E. Harville
Sherman M. Saunders
Fred O. Shanks, III
James H. Snead
J. Lee Vogler, Jr.
Staff

8. ADJOURN

**AGENDA
ITEM NUMBER 4**

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes
July 9, 2012

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:21 p.m. on the above date in the Danville Regional Airport, Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders and alternate J. Lee Vogler, Fred O. Shanks was absent. Pittsylvania County Members present were Chairman Coy E. Harville, James Snead and Alternate Jessie L. Barksdale.

City/County staff members attending were: City Manager Joe King, County Administrator Dan Sleeper, Danville Finance Director/Authority Treasurer Barbara Dameron, Pittsylvania County Director of Economic Development Ken Bowman, City of Danville Director of Economic Development Jeremy Stratton, City of Danville Director of Public Works Ric Drazenovich, City of Danville Senior Accountant Patricia Conner, Clement and Wheatley Attorney Michael Guanzon, and Secretary to the Authority Susan DeMasi.

Also present were Dewberry and Davis Project Manager Shawn Harden and Brian Bradner.

Chairman Harville called the Meeting to order.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF JUNE 11, 2012 MINUTES

Upon **Motion** by Mr. Saunders and **second** by Mr. Snead, Minutes of the June 11, 2012 Meeting were approved, as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION – RESOLUTION NO. 2012-07-09-5A – RECOGNITION OF THE SERVICE OF T. DAVID LUTHER TO THE AUTHORITY AS DIRECTOR

Mr. Snead **moved** adoption of *Resolution No. 2012-07-09-5A in Recognition of the Service of T. David Luther to the Authority as a Director.*

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

VOTE: 4-0
AYE: Harville, Snead, Saunders and Vogler (4)
NAY: None (0)

Mr. Harville asked Mr. Luther to come forward along with the RIFA members. Mr. Harville read Resolution 2012-07-09-5A and presented Mr. Luther with a plaque commemorating his service to the Danville Pittsylvania Regional Industrial Facility Authority.

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Mr. Luther thanked everyone and noted that RIFA has been the best of all the groups he has served on, and Council, and probably the most important. He has enjoyed serving, getting to know people he might normally not have met and seeing the cooperation by City and County.

5B. CONSIDERATION - RESOLUTION NO. 2012-07-09-5B – ELECTING THE CHAIRMAN AND THE VICE CHAIRMAN OF THE AUTHORITY AND APPOINTING THE SECRETARY AND THE TREASURER OF THE AUTHORITY

Mr. Snead **nominated** Sherman M. Saunders for Chairman of the Authority. The Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Vogler (4)
NAY: None (0)

Mr. Vogler **nominated** Coy E. Harville as Vice Chairman of the Authority. The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Vogler (4)
NAY: None (0)

Mr. Snead **moved** that Susan M. DeMasi be appointed as Secretary of the Authority and Barbara A. Dameron be appointed as Treasurer of the Authority. The Motion was **seconded** by Mr. Saunders and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Vogler (4)
NAY: None (0)

5C. CONSIDERATION – RESOLUTION NO. 2012-07-09-5C, AUTHORIZING THE DISTRIBUTION AND CONVEYANCE OF A 0.15 ACRE PORTION OF LOT 9 IN THE CYBER PARK TO THE CITY OF DANVILLE TO CREATE A CUL-DE-SAC ON GILBERT DRIVE

City of Danville Director of Public Works Ric Drazenovich noted Gilbert Drive is located near the airport, behind the houses on the West side of Airport Drive. It dead ends towards Stinson Drive with no turn around at the end; garbage trucks have to back down the street and pull back out. The City is asking for a small amount of property to build a cul-de-sac, which will make it safer for the neighborhood and the City can extend collection down to the end of the street.

Mr. Saunders **moved** adoption of *Resolution No. 2012-07-09-5C authorizing the distribution and conveyance of a 0.15 acre portion, more or less, of the Authority's Lot 9, Tax PIN 76367, located in the Authority's Cyber Park project, in Danville, Virginia, to the City of Danville, Virginia, a member locality of the Authority, for the purposes of creating a cul-de-sac at the end of Gilbert Drive, Danville, Virginia, and improving traffic safety and efficiency along that road.*

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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

VOTE: 4-0
AYE: Harville, Snead, Saunders and Vogler (4)
NAY: None (0)

5D. CONSIDERATION – RESOLUTION 2012-07-09-5D – APPROVING REQUEST OF US GREEN ENERGY - ALLOW CERTAIN DRIVEWAY AREAS TO BE CONSTRUCTED WITH GRAVEL

Mr. Bob Bennett, CEO of United States Green Energy appeared before RIFA and noted that when they changed the design of the building, they didn't have a circular drive, but ended up with a drive that leads into the main loading area of the factory. The trucks are very heavy and if they asphalt that drive, as the weather gets hot, the asphalt will be damaged needing frequent repairs. They will pave, per the covenants, the entrance and the parking lot but would like to put in the loading area VDOT grade gravel, 10" of aggregate, as a road surface.

Mr. Harville asked Mr. Bennett if he ever anticipated paving that area. Mr. Bennett noted not immediately. If they go back to a circular drive, they will pave it all the way around. Mr. Harville questioned Authority attorney Michael Guanzon how this fits with the covenants. Mr. Guanzon noted there are eight conditions to approval and reviewed the eight conditions with the Board. Mr. Harville noted that Item 5 of the Conditions states 4" stone and Mr. Guanzon noted that should read 10".

Mr. Snead **moved** adoption of *Resolution 2012-07-09-5D approving the request by United States Green Energy Corporation, a Nevada corporation, to allow certain truck loading driveway areas of its New Lot 1, GPIN 2347-39-1745, located in the Authority's Cane Creek site, in Pittsylvania County, Virginia, to be constructed with gravel instead of asphalt. (Condition Number 5 will be changed to 10-inch stone instead of 4-inch stone.)*

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

VOTE: 4-0
AYE: Harville, Snead, Saunders and Vogler (4)
NAY: None (0)

5E. REPORT ON MEGA PARK

Shawn Harding and Brian Bradner from Dewberry gave an update on the Mega Park. Mr. Bradner noted a there is a lot of attention being given to the Mega Park from the Governor's office, the Corp, the Department of Historic Resources and DEQ.

Dewberry submitted a draft Master Plan earlier in the year to the City and County staff, who have reviewed that, made comments and they are working through those. As for certification, they have received comments back from McCullum Sweeney and one of those comments was that before certification they need to have a mitigation plan that was achievable within 90 days,

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for an industry to come here. That means RIFA needs to go through the permitting process for that. The Army Corp permit application is ready, with an initial application meeting set up with the Corp on the 18th.

Shawn Harden stated they will submit an application to get the impacts permitted for Lots 3, 4, 5, the rail spur that runs through Lot 11 and some minor utilities down in Lot 12. Lot 3 has been developed into a 230 acre development, Lot 4 is about 238 acres and Lot 5 is about 85 acres. Right now, Dewberry is focused on getting Lot 4 through the permitting process, to go forward with the grading and get it marketable to industry. Dewberry has looked at some unique strategies to mitigate for the necessary impacts, including some conservation and preservation areas in the Mega Park property itself.

The schedule included a stakeholder meeting with City and County staff on June 25th. The Permit application was completed on July 2nd, and July 18th is the meeting with the Corp which Dewberry and City and County staff will attend to vet the permit application. Staff anticipates leaving there with some modification and enhancements which will take about one to two weeks to complete. It is anticipated the permit will be submitted on August 1, 2012.

Mr. Saunders questioned why it takes a year to a year and a half to get the permit and what can be done in the interim to speed it up. Mr. Bradner noted that with a permit this size, there are two things to deal with, one is the documented process, and then there is some negotiating on the mitigation side. It takes that amount of time to work through those issues. Mr. Harden also noted that when the permit is submitted, the Corp has 120 days to respond back that more information is needed or groups like the DEA or DEQ need more information. Also with the historical impacts, they are probably going to ask for some Phase I and Phase II studies on the historical site. Those take several months to do, and then several more months to be reviewed. Historical evaluations will be reviewed and they will come back with requests for additional information, then come back with their assessment and suggest what needs to be done in the way of mitigation and that negotiation starts.

Mr. Bowman noted that the focus is on Lot 4, which will be the first marketable site in the Mega Park. Mr. Bowman asked Dewberry if, while going through the permitting process, a client comes in and is shown the site, how long before ground can be broken. Mr. Bradner responded that they have asked the Corp but have not received a direct answer from them. Mr. Bradner noted if he had to say, it would be 8 months on that Lot. They will know a lot more after the initial meeting with the Corp in two weeks and then a subsequent meeting with DHR. Mr. Harden stated it would then take about 6-8 months to grade it. He stated that having a client would change this from permitting from speculative development to permitting for an industry; that would help the process.

The RIFA board and staff also discussed the completion of the sewer line from Eden and the process of obtaining funding for that project. Mr. Harville suggested that RIFA should start looking into that project soon.

5F. FINANCIAL REPORT AS OF JUNE 30, 2012 – BARBARA DAMERON, AUTHORITY TREASURER

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Minutes
July 9, 2012

Ms. Dameron reviewed the financial report starting with the Cane Creek Bond with \$6,740 of expenditures, primarily for the ECS Carolina Surface Exploration. \$891,000 remains unexpended and unencumbered in those funds. Under General Expenses, part of the demolition of the house at the Cyber Park has been paid, which was \$7500. Also paid were legal services of \$5,000 and renewal on the VML Insurance of \$5,456. Utility bills were paid and also reimbursement received from the renters. On the Mega Park Funding, \$7,000 to Dewberry for the GIS Data System and also a local match that the board approved at the June meeting. Under the bond for the Mega Park, this reflects the funding that the board approved for local match, part of the bonds and part of available funding sources were used. Lots 3 and 9 showed no expenditures for the month of June. Under rental income, \$3,800 in rent was received during the month of June. Ms. Dameron noted that unaudited financial statements were attached that reflect the debt service paid in March, the reimbursement from the Tobacco Funds from that as well as RIFA reimbursing the City and County for their advances to pay for debt service.

Mr. Snead **moved** to approve the Financial Report as of June 30, 2012. The Motion was **seconded** by Mr. Saunders and approved by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Vogler (4)
NAY: None (0)

6A. CLOSED SESSION

At 1:10 p.m., Mr. Snead **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning the expansion of an existing business where no previous announcement has been made of the business' interest in expanding its facilities on or about the Authority's Cane Creek Centre site; and as permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950, as amended, for consultation with its legal counsel, Clement & Wheatley, A Professional Corporation, and briefings by staff members or consultants pertaining to probable litigation pertaining to a certain contract to which the Authority is a party, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Authority; and for consultation with legal counsel employee or retained by the Authority regarding specific legal matters requiring the provision of legal advice by such counsel. The Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Vogler (4)
NAY: None (0)

Mr. Harville noted that upon **Motion** by Mr. Snead and **second** by Mr. Vogler, and by unanimous vote at 1:39 p.m., the Authority returned to open meeting.

Mr. Vogler **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

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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 meeting 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. Saunders and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders and Vogler (4)
NAY: None (0)

COMMUNICATIONS

Mr. Snead asked the Chairman about the meeting with VDOT on the grass cutting and how that meeting went. Mr. Harville noted that Ric Drazenovich from the City is looking into that. Mr. Harville noted with respect to Lots 3 and 9, several people he spoke with said they shouldn't be cut, to let them seed out this year, especially with the drought. Mr. Harville also noted he spoke with VDOT and he would speak to Ric Drazenovich about this.

MEETING ADJOURNED AT 1:46 P.M.

Chairman

Secretary to the Authority

**AGENDA
ITEM NUMBER 5A**

**Danville - Pittsylvania Regional Industrial Facility
Authority**

Financial Status

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- B. General Expenditures for FY 2012
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- F. Cane Creek Centre – Lots 3 & 9
- G. Funds Available for Appropriation
- H. Rent, Interest, and Other Income Realized
- I. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

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

As of July 31, 2012

<u>Funding</u>	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
Funds from bond issuance	\$ 7,300,000.00				
Issuance cost	(155,401.33)				
Bank fees	(98.25)				
Interest earned to date	486,506.08				
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	12,644.62	59,236.38	
Yorktowne Sound Buffer		-	-	-	
Land		-	2,560,921.67	-	
Demolition services		-	33,761.62	-	
Legal fees		-	50,216.73	-	
CCC - Lots 3 & 9 project - RIFA Local Share ⁶		142,190.00	80,122.49	-	
Other expenditures		-	18,569.70	-	
Total	\$ 7,631,006.50	\$ 4,237,578.50	\$ 6,680,953.19	\$ 59,236.38	\$ <u>890,816.93</u>

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

⁴ 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.

⁶ This line item represents the amount of expenditures on the "CCC - Lots 3 & 9" budget sheet that is covered by bond funds. RIFA's local share of 5% of these project costs is being covered by these bond funds. Project finished under original budget.

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

Danville-Pittsylvania Regional Industrial Facility Authority
 General Expenditures for Fiscal Year 2012
 As of July 31, 2012

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY11	-				
Contingency					
Arbitrage Rebate Calculation Fees		\$ 2,000.00	\$ 2,000.00	\$ -	\$ -
Demolish Cyber Park Property		-	34,500.00	-	-
Moody's Investor Service		-	1,100.00	-	-
Cyber Park Parcel Appraisals		-	1,800.00	-	-
Employee Reimbursement		-	114.51	-	-
News & Advance ads for RIFA RFPs		-	199.60	-	-
Miscellaneous contingency items		15,000.00	667.66	-	-
Total Contingency Budget		<u>17,000.00</u>	<u>40,381.77</u>	-	<u>(23,381.77)</u>
Legal		90,250.00	60,125.63	-	30,124.37
Accounting		18,750.00	18,750.00	-	-
Annual Bank Fees		4,100.00	4,321.25	-	(221.25)
Postage & Shipping		100.00	79.83	-	20.17
Meals		2,800.00	2,771.27	-	28.73
Utilities		10,000.00	1,334.78	-	8,665.22
Insurance		7,000.00	5,456.00	-	1,544.00
Total	<u>\$ 150,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 133,220.53</u>	<u>\$ -</u>	<u>\$ 16,779.47</u>

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2013

As of July 31, 2012

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY12	-				
Contingency					
Miscellaneous contingency items		\$ 36,950.00	\$ 169.55	\$ -	\$ -
Demolish Cyber Park Property		-	-	-	-
Total Contingency Budget		<hr/> 36,950.00	169.55	-	36,780.45
Legal		75,000.00	-	-	75,000.00
Accounting		20,750.00	5,000.00	15,750.00	-
Annual Bank Fees		4,400.00	-	-	4,400.00
Postage & Shipping		100.00	-	-	100.00
Meals		2,800.00	233.34	-	2,566.66
Utilities		4,000.00	-	-	4,000.00
Insurance		6,000.00	-	-	6,000.00
Total	<hr/> \$ 150,000.00	\$ 150,000.00	\$ 5,402.89	\$ 15,750.00	<hr/> \$ 128,847.11 <hr/>

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park - Funding Other than Bond Funds

As of July 31, 2012

Funding	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property ^{1 4}	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Local Match for TIC FY10 SSED Allocation - Engineering Portion ⁵	76,061.99				
 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	972,754.29	18,095.71	
Consulting Services - McCallum Sweeney		115,000.00	92,130.18	22,869.82	
Total	<u>\$ 14,464,461.82</u>	<u>\$ 14,231,524.83</u>	<u>\$ 14,190,559.30</u>	<u>\$ 40,965.53</u>	<u>\$ 232,936.99</u>

¹ This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled \$144,150.41.

² Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.

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.

⁴ RIFA paid the City back for all advances on 1/3/2012.

⁵ The RIFA Board approved to utilize the remaining funds from the Mega Park bond funds and approximately \$65,000 of the 'Funds Available for Appropriation' towards the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park.

Danville-Pittsylvania Regional Industrial Facility Authority
 \$11.25 million Bonds for Berry Hill Mega Park project - Issued December 1, 2011
 As of July 31, 2012

	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
Funding					
Funds from bond issuance	\$ 11,250,000.00				
Issuance cost	(323,455.70)				
Underwriter's Discount	(225,000.00)				
Original Issue Discount	(21,325.15)				
Interest earned to date	889.26				
Initial Land Purchases ¹		-	10,345,376.83	-	
Interest owed to City on fronts for land purchases		-	144,150.41	-	
Legal fees		-	148,396.67	-	
Dewberry & Davis		-	14,785.00	-	
Other expenditures		-	28,399.50	-	
Total	\$ 10,681,108.41	\$ -	\$ 10,681,108.41	\$ -	\$ -

¹ The City of Danville fronted the funds for \$10,340,983.83 of these land purchases. RIFA reimbursed the City of Danville this amount plus the interest owed, which totaled \$144,150.41, on 1/3/2012 using the bond funds drawn down.

Danville-Pittsylvania Regional Industrial Facility Authority

Cane Creek Centre - Lots 3 & 9

As of July 31, 2012

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
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.		\$ 1,526,516.71	\$ 1,526,516.71	\$ -	
Dewberry & Davis		111,600.00	111,600.00	-	
Advertisements for bids		-	2,383.00	-	
Total	\$ 2,843,788.00	\$ 1,638,116.71	\$ 1,640,499.71	\$ -	<u>\$ 1,203,288.29</u>

¹ Bond funds are available to cover this local match.

Danville-Pittsylvania Regional Industrial Facility Authority
Funds Available for Appropriation
As of July 31, 2012

<i>Source of Funds</i>	<u>Funding</u>	<u>Expenditures</u>	<u>Unexpended / Unencumbered</u>
Yorktowne Reimbursement ¹	\$ 181,339.68		
General funds reimbursed by Berry Hill \$11.25M Bonds	184,266.38		
Sale of Land to Harmony Church	36,564.50		
 <i>Expenditures</i>			
Transfer to 'Mega Park - Other than Bonds' budget ²		\$ 65,000.00	
 Totals	 <u>\$ 402,170.56</u>	 <u>\$ 65,000.00</u>	 <u>\$ 337,170.56</u>

¹ 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.

² The RIFA Board approved to utilize approximately \$65,000 of these funds toward the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park.

Danville-Pittsylvania Regional Industrial Facility Authority
 Rent, Interest, and Other Income Realized
 As of July 31, 2012

<u>Funding</u>	<u>Funding</u>	<u>Expenditures</u>	<u>Unexpended / Unencumbered</u>
<u>Rental Properties</u>			
<u>Lessee</u>	<u>Property</u>	<u>Rent Received</u>	
<i>Cyberpark</i>			
Institute for Advanced Learning and Research (IALR) ^{1 4}	Hawkins Research Building at 230 Slayton Ave.	\$ 629,744.21	
Securitas	Gilbert Building at 1260 South Boston Rd.	14,900.00	
<i>Cane Creek Centre</i>			
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	
Axxor N.A. LLC ⁶	Apartments at 390 Cedar Lane	4,750.00	
<i>Berry Hill Mega Park</i>			
Guilford Whitetail Management	Klutz Farm off State Rd. 863	15,500.00	
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	10,750.00	
Mountain View Farms of Virginia, L.C.	30 acre tract on Stateline Bridge Rd.	3,000.00	
Osborne Company of North Carolina, Inc.	4380 Berry Hill Road Pastureland	1,600.00	
Clodfelter Hunting Lease	371.13 acres off State Road 863	1,500.00	
Mark L. Osborne	Mega Park Lot 8 approx. 34.4 acres	1,032.00	
<i>Total Rent</i>		\$ 708,476.21	
<i>Interest Received</i> ²		\$ 23,379.94	
<i>Miscellaneous Income</i>		\$ 55.37	
<i>Expenditures</i>			
Disbursement to IALR for SEnTeC project ¹		\$ 278,812.00	
Transfer to General Expenditures budget ³		50,000.00	
Total		\$ 731,911.52	\$ 403,099.52

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.

⁶ Please note that Axxor N.A. LLC has paid a \$500 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}
July 31, 2012*

	Unaudited FY 2013
Assets	
<i>Current assets</i>	
Cash - checking	\$ 961,217
Cash - money market	389,971
Due from other governments	158,281
Accounts Receivable	366
<i>Total current assets</i>	1,509,835
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	1,046,463
Restricted cash - debt service fund CCC bonds	1,323,644
Restricted cash - project fund Berry Hill bonds	19,512
Restricted cash - debt service fund Berry Hill bonds	-
Restricted cash - debt service reserve fund Berry Hill bonds	2,000,100
Capital assets not being depreciated	24,936,831
Capital assets being depreciated, net	27,244,055
Construction in progress	1,930,750
Unamortized bond issuance costs	627,906
<i>Total noncurrent assets</i>	59,129,261
Total assets	60,639,096
Liabilities	
<i>Current liabilities</i>	
Bonds payable - current portion	5,825,000
Accrued interest	91,939
Accounts payable	1,466
Security deposit	1,500
<i>Total current liabilities</i>	5,919,905
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	11,320,000
<i>Total noncurrent liabilities</i>	11,320,000
Total liabilities	17,239,905
Net Assets	
Invested in capital assets - net of related debt	41,984,261
Unrestricted	1,414,930
Total net assets	\$ 43,399,191

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 July 31, 2012 as of August 2, 2012, 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
*July 31, 2012**

	Unaudited FY 2013
Operating revenues	
Rental income	18,310
Total operating revenues	18,310
Operating expenses ⁴	
Mega Park expenses ³	274
Cane Creek Centre expenses ^{3, 5}	15,946
Cyber Park expenses ³	-
Professional fees	-
Insurance	5,456
Other operating expenses	233
Total operating expenses	21,909
Operating loss	(3,599)
Non-operating revenues (expenses)	
Interest income	-
Interest expense	-
Total non-operating expenses, net	-
Net loss before capital contributions	(3,599)
Capital contributions	
Contribution - City of Danville	339,363
Contribution - Pittsylvania County	339,363
Total capital contributions	678,726
Change in net assets	675,127
⁶ Net assets at July 1,	42,724,064
Net assets at July 31,	\$ 43,399,191

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 \$15,946 for fees related to the \$7.3M bonds for Cane Creek.

⁶ Please note that this will change once all FY2012 entries are made and may also change depending on whether there are audit adjustments for FY2012 and the nature of those audit adjustments.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*July 31, 2012**

	Unaudited FY 2013
Operating activities	
Receipts from grant reimbursement requests	\$ -
Receipts from leases	26,554
Payments to suppliers for goods and services	(87,924)
Net cash used in operating activities	(61,370)
Capital and related financing activities	
Capital contributions	678,726
Interest paid on bonds	(1,049)
Principal repayments on bonds	-
Net cash provided by capital and related financing activities	677,677
Investing activities	
Interest received	-
Net cash provided by investing activities	-
Net increase in cash and cash equivalents	616,307
Cash and cash equivalents - beginning of year (including restricted cash)	5,124,600
Cash and cash equivalents - through July 31, 2012 (including restricted cash)	\$ 5,740,907
Reconciliation of operating loss before capital contributions to net cash used in operating activities:	
Operating loss	\$ (3,599)
Changes in assets and liabilities:	
Change in prepaids	9,579
Change in due from other governments	-
Change in other receivables	17,520
Change in accounts payable	(75,764)
Change in unearned income	(9,106)
Change in security deposit	-
Net cash used in operating activities	\$ (61,370)

Components of cash and cash equivalents at July 31, 2012:	
American National - Checking	\$ 961,217
American National - General money market	389,971
Wachovia - \$7.3M Bonds CCC Debt service fund	1,323,644
Wachovia - \$7.3M Bonds CCC Project fund	1,046,463
US Bank - \$11.25M Bonds Berry Hill Debt service fund	-
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	2,000,100
US Bank - \$11.25M Bonds Berry Hill Project fund	19,512
	\$ 5,740,907