Danville-Pittsylvania Regional Industrial Facility Authority

CITY OF DANVILLE, VIRGINIA
COUNTY OF PITTSYLVANIA, VIRGINIA

AGENDA

MONDAY, JULY 9, 2012

12:00 NOON

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

COUNTY OF PITTSYLVANIA MEMBERS

COY E. HARVILLE, CHAIRMAN
JAMES H. SNEAD
JESSIE L. BARKSDALE, ALTERNATE

CITY OF DANVILLE MEMBERS

SHERMAN M. SAUNDERS, VICE CHAIRMAN
APPOINTED MEMBER OF DANVILLE CITY COUNCIL [TO BE DETERMINED]
FRED O. SHANKS, III, 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 JUNE 11, 2012 MEETING

5. NEW BUSINESS

A. Consideration of Resolution No. 2011-07-09-5A in Recognition of the Service of T. David Luther to the Authority as a Director.

B. Consideration of 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.

C. Consideration 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.

D. Consideration of Resolution No. 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.

E. Report on Mega Park – Gregory L. Sides, County Assistant Administrator; Corrie M. Teague, City Marketing and Research Manager; and Shawn Harden, Dewberry Project Manager.

F. 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)(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 Cyber Park.

B. 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 employed or retained by the Authority regarding specific legal matters requiring the provision of legal advice by such counsel.

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

D. Motion to Certify Closed Meeting.

7. COMMUNICATIONS FROM:

Authority Board Members
Staff

8. ADJOURN

AGENDA
ITEM NUMBER 4

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
June 11, 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 Vice Chairman Sherman M. Saunders and alternate Fred O. Shanks. 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, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Economic Development Jeremy Stratton, City of Danville Director of Public Works Ric Drazenovich, City of Danville Director of Planning Kenny Gillie, City of Danville Marketing and Research Manager Corrie Teague, City of Danville Senior Accountant Patricia Conner, Clement and Wheatley Attorney Michael Guanzon, and Secretary to the Authority Susan DeMasi.

Chairman Harville called the Meeting to order.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MAY 14, 2012 MINUTES

Upon **Motion** by Mr. Saunders and **second** by Mr. Snead, Minutes of the May 14, 2012 Meeting were approved, as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

ADDITIONS TO AGENDA

Mr. Snead **moved** that the Board add to the Agenda of the Closed Meeting, Item 6AA, which would come after Item 6A. The **Motion** was seconded by Mr. Saunders and carried by the following vote:

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

NEW BUSINESS

5A. MAINTENANCE OF RIGHT OF WAY AND LOTS AT THE AUTHORITY'S CANE CREEK CENTRE

City of Danville Director of Public Works Ric Drazenovich noted that staff has looked at two maintenance issues, the Cane Creek Parkway and the graded lots, and maintaining them to the standard necessary for when prospects are taken through to look at the Lots. To maintain the Cane Creek Parkway, Mr. Drazenovich recommends that litter collection be done weekly,

mowing of the banks and the shoulders be done monthly, and at least every two months, trim around the guardrails. Mr. Drazenovich reviewed several options for this maintenance:

- VDOT can continue to maintain it, they may cut it twice a year, and they don't generally have people picking up litter;
- It could be bidded out to a contractor which could be expensive; or
- Either the County or the City extends its workforce to cut it.

Mr. Drazenovich reviewed the various costs, and recommended that the City extend its forces, cut it to the standards discussed and bill it to a work order that would then get charged to RIFA. He noted that he believed the City's current work force could be extended to do this and maintain a good standard.

As to the graded lots, Lots 3 and 9, they are 80-90 acres of flat lot sown with fescue and hay and there are several options:

- the City could mow it;
- the County could mow it;
- it could be contracted out; or
- a local farmer could be hired to mow it for the value of the hay.

For the City to cut it, it would be approximately $1726 per mowing of the 80 acres. Staff recommendation is that RIFA get a local farmer to mow those lots.

Mr. Harville asked Mr. Drazenovich to contact Kenneth Martin at VDOT to see if they could handle extra mowing on the Cane Creek Parkway. Mr. Drazenovich noted he will email Mr. Martin and see what he is willing to do and come back to RIFA.

Mr. Snead proposed that RIFA go ahead and pay for the first month instead of waiting. It may take a couple of months for VDOT to get it lined up and RIFA needs to go ahead and act on this right away for at least one cutting, litter, weed eating/trimming to get it in good shape. Mr. Harville noted his agreement, and asked for a motion to authorize Mr. Drazenovich to proceed with this and with checking with VDOT, and also indicated that the Board should leave it to the discretion of Mr. Drazenovich on how this matter should be handled. Mr. Harville noted to the RIFA Attorney the Board will make a motion to go ahead and authorize Mr. Drazenovich to do the plan as presented, put the RFP out for the hay and take care of the rest.

Mr. Saunders made the **Motion** with the understanding that RIFA pay for the first mowing if need be. The Motion was **seconded** by Mr. Snead and carried by the following vote:

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

5B. CONSIDERATION - RESOLUTION NO. 2012-06-11-5B – APPROVING A ONE YEAR HUNTING LEASE WITH JAY VANN CLODFELTER AND BRENT CLODFELTER – HAIRSTON FARM

Mr. Harville noted that the previous hunting club has opted not to renew their lease because of the future development and grading of the site. The new lease is for two of the members that would like to go ahead and lease the property.

Mr. Snead **moved** adoption of *Resolution No. 2012-06-11-5B, approving a one-year hunting lease with Jay Vann Clodfelter and Brent Clodfelter, as tenants, of approximately 371.13 acres at the Authority's Mega Park Site, commonly known as the Hairston Farm (GPIN 1366-16-2959), for the uses of hunting, fishing and related outdoor recreational activities, at a total rental fee of $1,500.*

The Motion was **seconded** by Mr. Shanks.

Mr. Shanks questioned if all the liability issues are resolved as in the previous agreement. Mr. Harville noted this was discussed with the RIFA attorney and everything is identical to the previous lease. RIFA attorney Michael Guanzon noted that they will have the right to have guests on the property as in the previous lease and at the back of the lease is a form that they are required to have any guest sign agreeing to indemnify and release. This is essentially the same hunting lease, just changing the name of the party and reducing the size of the area being hunted to just the Hairston Farm.

The **Motion** was carried by the following vote:

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

6C. CONSIDERATION – RESOLUTION NO. 2012-06-11-5C, APPROVING A PLAN OF CBN SECURE TECHNOLOGIES FOR IMPROVEMENT OF BUILDING AND DRIVEWAY AND AN AMENDMENT TO DECLARATION OF COVENANTS OF THE CYBER PARK

Director of Planning Kenny Gillie noted the company is looking at possibly expanding their facility and as part of the expansion of the facility, the covenants state that all truck traffic is supposed to be handled on site. The proposal to expand will require them to move towards the East, and right now they have a driveway that goes from East, back around the facility. The Company wants to make a secured loading dock area so they can pull a truck inside then drop doors, lock it up and then transfer materials inside the facility; that would eliminate the ability to move the trucks around. The trucks would actually have to come onto the street and back into the property and the covenants say that is not permitted, but because of the limited number of trucks they would have, staff thought the modifications to the covenants would be necessary. Also, as to the exterior of the building, the Covenants state not to use metal, but the only way to

have a secured roll up door is to have metal on the front of the facility and the Company is asking for a modification to that as well.

In response to Board members' questions, Tim Clarke from Blair Construction noted there would be approximately 5-10 trucks per month, or about 2 per week making deliveries. Mr. Gillie noted that there are no site distance issues and from an engineering and traffic standpoint, it is not a problem.

Mr. Clarke noted CBN is not sure which side of the building they are going to expand and before they expand, and before they add parking, which they are going to need to do, that plan also needs to come before the Board for approval along with a rendering of the expansion. Mr. Clarke noted they don't have a rendering today because the Company doesn't know if they are going to the right or left of the building. The Company also is going to have to add more parking in the front of the building and that also needs to come before the RIFA Board.

After further discussion with staff and Board, Mr. Saunders **moved** to approve *Part II of Resolution 2012-06-11-5C (now new Resolution 2012-06-11-5C-2), approving an amendment to that certain Declaration of Covenants of the Authority's Cyber Park, dated September 17, 2004, and recorded in the Clerk's office of the Circuit Court of Danville, Virginia, as Instrument No. 05-1617, at Page 107, as the same pertains to Lot 7C, located in the Authority's Cyber Park, bearing the mailing address of 350 Stinson Drive, Danville, Virginia (PIN 78461).*

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

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

5D. CONSIDERATION – RESOLUTION 2012-06-11-5D – APPROVING THE ENGAGEMENT LETTER OF BROWN, EDWARDS & COMPANY

Authority Treasurer Barbara Dameron noted that staff issued a Request for Proposal three months ago and held pre-proposal meetings in which each firm could come and ask questions. Based on experience, as well as fees, Barbara Dameron, Kim van der Hyde and Patricia Conner recommend that RIFA stay with Brown, Edwards. This year their basic audit fee will be $18,250. RIFA will be required to conduct a single audit and the fee for that will be $2,500, with a total fee of $20,750.

Mr. Snead **moved** *adoption of Resolution No. 2012-06-11-5D, approving the engagement letter of Brown, Edwards & Company, L.L.P., Certified Public Accountants, to audit the basic financial statements of the Authority as of and for the year ending June 30, 2012, at a base fee of $18,250, plus expenses and $2,500 for the single audit requirement.*

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

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

5E. APPROVAL OF THE AUTHORITY 2013 GENERAL EXPENDITURS BUDGET

Patricia Conner, CPA, City of Danville, reviewed funding received for FY2012, expenditures for this fiscal year as of May 31, 2012 as well as the proposals for RIFA funding and expenditures for the upcoming Fiscal Year 2013. Staff is proposing the same level of funding from the City and the County.

Board members questioned Ms. Conner and Ms. Dameron regarding insurance coverage, utility fees and legal fees.

Mr. Shanks **moved** for approval of the Authority's 2013 General Expenditures Budget. The Motion was **seconded** by Mr. Snead and carried by the following vote:

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

5F. FINANCIAL REPORT AS OF MAY 31, 2012 – BARBARA DAMERON, AUTHORITY TREASURER

Ms. Dameron reviewed the financial report as of May 31, 2012 beginning with the Cane Creek bond issue and noted the Board has only had $2,820 expended since April: $1,020 for the Dewberry Site Planning and $1,800 to ECS Mid-Atlantic Phase I Environmental Site Assessment for Lot 9. Ms. Dameron reviewed a new report on page 60 showing funds available for appropriation. Rental income received was $42,500 and General Expenditures were $2,756 in mostly general legal fees. Net Assets are approximately $373,000 and the majority of that, $353,000, is related to the final reimbursement from the EPA for the Cane Creek Lots 3 and 9.

Mr. Saunders **moved** to approve the Financial Report as of May 31, 2012 as presented. The Motion was seconded by Mr. Snead and carried by the following vote:

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

5G. LOCAL MATCH FOR TOBACCO COMMISSION GRANT #1916

Ms. Dameron noted that the engineering portion of Grant #1916 for Berry Hill Phase II, requires a local match of $173,543, roughly $86,700 for the City and County each. The total local match that will be required once all work is completed is estimated to be only $76,000. As the City and County have not yet put forth money, the Staff noted that the Board may want to consider appropriating funds from page 60 of the financial report which was discussed earlier, to go

towards that match as well as the remaining funds with the bond issue. RIFA has about $11,060 that has not been drawn down from the Bond issue that can be used toward the Mega Park and the balance of $65,000 would come from the balance of Funds Available for Appropriation.

Mr. Snead **moved** to approve the RIFA funds as presented as part of the Tobacco Commission Grant #1916. The Motion was **seconded** by Mr. Shanks and carried by the following vote:

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

6A. CLOSED SESSION

At 1:03 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; and as permitted by Section 2.2-3711(A)(29) of the Code of Virginia, 1950, as amended, for discussion of the award of a public contract involving the expenditure of public funds, and discussion of the terms or scope of such contract pertaining to the construction of a Berry Hill Connector Road into the Authority's Mega Park, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority; and as permitted by Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended, for discussion and consideration of the acquisition of real property for a Berry Hill Connector Road into the Authority's Mega Park, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and 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.

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

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

Mr. Harville noted that upon **Motion** by Mr. Snead and **second** by Mr. Shanks, and by unanimous vote at 1:50 p.m., the Authority returned to open meeting.

Mr. Snead **moved** adoption of the following Resolution:

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

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

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open 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, Shanks (4)
NAY:	None (0)

COMMUNICATIONS

Mr. Snead asked the Chairman if Mr. Luther would be recognized at the next meeting. Mr. Harville noted that a plaque was obtained for Mr. Luther recognizing his service on the RIFA board. Mr. Harville noted he would invite Mr. Luther to the next RIFA meeting to receive the plaque.

MEETING ADJOURNED AT 1:55 P.M.

_____
Chairman

_____
Secretary to the Authority

DRAFT

AGENDA
ITEM NUMBER 5A

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
RESOLUTION
2012-07-09-5A

WHEREAS, Pittsylvania County Board of Supervisors and the City of Danville developed an agreement to establish a Regional Industrial Facility Authority to provide economic development for the region; and

WHEREAS, it has been a significant benefit to both Pittsylvania County and the City of Danville for the partnership that operates the Danville-Pittsylvania Regional Industrial Facility Authority; and

WHEREAS, this regional partnership requires significant cooperation and leadership to administer the economic development programs designed for the growth and the future of these two communities; and

WHEREAS, the Honorable T. David Luther has served as a member of the Danville-Pittsylvania Regional Industrial Facility Authority since February 2002, providing guidance and leadership necessary for the Authority to move forward in developing the future of the Danville-Pittsylvania County Region; and

WHEREAS, T. David Luther's term in office as a Member of Danville City Council ended on June 30, 2012; then

BE IT HEREBY RESOLVED, that the Members of the Board of Directors of the Danville-Pittsylvania Regional Industrial Facility Authority express their sincere appreciation for the service of T. David Luther as a member of the Danville-Pittsylvania Regional Industrial Facility Board of Directors and recognize the devotion and duty provided by T. David Luther in his service to the Authority and for his outstanding service and exemplary leadership to the Authority and wish him all success in his future endeavors.

Given under my hand this 9th day of July, 2012.

_____
Chairman

_____
Clerk to the Authority

AGENDA
ITEM NUMBER 5B

Resolution No. 2012-07-09-5B

A RESOLUTION ELECTING THE CHAIRMAN AND THE VICE CHAIRMAN OF THE AUTHORITY AND APPOINTING THE SECRETARY AND THE TREASURER OF THE AUTHORITY.

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, pursuant to Article V, paragraph 1 of the Amended and Restated Bylaws of the Authority (the **"Bylaws"**) , the County of Pittsylvania, Virginia, and the City of Danville, Virginia, as member localities of the Authority, have each appointed two (2) directors and one (1) alternate director to the Board of Directors of the Authority (the **"Board"**); and

WHEREAS, Article VI, paragraphs 1 and 2 of the Bylaws provide that the Board shall elect from its directors a Chairman and a Vice Chairman to serve for the fiscal year until their successors are elected; and

WHEREAS, Article VI, paragraph 5 of the Bylaws provides that the Board shall appoint a Secretary and a Treasurer, which may include staff provided by a member locality or other persons employed or contracted by the Authority, and that such offices of Secretary and Treasurer may be held by the same person; and

WHEREAS, Article VII, paragraph 1 of the Bylaws provides that regular elections of officers shall be held at a regular meeting of the Board in July of each fiscal year.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Board hereby elects the following directors to serve the Authority in the office designated below and to have such powers and duties as prescribed to them by the Bylaws and pursuant to applicable law:

   a. Chairman: _____; and
   b. Vice Chairman: _____.

2. The Board hereby elects the following persons to serve the Authority in the office designated below (which may be the one and the same person) and to have such powers and duties as prescribed to them by the Bylaws and pursuant to applicable law:

   a. Secretary: _____; and
   b. Treasurer: _____.

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

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, with respect to the matters contemplated herein.

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

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 July 9, 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 9th day of July 2012.

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

(SEAL)

AGENDA
ITEM NUMBER 5C

Resolution No. 2012-07-09-5C

A RESOLUTION 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.

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 (Virginia Code §§ 15.2-6400 *et seq.*) as amended; and

WHEREAS, the Authority is the owner of that certain tract or parcel of land (the **"Parcel"**) fronting Stinson Drive (Tax PIN 76367), containing 15.203 acres, more or less, located in the Authority's Cyber Park project, in Danville, Virginia; and

WHEREAS, the City of Danville, Virginia (the **"City"**), a member locality of the Authority, has requested that a 0.15 acre portion of the Parcel be distributed and conveyed by the Authority to the City (the **"Conveyance"**) for the purpose of creating a cul-de-sac at the end of Gilbert Drive, which borders the Parcel, and of improving traffic safety and efficiency along that road; and

WHEREAS, the Authority has determined that the Conveyance (i) is pursuant to authority granted to the Authority by Virginia Code §§ 15.2-6405(4) and (6), and (ii) is in furtherance of the Authority's purpose to enhance the economic base for the member localities by developing, owning, and operating one or more facilities on a cooperative basis involving its member localities.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby authorizes the Chairman of the Authority to negotiate, execute and deliver any and all such documents necessary and proper to effectuate the Conveyance (the **"Conveyance Documents"**, whether one or more), together with such amendments, deletions or additions to the Conveyance Documents as may be approved by the Chairman, and hereby authorizes the Chairman to execute and deliver the Conveyance Documents on behalf of the Authority, such execution of the same by the Chairman to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes the Chairman to execute and deliver such other documents in connection with the Conveyance, as may be approved by the Chairman, such execution by the Chairman to conclusively establish his approval of such other documents.

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

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Conveyance and the matters contemplated in this Resolution or the Conveyance Documents.

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

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 July 9, 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 9th day of July 2012.

_____

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

(SEAL)

AGENDA
ITEM NUMBER 5D

Resolution 2012-07-09-5D

RESOLUTION 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

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 (Virginia Code §§ 15.2-6400 *et seq.*) as amended; and

WHEREAS, United States Green Energy Corporation, a Nevada corporation (**"USGE"**), is the owner of that certain lot, known as **New Lot 1**, located in the Authority's Cane Creek Site, bearing the mailing address of 1350 Barker Road, located in Pittsylvania County, Virginia (GPIN 2347-39-1745); and

WHEREAS, New Lot 1 is subject to that certain Declaration of Protective Covenants, dated July 12, 2000, and recorded in the Clerk's Office of the Circuit Court of the County of Pittsylvania, Virginia (the **"County Clerk's Office"**), as Instrument No. 05-06158, in Deed Book 1505, at page 237, and recorded in the Clerk's Office of the Circuit Court of the City of Danville, Virginia (the **"City Clerk's Office"**), as amended, by that certain Amendment to Declaration of Protective Covenants, dated April 24, 2012, and recorded in the County Clerk's Office as Instrument 12-03321, at page 104, and in the City Clerk's Office as Instrument No, 12-1999, at page 1 (the **"Declaration"**); and

WHEREAS, USGE submitted a request to the Review Committee under the Declaration for approval of a Truck Loading Area Paving Variance Request, a copy of which is attached hereto as **Exhibit A**, incorporated herein by this reference. Under that request, USGE proposes that in lieu of asphalt, a 10-inch layer of VDOT21A aggregate be used on the access road and 4-inch stone as a protective surface between the access road and the building (the **"Truck Loading Driveway Paving Plan"**); and

WHEREAS, the Review Committee wishes to approve the Truck Loading Driveway Paving Plan on the following conditions:

1. The truck loading area is not accessible to the public;
2. All public traffic, vehicular and pedestrian, is on paved surfaces;
3. The access road is restricted to use by commercial service and delivery vehicles;
4. The access road is not visible from Wilkerson Road;
5. The 4-inch stone shall be neatly and routinely maintained to be on the access road;
6. USGE is in compliance with all requirements of the Declaration;
7. The Review Committee shall have the right to evaluate the Truck Loading Driveway Paving Plan annually and as deemed necessary by the Review Committee, to make additional conditions to its continuing approval of the Truck

Loading Driveway Paving Plan, including without limitation requiring those areas be paved with asphalt; and

8. In the event New Lot 1 is sold or transferred to an owner other than an affiliate of USGE, the Review Committee shall have the right to rescind its consent to the Truck Loading Driveway Paving Plan and require that those areas be paved with asphalt

(collectively, the **"Conditions"**); and

WHEREAS, the Authority has determined that approval of the Truck Loading Driveway Paving Plan, subject to the Conditions, is in furtherance of the Authority's purpose to enhance the economic base for the member localities by developing, owning, and operating one or more facilities on a cooperative basis involving its member localities.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby authorizes and directs the Review Committee to approve the Truck Loading Driveway Paving Plan, subject to the Conditions (the **"Plan Approval"**), together with such amendments, deletions or additions to the Truck Loading Driveway Paving Plan, as may be approved by the Chairman, and such execution of the same by the Chairman to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes the Chairman to execute and deliver any documents in connection with the Plan Approval, as may be approved by the Chairman, such execution by the Chairman to conclusively establish his approval of such other documents.

3. The Authority, acting through the Review Committee under the Declaration, hereby approves the Truck Loading Driveway Paving Plan, subject to the Conditions, as may be amended, deleted or added by the Chairman as set forth in paragraph 1 of this Resolution.

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

5. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Plan Approval and the matters contemplated in this Resolution.

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

Resolution 2012-07-09-5D

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 July 9, 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 9th day of July 2012.

_____

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

(SEAL)

EXHIBIT A
(Truck Loading Area Paving Variance Request)

[ATTACH]

USGE Truck Loading Area
1350 Barker Road
Truck Loading Area Paving Variance Request

Request: United States Green Energy located at 1350 Barker Road requests that it be permitted to install aggregate rather than paving in the truck loading area access road shown in red on attachment 1. The entrance drive and parking lot shall be paved in accordance with existing covenants.

Reason: All delivery trucks arriving at the USGE Barker Road facility after reaching the loading dock area will have to reverse and turn perpendicular to the access road the loading docks to unload. After unloading the trucks must turn again in parallel to the building on the access road to leave the facility. The far loading dock (west end of the building) is for heavy machinery and has a concrete apron installed. However the heavy trucks, some carrying loads of 20 tons or more, must reverse onto this apron turning on the access road. If the access road extending beyond the entrance and parking area is asphalt it will over a relatively short time be damaged, especially in hot weather, due to the truck drive wheels' turning forces. Frequent damage can be expected. Aggregate is much more tolerant to heavy trucks and is commonly used where heavy trucks frequent. Restoration of an aggregate road condition is a simple regrade and addition of aggregate as required. We propose 10 inch layer of VDOT21A aggregate be used on the access road and 4 inch stone as a protective surface between the access road and the building.

Notes of special Interest:

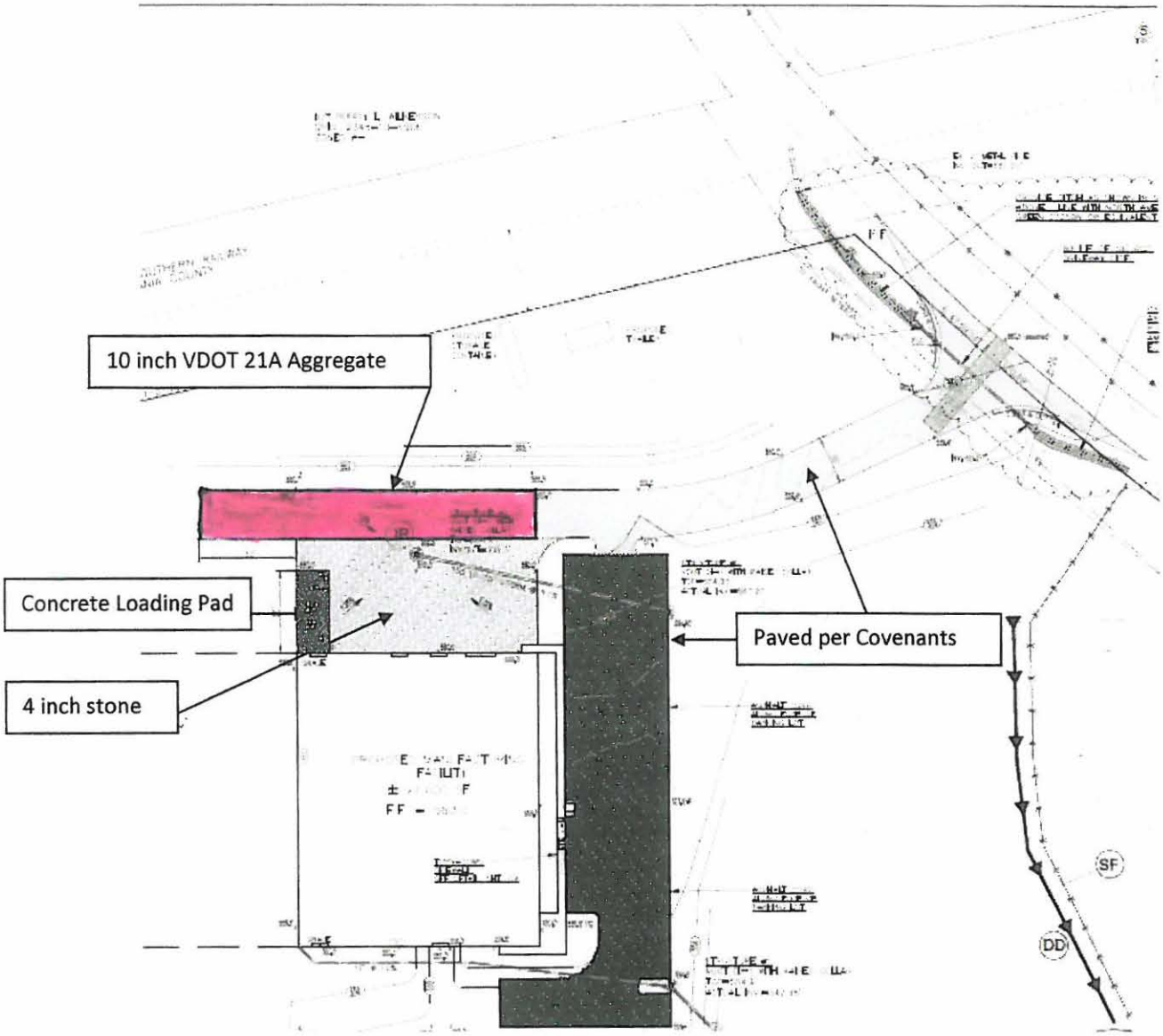
1. The truck loading area is not accessible to the public
2. All public traffic , vehicles and pedestrian, is on paved surfaces
3. The access road is restricted to use by commercial service and delivery vehicles
4. The access road is not visible from Wilkerson Road due to the embankment along the railroad tracks (see photo attached)

Illustrations Attached:

Attachment 1: Site Plan Section
Photo – View from Construction Entrance
Photo – View from Wilkerson Road
Photo – View from Planned Permanent Entrance

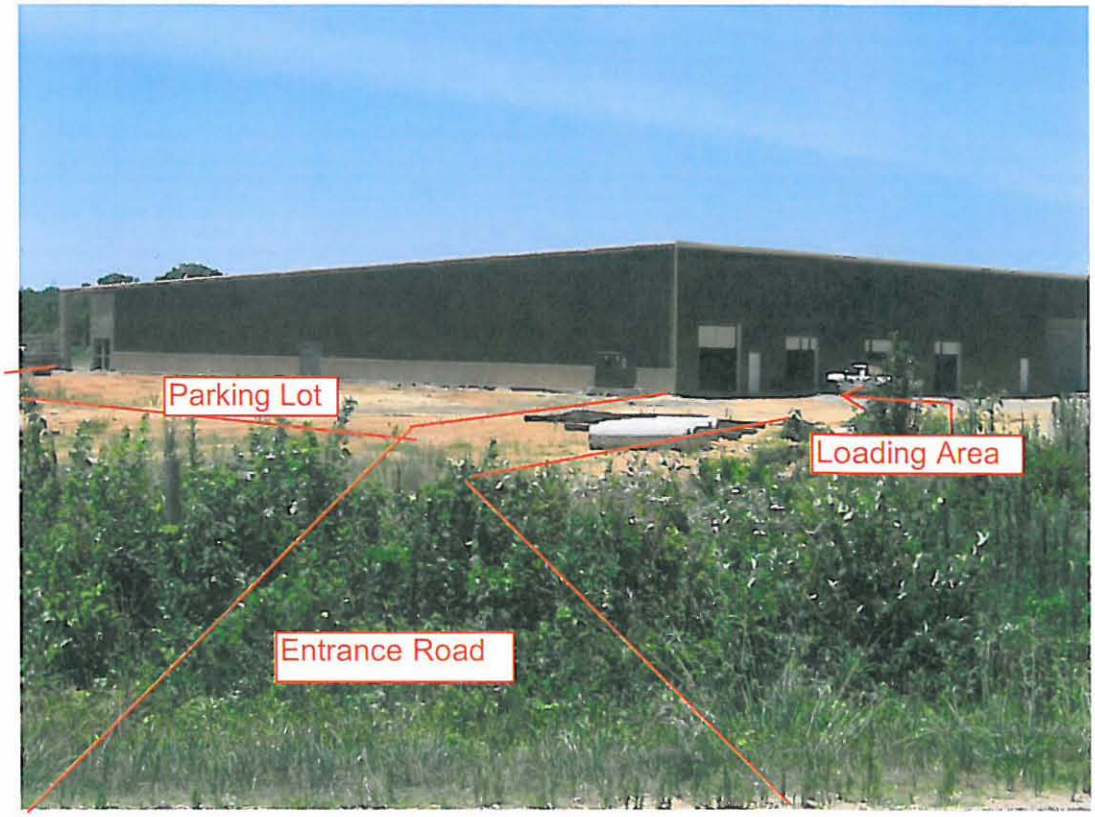
Attachment 1

US Green Energy --- 1350 Barker Road --- Paving Plan



View from Construction Entrance

View from Wilkerson Road



View from Permanent Entrance

AGENDA
ITEM NUMBER 5F

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

Table of Contents

A. $7.3 Million Bonds - Cane Creek Centre

B. General Expenditures for FY 2012

C. Mega Park – Funding Other than Bond Funds

D. $11.25 Million Bonds – Mega Park

E. Cane Creek Centre – Lots 3 & 9

F. Funds Available for Appropriation

G. Rent, Interest, and Other Income Realized

H. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

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

As of June 30, 2012

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
Funds from bond issuance	$ 7,300,000.00				
Issuance cost	(155,401.33)				
Bank fees	(98.25)				
Interest earned to date	486,501.87				
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		-	49,876.73	-	
CCC - Lots 3 & 9 project - RIFA Local Share [6]		142,190.00	80,122.49	-	
Other expenditures		-	18,569.70	-	
Total	$ 7,631,002.29	$ 4,237,578.50	$ 6,680,613.19	$ 59,236.38	**$ 891,152.72**

notes:

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

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

[3] *Project completed under budget*

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

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

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

[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

A

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2012

As of June 30, 2012

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
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		-	7,500.00	-	-
Moody's Investor Service		-	1,100.00	-	-
Cyber Park Parcel Appraisals		-	1,800.00	-	-
Employee Reimbursement		-	114.51	-	-
News & Advance ads for RIFA RFPs		-	144.40	-	-
Miscellaneous contingency items		15,000.00	667.66	-	-
Total Contingency Budget		17,000.00	13,326.57	-	3,673.43
Legal		90,250.00	54,997.13	-	35,252.87
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	1,311.84	-	8,688.16
Insurance		7,000.00	5,456.00	-	1,544.00
Total	$ 150,000.00	$ 150,000.00	$ 101,013.89	$ -	$ 48,986.11

B

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park - Funding Other than Bond Funds

As of June 30, 2012

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City contribution	$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property [1, 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	$ 14,464,461.82	$ 14,231,524.83	$ 14,190,559.30	$ 40,965.53	**$ 232,936.99**

[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 June 30, 2012

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
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	887.28				
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		-	28,397.52	-	
Total	$ 10,681,106.43	$ -	$ 10,681,106.43	$ -	$ -

[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 June 30, 2012

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
EDA Grant Investment	$ 2,275,030.00				
Tobacco Commission FY10 Reserve Fund Allocation	426,568.00				
Local Match - RIFA [1]	142,190.00				
Expenditures					
Haymes Brothers, Inc.		$ 1,488,466.71	$ 1,488,466.71	$ -	
Dewberry & Davis		111,600.00	111,600.00	-	
Advertisements for bids		-	2,383.00	-	
Total	$ 2,843,788.00	$ 1,600,066.71	$ 1,602,449.71	$ -	**$ 1,241,338.29**

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

Danville-Pittsylvania Regional Industrial Facility Authority

Funds Available for Appropriation

As of June 30, 2012

	Funding	Expenditures	Unexpended / Unencumbered
Source of Funds			
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		
Expenditures			
Transfer to 'Mega Park - Other than Bonds' budget [2]		$ 65,000.00	
Totals	$ 402,170.56	$ 65,000.00	$ 337,170.56

[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 June 30, 2012

Funding		Funding	Expenditures	Unexpended / Unencumbered
Rental Properties				
Lessee	*Property*	*Rent Received*		
Cyberpark				
Institute for Advanced Learning and Research (IALR) [1, 4]	Hawkins Research Building at 230 Slayton Ave.	$ 603,989.64		
Securitas	Gilbert Building at 1260 South Boston Rd.	14,600.00		
Cane Creek Centre				
Stephen R. & Susan G. Wilson	Hughes House at 390 Cedar Lane	2,800.00		
Douglas C. Agner	Hughes House at 390 Cedar Lane	6,000.00		
Richard A. Parker	Hughes House at 390 Cedar Lane	2,400.00		
Axxor N.A. LLC [6]	Apartments at 390 Cedar Lane	4,250.00		
Berry Hill Mega Park				
Guilford Whitetail Management	Kluttz 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		
Total Rent		$ 681,921.64		
Interest Received [2]		$ 23,354.30		
Miscellaneous Income		$ 55.37		
Expenditures				
Disbursement to IALR for SEnTeC project [1]			$ 278,812.00	
Transfer to General Expenditures budget [3]			50,000.00	
Total		$ 705,331.31	$ 328,812.00	$ 376,519.31

[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]
*June 30, 2012**

		Unaudited FY 2012
Assets		
Current assets		
Cash - checking	$	860,661
Cash - money market		389,946
Prepaid asset		9,579
Total current assets		1,260,186
Noncurrent assets		
Restricted cash - project fund CCC bonds		1,046,459
Restricted cash - debt service fund CCC bonds		808,068
Restricted cash - project fund Berry Hill bonds		19,510
Restricted cash - debt service fund Berry Hill bonds		-
Restricted cash - debt service reserve fund Berry Hill bonds		2,000,083
Capital assets not being depreciated		24,962,931
Capital assets being depreciated, net		27,244,055
Construction in progress		1,930,750
Unamortized bond issuance costs		678,562
Total noncurrent assets		58,690,418
Total assets		59,950,604
Liabilities		
Current liabilities		
Bonds payable - current portion		5,825,000
Unearned income		9,106
Security deposit		1,500
Total current liabilities		5,835,606
Noncurrent liabilities		
Bonds payable - less current portion		11,320,000
Total noncurrent liabilities		11,320,000
Total liabilities		17,155,606
Net Assets		
Invested in capital assets - net of related debt		41,545,418
Unrestricted		1,249,580
Total net assets	$	42,794,998

[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 June 30, 2012 as of June 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
*June 30, 2012**

	Unaudited FY 2012
Operating revenues	
Economic Development Administration grants	1,076,639
Virginia Tobacco Commission grants	158,651
Rental income	220,618
Other grants	-
Total operating revenues	1,455,908
Operating expenses [4]	
Mega Park expenses [3]	26,892
Cane Creek Centre expenses [3,5]	1,408,468
Cyber Park expenses [3]	13,550
Professional fees	62,928
Insurance	5,729
Other operating expenses	4,484
Total operating expenses	1,522,051
Operating loss	(66,143)
Non-operating revenues (expenses)	
Interest income	1,404
Interest expense	(109,420)
Total non-operating expenses, net	(108,016)
Net loss before capital contributions	(174,159)
Capital contributions	
Contribution - City of Danville	1,337,392
Contribution - Pittsylvania County	1,337,392
Total capital contributions	2,674,784
Change in net assets	2,500,625
Net assets at July 1,	40,294,373
Net assets at June 30,	$ 42,794,998

[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 $59,055 for fees related to the $7.3M bonds for Cane Creek.

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

		Unaudited FY 2012
Operating activities		
Receipts from grant reimbursement requests	$	1,517,731
Receipts from leases		227,027
Payments to suppliers for goods and services		(1,801,018)
Net cash used in operating activities		(56,260)
Capital and related financing activities		
Capital contributions		2,674,784
Interest paid on bonds		(104,326)
Proceeds from bond issuance		11,003,675
Bond issuance costs		(323,456)
Repayment to City for cash advances and interest on advances		(10,485,134)
Principal repayments on bonds		(285,000)
Net cash provided by capital and related financing activities		2,480,543
Investing activities		
Interest received		1,404
Net cash provided by investing activities		1,404
Net increase in cash and cash equivalents		2,425,687
Cash and cash equivalents - beginning of year (including restricted cash)		2,699,040
Cash and cash equivalents - through June 30, 2012 (including restricted cash)	$	5,124,727
Reconciliation of operating loss before capital contributions to net cash used in operating activities:		
Operating loss	$	(66,143)
Changes in assets and liabilities:		
Change in prepaids		534
Change in due from other governments		282,441
Change in other receivables		3,500
Change in accounts payable		(279,498)
Change in unearned income		2,406
Change in security deposit		500
Net cash used in operating activities	$	(56,260)

Components of cash and cash equivalents at June 30, 2012:		
American National - Checking	$	860,661
American National - General money market		389,946
Wachovia - $7.3M Bonds CCC Debt service fund		808,068
Wachovia - $7.3M Bonds CCC Project fund		1,046,459
US Bank - $11.25M Bonds Berry Hill Debt service fund		-
US Bank - $11.25M Bonds Berry Hill Debt service reserve fund		2,000,083
US Bank - $11.25M Bonds Berry Hill Project fund		19,510
	$	5,124,727