

# **Danville-Pittsylvania Regional Industrial Facility Authority**

**City of Danville, Virginia  
County of Pittsylvania, Virginia**

## **AGENDA**

**Monday, December 10, 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 OF THE NOVEMBER 12, 2012 MEETING

### 5. NEW BUSINESS

A. Consideration of Resolution No. 2012-12-10-5A, revising the Amended and Restated Bylaws of the Authority adopted August 13, 2007, and last revised March 12, 2012, (i) to provide that the term of office for officers shall be for a calendar year, instead of a fiscal year; (ii) to make clarifications on open meetings; and (iii) to make some grammatical corrections.

B. Financial Report as of November 30, 2012 – Barbara A. Dameron, CPA, Authority Treasurer, and Patricia K. Conner, CPA, City of 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)(7) of the Code of Virginia, 1950, as amended, for consultation with the Authority's legal counsel, Clement & Wheatley, and briefings by the Authority staff or consultants on *Danville-Pittsylvania Regional Industrial Facility Authority v. AVRC, Inc.*, Case No. CL12000634-00, in the Circuit Court for the City of Danville, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Authority.

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

C. Motion to Certify Closed Meeting

**Danville-Pittsylvania Regional Industrial Facility Authority**

**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

November 12, 2012

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:20 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Chairman Sherman M. Saunders and Fred O. Shanks, III. Alternate J. Lee Vogler was absent. Pittsylvania County Members present were Alternate Jessie L. Barksdale. Vice Chairman Coy E. Harville and James Snead were absent.

City/County staff members attending were: County Administrator Dan Sleeper, Deputy City Manager David Parrish, Danville Finance Director/Authority Treasurer Barbara Dameron, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Planning Kenny Gillie, City of Danville Project Manager Corrie Teague, Public and Governmental Affairs Consultant Lynwood Wright, City of Danville Senior Accountant Patricia Conner, Clement and Wheatley Attorneys Michael Guanzon and Stuart Pearson and Secretary to the Authority Susan DeMasi.

Chairman Saunders called the Meeting to order.

**PUBLIC COMMENT PERIOD**

No one desired to be heard.

**APPROVAL OF MINUTES OF THE OCTOBER 9, 2012 MEETING**

Upon **Motion** by Mr. Barksdale and **second** by Mr. Shanks, Minutes of the October 9, 2012 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

**NEW BUSINESS**

**5A. CONSIDERATION – RESOLUTION NO. 2012-11-12-5A – APPROVING A NEW EXHAUST SYSTEM TO SERVICE THE SENTEC BUILDING**

City of Danville Director of Planning Kenny Gillie noted that the company is planning to move the exhaust system as the material coming out of the exhaust is reacting with the copper in the air conditioning system. The company wants to move it over and up; this will disburse the exhaust so it will not interfere with the air conditioning system. It is visible from a public way although the difference will not be noticeable as it is only 20 feet from where it is now.

Mr. Shanks **moved** adoption of *Resolution 2012-11-12-5A, approving a new exhaust system to service the SEnTeC building located in the Authority's Cyber Park project in Danville, Virginia, as presented at this meeting. (No written Resolution for this item.)*

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

VOTE: 3-0  
AYE: Barksdale, Saunders and Shanks (3)  
NAY: None (0)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 12, 2012

**5B. CONSIDERATION – RESOLUTION 2012-11-12-5B – APPROVING EXECUTION AND DELIVERY OF A PERFORMANCE GRANT AGREEMENT – THE AUTHORITY, CITY OF DANVILLE AND CBN SECURE TECHNOLOGIES, INC.**

Lynwood Wright congratulated and thanked Authority attorney Michael Guanzon in accepting CBN's offer to give the Authority a Letter of Credit in the amount of the grant covering their performance under the terms of the grant agreement. Mr. Wright noted he believed the Authority was well covered and hoped that the RIFA Board would approve this.

Mr. Barksdale **moved** adoption of *Resolution 2012-11-12-5B, approving the execution and delivery of that certain Performance Grant Agreement by and among the Authority, the City of Danville, and CBN Secure Technologies, Inc., ("CBN"), a Florida corporation, with the consent of the County of Pittsylvania, pertaining to the expansion of CBN's facility located at 350 Stinson Drive (Tax PIN 78461), in the Authority's Cyber Park project in Danville, Virginia, including without limitation a \$150,000 grading grant from the Authority in exchange for CBN's creation of 25 new jobs and for new total taxable capital investments and the purchase of new equipment of at least \$8,200,000 in value.*

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

VOTE: 3-0  
AYE: Barksdale, Saunders and Shanks (3)  
NAY: None (0)

**5C. CONSIDERATION – NOTICE FROM DANVILLE BOARD OF ZONING APPEALS REGARDING VARIANCE FOR CBN LOCATED AT THE AUTHORITY'S CYBER PARK**

City of Danville Director of Planning Kenny Gillie noted the Zoning Code allows two drive entrances on properties and CBN has requested three drive entrances to obtain a third curb cut. They are required to obtain a variance from the Board of Zoning Appeals. They have requested the variance and it will go before the Board of Zoning Appeals this Thursday.

Chairman Saunders noted that the RIFA Board supports this and asked for comments from Board Members. Mr. Shanks noted that the Board had a discussion of this at the last meeting and noted that he believed at the time it was the intent not to oppose this. That being his understanding, Mr. Shanks **moved** that the Board return the form to the Board of Zoning Appeals as "Not Opposed".

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

VOTE: 3-0  
AYE: Barksdale, Saunders and Shanks (3)  
NAY: None (0)

**5F. FINANCIAL REPORT AS OF OCTOBER 31, 2012**

Authority Treasurer Barbara Dameron noted that there were minimal expenditures except for the debt service paid on the Mega Park bonds for \$5,700,000. Ms. Dameron stated she believed she saw an email this morning that those funds have been received back in, if that

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 12, 2012

is the case then the Authority will be sending that money back to the localities. There were no changes in the Cane Creek Bonds. The authority spent \$19,324 in general expenditures, about \$12,000 was for legal and from that \$6,000 related to general and about \$5,000 to the Mega Park. Brown, Edwards was also paid a \$6,500 interim payment for the audit and the remainder of that balance was for meals and utilities. No changes to Mega Park Funding or to Funds Available for Appropriation. The Authority did receive \$3,222 from the Institute and \$300 from Securitas. Axxor was reimbursed for \$500 that they had overpaid to the Authority.

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

VOTE: 3-0  
AYE: Barksdale, Saunders and Shanks (3)  
NAY: None (0)

**6A. - CLOSED SESSION**

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

At 12:34 p.m., Mr. Shanks **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)(7) of the Code of Virginia, 1950, as amended, for consultation with the Authority's legal counsel, Clement & Wheatley, and briefings by the Authority staff or consultants on *Danville-Pittsylvania Regional Industrial Facility Authority v. AVRC, Inc.*, Case No. CL 12000634-00, in the Circuit Court for the City of Danville, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Authority.

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

VOTE: 3-0  
AYE: Barksdale, Saunders and Shanks (3)  
NAY: None (0)

Upon **Motion** by Mr. Shanks and **second** by Mr. Barksdale, and by unanimous vote at 12:53 p.m., the Authority returned to open meeting.

Mr. Barksdale **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;

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 12, 2012

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. Shanks and carried by the following vote:

VOTE: 3-0  
AYE: Barksdale, Saunders and Shanks (3)  
NAY: None (0)

**COMMUNICATIONS**

There were no communications from Members or Staff.

MEETING ADJOURNED AT 12:55 P.M.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Secretary to the Authority

**AGENDA  
ITEM NUMBER 5A**

**A RESOLUTION REVISING THE AMENDED AND RESTATED BYLAWS OF THE AUTHORITY ADOPTED AUGUST 13, 2007, AND LAST REVISED MARCH 12, 2012, (i) TO PROVIDE THAT THE TERM OF OFFICE FOR OFFICERS SHALL BE FOR A CALENDAR YEAR, INSTEAD OF A FISCAL YEAR; (ii) TO MAKE CLARIFICATIONS ON OPEN MEETINGS; AND (iii) TO MAKE SOME GRAMMATICAL CORRECTIONS.**

**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**, Article XIV ("Amendments") of the Amended and Restated Bylaws of the Authority Adopted August 13, 2007, and last revised March 12, 2012 (the "**Bylaws**") provides that the 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 ... , [with] at least one (1) week advance written notice of such proposed amendment, repeal or alteration shall be given the directors and alternate directors"; and

**WHEREAS**, the Board believes it is in the best interests of the Authority and for efficient operation of the Authority (i) to change the term of office for officers to be for a calendar year, instead of a fiscal year; (ii) to make clarifications on open meetings as required by the Virginia Code; and (iii) to make some grammatical corrections, as shown on **Schedule 1**, attached hereto and incorporated herein by this reference; and

**WHEREAS**, at least one (1) week advance written notice of such proposed amendments to the Bylaws was given to the Directors of the Board.

**NOW, THEREFORE, BE IT RESOLVED**, that

1. The Authority hereby approves the amendments to the Bylaws as set forth in **Schedule 1**.
2. Except as amended by this Resolution, the Bylaws shall remain unchanged.
3. This Resolution shall take effect immediately upon its adoption.

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**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 December 10, 2012, 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 December 2012.

\_\_\_\_\_  
Susan M. DeMasi  
Secretary, Danville-Pittsylvania Regional Industrial  
Facility Authority

(SEAL)

Schedule 1  
AMENDED AND RESTATED BYLAWS  
OF  
DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Adopted August 13, 2007  
Revised June 14, 2010  
Revised August 9, 2010  
Revised February 14, 2011  
Revised April 11, 2011  
Revised January 9, 2012  
~~Last Revised March 12, 2012~~  
Last Revised December 10, 2012

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.<sup>[1]</sup>

### 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

1. 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.

2. Without limiting the provisions of the Agreement, each Member Locality, through its city manager, county administrator or respective designee, is authorized to incur, on behalf of the Authority, up to an aggregate amount of Ten Thousand Dollars (\$10,000.00) in reasonable expenses, related to, or arising out of, (i) developing or testing the Authority's projects for a particular business prospect or (ii) marketing to a particular business prospect. Prior to incurring any such expense under this paragraph, the Member Locality shall consult with the other Member Locality on such business prospect. Such expenses shall be reported to the Board at its next regular meeting for consideration and ratification.<sup>[2]</sup>

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<sup>1</sup>06/14/2010: Entire paragraph revised.

<sup>2</sup>04/11/2011: New paragraph added to clarify how expenses may be incurred on behalf of the Authority for developing business prospects. Such expenses would be ultimately shared by the Member Localities under the Agreement for Cost Sharing and Revenue Sharing.

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 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 alternate 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<sup>[3]</sup>. 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~~calendar year<sup>[4]</sup> 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

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<sup>3</sup>08/09/2010: Vice Chairman inserted. Offices of ~~secretary~~Secretary and ~~treasurer~~Treasurer shall be appointed by the Board from the Authority's staff.

<sup>4</sup>12/10/2012: Officers are elected or appointed at the January regular meeting of the Board.

without limitation those duties and powers set forth in these Bylaws.<sup>[5]</sup>

5. The Board shall appoint a Secretary and a Treasurer from the Authority's staff, which may include staff provided by a Member Locality or other persons employed or contracted by the Authority.<sup>[6]</sup> The offices of Secretary and Treasurer may be held by the same person.<sup>[7,8]</sup> 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.<sup>[9]</sup>

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)<sup>[10]</sup> 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,<sup>[11]</sup> 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~~Secretary<sup>[12]</sup> 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<sup>[13]</sup> 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

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<sup>5</sup>08/09/2010: Entire new paragraph added.

<sup>6</sup>02/14/2011: The Authority's staff may include staff provided by a Member Locality or other persons employed or contracted by the Authority.

<sup>7</sup>08/09/2010: Secretary and Treasurer shall be appointed by the Board from the Authority's staff.

<sup>8</sup>02/14/2011: Corrected capitalization of Secretary and Treasurer.

<sup>9</sup>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."

<sup>10</sup>08/09/2010: Reference to Vice Chairman added.

<sup>11</sup>08/09/2010: Reference to Vice Chairman added.

<sup>12</sup>12/10/2012: Corrected capitalization of Secretary.

<sup>13</sup>08/09/2010: Reference to the Authority's staff added.

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; (d) the duty and the authority, in the absence of the Secretary, to perform all duties of the Secretary, except for those certain other duties which the Chairman, under the Bylaws, delegates to a director, alternate director, officer or staff member in the Secretary's absence<sup>[14]</sup>; and (e) in general, the duty and the authority<sup>[15]</sup> to perform all the duties incident to the office of ~~treasurer~~Treasurer<sup>[16]</sup> 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.

#### ARTICLE VII. ELECTIONS OR APPOINTMENT<sup>[17]</sup> OF OFFICERS

1. Regular elections or appointment of officers shall be held at the regular meeting of the Board in ~~July~~January of each ~~fiscal year~~.<sup>[18]</sup>

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, but only after notice of such special meeting, as ~~hereinafter~~ provided, in paragraph 3 of Article VIII<sup>[19]</sup>, has been given.<sup>[20]</sup>

#### 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 open to the public (unless otherwise provided under Virginia Code § 2.2-3711, as amended or successor provision).<sup>[21]</sup> Regular meetings shall be held in the City or in the County, upon call of the Chairman or as otherwise provided

<sup>14</sup>01/09/2012: Added that in the absence of the Secretary, the Treasurer shall perform all duties of the Secretary, except for those certain other duties which the Chairman, under the Bylaws, delegates to a director, alternate director, officer or staff member in the Secretary's absence (e.g., duties set forth in paragraph 5(a) of Article VI).

<sup>15</sup>01/09/2012: Added "the duty and the authority" for parallel sentence structure.

<sup>16</sup>12/10/2012: Corrected capitalization of Treasurer.

<sup>17</sup>12/10/2012: Added "Appointment" to header because the offices of Secretary and Treasurer are appointed, not elected.

<sup>18</sup>12/10/2012: Changed election/appointment date from the July regular meeting of the Board to the January regular meeting of the Board.

<sup>19</sup>12/10/2012: Added cross-reference.

<sup>20</sup>02/14/2011: Requests for special meetings shall be in writing.

<sup>21</sup>12/10/2012: Regular meetings are open to the public, unless otherwise permitted by Virginia FOIA. See Va. Code § 2.2-3711.

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. In the event that the date of any regular meeting determined by the Board is a date on which either the City's administrative offices or the County's administrative offices are closed for business, the regular meeting shall be held on the next date on which both the City's administrative offices and the County's administrative offices are open for business.<sup>[22]</sup> At the regular meeting of the Board in January, the Board shall elect or appoint its officers to serve for that calendar year.<sup>[23]</sup>

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.~~<sup>[24, 25]</sup>

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.<sup>[26]</sup> Such request shall be in writing, which may be by email to the Chairman at the email address of record,<sup>[27]</sup> 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. Special meetings shall be open to the public (unless otherwise permitted under Virginia Code § 2.2-3711, as amended or successor provision).<sup>[28]</sup>

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

<sup>22</sup> 03/12/2012: Entire new sentence added.

<sup>23</sup> 12/10/2012: Officers are elected or appointed at the January regular meeting of the Board.

<sup>24</sup> 12/10/2012: Deleted election/appointment of officers at the July regular meeting.

<sup>25</sup> 03/12/2012: Entire new sentence added.

<sup>26</sup> 08/09/2010: Clarification that directors or alternate directors representing two Member Localities may request a special meeting.

<sup>27</sup> 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.

<sup>28</sup> 12/10/2012: Special meetings are open to the public unless otherwise permitted by Virginia FOIA. See Va. Code § 2.2-3711.

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.<sup>[29]</sup>

5. Formal action shall be taken by the Board only at open meeting sessions, and such ~~meetings~~sessions<sup>[30]</sup> shall be open to the public.

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

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<sup>29</sup>06/14/2010: Entire paragraph revised.

<sup>30</sup>12/10/2012: Clarification for open sessions of open meetings.

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 meetings held June 14, 2010, August 9, 2010, February 14, 2011, ~~and~~ April 11, 2011, January 9, 2012, and March 12, 2012, and last revised at its monthly meeting held ~~January 9~~ December 10, 2012.<sup>[31]</sup>

\_\_\_\_\_  
Secretary

<sup>31</sup>06/14/2010, 08/09/2010, 02/14/2011, 04/11/2011, 01/09/2012, 03/12/2012, 12/10/2012:  
Updated references to monthly meetings.

*\* The bracketed footnotes and annotations do not constitute a part of these Bylaws and are provided for convenience only.<sup>[32]</sup>*

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<sup>32</sup>02/14/2011: Footnotes and annotations do not constitute a part of the Bylaws and are for convenience only.

**AGENDA  
ITEM NUMBER 5B**

**Danville - Pittsylvania Regional Industrial Facility  
Authority**

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# **Financial Status**

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## **Table of Contents**

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY 2013
- C. Mega Park – Funding Other than Bond Funds
- D. Funds Available for Appropriation
- E. Rent, Interest, and Other Income Realized
- F. Unaudited Financial Statements

**Danville-Pittsylvania Regional Industrial Facility Authority**

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

As of November 30, 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>
<i>Funding</i>					
Funds from bond issuance	\$ 7,300,000.00				
Issuance cost	(155,401.33)				
Bank fees	(98.25)				
Interest earned to date	486,540.59				
<b>Cane Creek Parkway <sup>3</sup></b>		\$ 3,804,576.00	\$ 3,724,241.16	\$ -	
<b>Swedwood Drive <sup>2</sup></b>		69,414.00	69,414.00	-	
<b>Cane Creek Centre entrance <sup>3</sup></b>		72,335.00	53,878.70	-	
<b>Financial Advisory Services</b>		9,900.00	9,900.00	-	
<b>Dewberry contracts <sup>1</sup></b>		69,582.50	69,582.50	-	
<b>Dewberry contracts not paid by 1.7 grant <sup>4,5</sup></b>		71,881.00	12,644.62	59,236.38	
<b>Land</b>		-	2,560,921.67	-	
<b>Demolition services</b>		71,261.62	71,261.62	-	
<b>Legal fees</b>		-	50,884.23	-	
<b>CCC - Lots 3 &amp; 9 project - RIFA Local Share <sup>6</sup></b>		142,190.00	112,464.98	-	
<b>Other expenditures</b>		-	20,369.70	-	
<b>Total</b>	<b>\$ 7,631,041.01</b>	<b>\$ 4,311,140.12</b>	<b>\$ 6,755,563.18</b>	<b>\$ 59,236.38</b>	<b>\$ 816,241.45</b>

**notes:**

<sup>1</sup> Dewberry Contracts consist of wetland, engineering, surveying and site preparation

<sup>2</sup> Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive

<sup>3</sup> Project completed under budget

<sup>4</sup> 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.

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> 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.

<b>Road Summary-Cane Creek Parkway:</b>	
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
<b>Total Road Contract Allocated to RIFA</b>	<b>\$ 5,271,916.00</b>

<b>Funding Summary - Cane Creek Parkway</b>	
VDOT	\$ 1,467,340.00
Bonds	3,804,576.00
	<b>\$ 5,271,916.00</b>

## Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2013

As of November 30, 2012

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<b>Funding</b>					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2012	11,042.93				
<b>Contingency</b>					
Miscellaneous contingency items		\$ 47,992.93	\$ 169.55	\$ -	\$ -
<b>Total Contingency Budget</b>		47,992.93	169.55	-	47,823.38
<b>Legal</b>					
		75,000.00	27,446.00	-	47,554.00
<b>Accounting</b>					
		20,750.00	19,500.00	1,250.00	-
<b>Annual Bank Fees</b>					
		4,400.00	4,071.25	-	328.75
<b>Postage &amp; Shipping</b>					
		100.00	-	-	100.00
<b>Meals</b>					
		2,800.00	1,157.26	-	1,642.74
<b>Utilities</b>					
		4,000.00	91.76	-	3,908.24
<b>Insurance</b>					
		6,000.00	-	-	6,000.00
<b>Total</b>	\$ 161,042.93	\$ 161,042.93	\$ 52,435.82	\$ 1,250.00	<u>\$ 107,357.11</u>

**Danville-Pittsylvania Regional Industrial Facility Authority**

Mega Park - Funding Other than Bond Funds

As of November 30, 2012

	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
<b>Funding</b>					
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property <sup>1,4</sup>	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 <sup>5</sup>	76,067.61				
<b>Land</b>					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property <sup>2</sup>		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	-	
<b>Other</b>					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis <sup>3</sup>		990,850.00	972,754.29	18,095.71	
Consulting Services - McCallum Sweeney		115,000.00	92,130.18	22,869.82	
<b>Total</b>	<b>\$ 14,464,467.44</b>	<b>\$ 14,231,524.83</b>	<b>\$ 14,190,559.30</b>	<b>\$ 40,965.53</b>	<b>\$ 232,942.61</b>

<sup>1</sup> 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.

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

<sup>3</sup> 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.

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

<sup>5</sup> 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**

**Funds Available for Appropriation**

As of November 30, 2012

<i>Source of Funds</i>	<u>Funding</u>	<u>Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Yorktowne Reimbursement <sup>1</sup>	\$ 181,339.68				
General funds reimbursed by Berry Hill \$11.25M Bonds	184,266.38				
Sale of Land to Harmony Church	36,564.50				
<b>Expenditures</b>					
Transfer to 'Mega Park - Other than Bonds' budget <sup>2</sup>		\$ -	\$ 65,000.00	\$ -	
CBN Grant Agreement - Approved 11/12/12 <sup>3</sup>		150,000.00	-	150,000.00	
<b>Totals</b>	<u>\$ 402,170.56</u>	<u>\$ 150,000.00</u>	<u>\$ 65,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 187,170.56</u>

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> This grant is to be paid to CBN according to the approved agreement once CBN has (1) delivered a Performance Bond or letter of credit to RIFA and (2) obtained a building permit and provided RIFA with proof that substantial grading has started.

**Danville-Pittsylvania Regional Industrial Facility Authority**  
 Rent, Interest, and Other Income Realized  
 As of November 30, 2012

<u>Source of Funds</u>	<u>Funding Receipts</u>			<u>Expenditures</u>	<u>Unexpended / Unencumbered</u>
	<u>Carryforward from FY2012</u>	<u>November 2012</u>	<u>Receipts FY2013</u>		
<u>Carryforward</u>	\$ 376,519.31				
<u>Current Lessees</u>					
	<u>Park</u>	<u>Property</u>			
Institute for Advanced Learning and Research (IALR) <sup>1</sup>	Cyberpark	Hawkins Research Bldg at 230 Slayton Ave.	\$ 2,933.40	\$ 43,535.45	
Securitas	Cyberpark	Gilbert Building at 1260 South Boston Rd.	-	1,200.00	
Axxor N.A. LLC <sup>3</sup>	Cane Creek	Apartments at 390 Cedar Lane	-	500.00	
Guilford Whitetail Management	Berry Hill	Kluttz Farm off State Rd. 863	-	-	
Browning & Associates, Ltd. <sup>4</sup>	Berry Hill	4380 Berry Hill Road House	-	1,000.00	
Mountain View Farms of Virginia, L.C.	Berry Hill	30 acre tract on Staleline Bridge Rd.	-	-	
Osborne Company of North Carolina, Inc.	Berry Hill	4380 Berry Hill Road Pastureland	-	-	
Clodfeller Hunting Lease	Berry Hill	371.13 acres off State Road 863	-	-	
Mark L. Osborne	Berry Hill	Mega Park Lot 8 approx. 34.4 acres	-	-	
<u>Total Rent</u>			\$ 2,933.40	\$ 46,235.45	
<u>Interest Received</u> <sup>2</sup>			\$ 21.27	\$ 125.55	
<u>Expenditures</u>				\$ -	
<u>Totals</u>			\$ 376,519.31	\$ 2,954.67	\$ 46,361.00
				\$ -	\$ 422,880.31

<sup>1</sup> Please note that rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

<sup>2</sup> Please note that this is only interest received on RIFA's general money market account.

<sup>3</sup> Lease terminated August 31, 2012

<sup>4</sup> Lease terminated August 13, 2012

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Statement of Net Assets**<sup>1,2</sup>  
**November 30, 2012\***

	<b>Unaudited FY 2013</b>
<b>Assets</b>	
<i>Current assets</i>	
Cash - checking	\$ 440,907
Cash - money market	1,140,071
<i>Total current assets</i>	1,580,978
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	917,745
Restricted cash - debt service fund CCC bonds	1,304,467
Restricted cash - debt service fund Berry Hill bonds	23
Restricted cash - debt service reserve fund Berry Hill bonds	2,000,167
Capital assets not being depreciated	24,839,271
Capital assets being depreciated, net	27,794,063
Construction in progress	2,277,130
Unamortized bond issuance costs	627,906
<i>Total noncurrent assets</i>	59,760,772
<b>Total assets</b>	<b>61,341,750</b>
<b>Liabilities</b>	
<i>Current liabilities</i>	
Bonds payable - current portion	1,030,000
<i>Total current liabilities</i>	1,030,000
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	10,590,000
<i>Total noncurrent liabilities</i>	10,590,000
<b>Total liabilities</b>	<b>11,620,000</b>
<b>Net Assets</b>	
Invested in capital assets - net of related debt	48,140,772
Unrestricted	1,580,978
<b>Total net assets</b>	<b>\$ 49,721,750</b>

<sup>1</sup> 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.

<sup>2</sup> 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 these statements are for the period ended November 30, 2012 as of November 29, 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*  
*November 30, 2012\**

	<b>Unaudited FY 2013</b>
<b>Operating revenues</b>	
Virginia Tobacco Commission Grants	5,708,878
Rental income	37,741
<b>Total operating revenues</b>	<b>5,746,619</b>
<b>Operating expenses</b> <sup>4</sup>	
Mega Park expenses <sup>3</sup>	5,467
Cane Creek Centre expenses <sup>3, 5</sup>	77,801
Cyber Park expenses <sup>3</sup>	7,242
Professional fees	25,812
Insurance	5,456
Other operating expenses	1,248
<b>Total operating expenses</b>	<b>123,026</b>
<b>Operating income</b>	<b>5,623,593</b>
<b>Non-operating revenues (expenses)</b>	
Interest income	228
Interest expense	(65,420)
<b>Total non-operating expenses, net</b>	<b>(65,192)</b>
<b>Net income before capital contributions</b>	<b>5,558,401</b>
<b>Capital contributions</b>	
Contribution - City of Danville	339,363
Contribution - Pittsylvania County	339,363
<b>Total capital contributions</b>	<b>678,726</b>
<b>Change in net assets</b>	<b>6,237,127</b>
<b>Net assets at July 1,</b>	<b>43,484,623</b>
<b>Net assets at November 30,</b>	<b>\$ 49,721,750</b>

<sup>3</sup> A portion or all of these expenses may be capitalized at fiscal year-end.

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

<sup>5</sup> Please note that this line item includes fees of \$34,802 related to the \$7.3M bonds for Cane Creek.

*Danville-Pittsylvania Regional Industrial Facility Authority*  
*Statement of Cash Flows*  
*November 30, 2012\**

	<b>Unaudited FY 2013</b>
<b>Operating activities</b>	
Receipts from grant reimbursement requests	\$ 5,867,159
Receipts from leases	44,736
Payments to suppliers for goods and services	<u>(198,013)</u>
<b>Net cash provided by operating activities</b>	<u><b>5,713,882</b></u>
<b>Capital and related financing activities</b>	
Capital contributions	678,726
Interest paid on bonds	(189,056)
Principal repayments on bonds	<u>(5,525,000)</u>
<b>Net cash used by capital and related financing activities</b>	<u><b>(5,035,330)</b></u>
<b>Investing activities</b>	
Interest received	<u>228</u>
<b>Net cash provided by investing activities</b>	<u><b>228</b></u>
<b>Net increase in cash and cash equivalents</b>	<b>678,780</b>
<b>Cash and cash equivalents - beginning of year (including restricted cash)</b>	<u><b>5,124,600</b></u>
<b>Cash and cash equivalents - through November 30, 2012 (including restricted cash)</b>	<u><u><b>\$ 5,803,380</b></u></u>
<b>Reconciliation of operating income before capital contributions to net cash provided by operating activities:</b>	
Operating income	\$ 5,623,593
Changes in assets and liabilities:	
Change in prepaids	9,579
Change in due from other governments	158,281
Change in other receivables	17,886
Change in accounts payable	(84,851)
Change in unearned income	(9,106)
Change in security deposit	<u>(1,500)</u>
<b>Net cash provided by operating activities</b>	<u><u><b>\$ 5,713,882</b></u></u>

<b>Components of cash and cash equivalents at November 30, 2012:</b>	
American National - Checking	\$ 440,907
American National - General money market	1,140,071
Wachovia - \$7.3M Bonds CCC Debt service fund	1,304,467
Wachovia - \$7.3M Bonds CCC Project fund	917,745
US Bank - \$11.25M Bonds Berry Hill Debt service fund	23
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	<u>2,000,167</u>
	<u><u><b>\$ 5,803,380</b></u></u>