

Danville-Pittsylvania Regional Industrial Facility Authority

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

AGENDA

Monday, September 9, 2013

12:00 Noon

**Danville Regional Airport
Eastern Conference Room
424 Airport Drive, Danville, Virginia**

County of Pittsylvania Members

**Coy E. Harville, Vice Chair
James H. Snead
Jessie L. Barksdale, Alternate**

City of Danville Members

**Sherman M. Saunders, Chair
Fred O. Shanks, III
J. Lee Vogler, Jr., Alternate**

Staff

**Joseph C. King, City Manager, Danville
William D. Sleeper, Pittsylvania County Administrator
Clement & Wheatley, Legal Counsel to Authority
Susan M. DeMasi, Authority Secretary
Barbara A. Dameron, Authority Treasurer**

Danville-Pittsylvania Regional Industrial Facility Authority

1. MEETING CALLED TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT PERIOD

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

4. APPROVAL OF MINUTES FOR THE AUGUST 12, 2013 MEETING

5. NEW BUSINESS

- A. Financial Status Report as of August 31, 2013 – 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)(3) of the Code of Virginia, 1950, as amended, for discussion or consideration of the acquisition of real property for a public purpose to develop one of the Authority's projects, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.
- B. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning two prospective businesses or industries where no previous announcement has been made of their interest in locating or expanding their respective facilities into one of the Authority's projects.

RETURN TO OPEN SESSION

- C. Confirmation of Motion and Vote to Reconvene in Open Meeting.
- D. Motion to Certify Closed Meeting.
- E. Consideration of Resolution 2013-09-09-6E pertaining to one or more items discussed in closed session [written material to be provided to public after return to open session].

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7. COMMUNICATIONS FROM:

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

Reminder of date changes for October and November 2013 meetings:

- Thursday, October 17, 2013 – Meeting moved from Monday to Thursday in order to accommodate the County's Columbus Day holiday and the City's Virginia Municipal League conference
- Thursday, November 14, 2013 – Meeting moved from Monday to Thursday in order to accommodate the County's Veterans Day holiday

8. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	4
Meeting Date:	09/09/2013
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's approval are the Meeting Minutes from the Monday, August 12, 2013 meeting.

ATTACHMENTS

Meeting Minutes – 08/12/13

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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August 12, 2013

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:15 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, Fred O. Shanks, III and Alternate J. Lee Vogler. Pittsylvania County Members present were Vice 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, City of Danville Finance Director/Authority Treasurer Barbara Dameron, City of Danville Director of Economic Development Jeremy Stratton, Project Manager Corrie Teague, City of Danville Director of Public Works Ric Drazenovich, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Senior Accountant Patricia Conner and Clement & Wheatley Attorney Michael Guanzon. Also present was Dewberry Project Manager Shawn Harden.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE JULY 8, 2013 MEETING

Upon **Motion** by Mr. Harville and **second** by Mr. Shanks, Minutes of the July 8, 2013 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. DISCUSSION – FISCAL YEAR 2014 TOBACCO COMMISSION MEGA SITE GRANT APPLICATION

Assistant County Administrator for Planning & Development Gregory Sides noted the Mega Site grant applications are due October 18th. The biggest issue with the Mega Site application process is the backup because of permitting issues. The permitting obstacle has created some additional costs and staff is still putting together the proposed next application. Mr. Sides noted he believes it will need to be engineering and permitting to cover the cost beyond what was initially proposed. Staff anticipates having a Resolution for the Board at the September RIFA meeting to approve submitting that application in October. In response to Chairman Saunders, Mr. Sides noted he does not know what the time frame may be with regard to Senators Warner, Kaine and Congressmen Hurt's proposed legislation. Mr. Harville questioned the status of the application with the Sewer line and connecting with Eden and Mr. Sides noted it has been cleared by the Tobacco Commission, it had been delayed while staff did some more work. Mr. Sleeper noted he believes it is going to bid next week and Mr. Harville requested that Eden be updated on the status as well.

5B. UPDATE ON DEVELOPMENT OF THE AUTHORITY'S MEGA PARK PROJECT LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA

City of Danville Director of Public Works Ric Drazenovich noted the permit was submitted on October 17, 2012. The Army Corp of Engineers responded back in May, and after reviewing

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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the response, it became evident that they were not likely to approve the permit as submitted. RIFA contracted with Wetland Studies and Solutions, an engineering firm who specializes in resolving these types of wetland and permit issues. They have completed their initial discussions with the regulatory agencies and have come to the conclusion that they do not believe they going to approve what they call a speculative development, meaning RIFA doesn't have an end user for the project. The problem is they cannot assess the Least Damaging Practical Alternative without a user. Economic development agrees RIFA won't attract anybody to the site without having a permit and a pad. Wetlands had meetings with all of them together and believes that the Corp softened a bit and would be willing to consider a more targeted market study. They have outlined what RIFA needs to do in the quantifiable market analysis, which includes a clearer purpose and need, a more defined market area, the target market users and their needs and the demand level of that market. After RIFA gets the market study, Wetland Solutions will sit down with the Corp to see how comfortable they are with proceeding based on that study. Once RIFA is past the speculative issues, it still has to resolve the historical and environmental issues. Board members and staff discussed the historical aspects of the Mega Park, a Phase II study and a more in depth evaluation. Mr. Shanks noted the Counties and the Cities might, through VACO and VML, try to organize against this process and support the legislation.

5C. FINANCIAL STATUS REPORT AS OF JULY 31, 2013

Senior Accountant Patricia Conner gave the Financial Report as of July 31, 2013 noting that July activity under General Expenditures for FY 2013 shows an increase in the available funds of about \$2,700.00 due to a refund of approximately \$3,000.00 received from VML Insurance. That refund was for the Charles Hawkins' Building as the Institute will start carrying that Insurance effective July 1, 2013. There were expenditures of \$232.00 for meals and \$23.00 for Utilities. Under the General Expenditures Budget for FY 2014, there is no activity at this time and the carry forward from the prior FY 2013 is to be decided as there are still some outstanding invoices for that fiscal year. Under Rent, Insurance and Other Income, RIFA carried forward funds from FY2013 and is now showing the cumulative receipts for FY2014. RIFA received \$3,800.00 from the Institute for the Charles Hawkins' Building; \$600 from Securitas for two months' rent due to the timing of the statement preparations and \$2000.00 for the Clodfelter Hunting Lease. RIFA remitted \$3,905.00 to the Institute for the Hawkins' Research Building Property Management Fee.

Mr. Snead **moved** to accept the Financial Report as presented. 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 and B. CLOSED SESSION

Chairman Saunders noted that 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. At 12:47 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-

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3711(A)(3) of the Code of Virginia, 1950, as amended, for discussion or consideration of the acquisition of real property for a public purpose to develop one of the Authority's projects, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

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)

B. 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)(5) of the Code of Virginia, 1950, as amended, for discussion concerning two prospective businesses or industries where no previous announcement has been made of their interest in locating or expanding their respective facilities into one of the Authority's projects.

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

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

On **Motion** by Mr. Snead and **second** by Mr. Shanks, and by unanimous vote at 1:09 p.m., the Authority returned to open meeting.

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

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

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

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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
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COMMUNICATIONS

Mr. Harville commended Joe King and Jeremy Stratton on their trip to China.

MEETING ADJOURNED AT 1:15 P.M.

Chairman

Secretary to the Authority

DRAFT

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	5-A
Meeting Date:	09/09/2013
Subject:	Financial Status Reports – August 31, 2013
From:	Barbara A. Dameron, Authority Treasurer

SUMMARY

A review of the financial status reports through August 31, 2013 will be provided at the meeting. The financial status reports as of August 31, 2013 are attached for the RIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of August 31, 2013 as presented.

ATTACHMENTS

Financial Status Reports

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY 2013
- C. General Expenditures for FY 2014
- D. Mega Park – Funding Other than Bond Funds
- E. Berry Hill Mega Park – Lot 4 Site Development
- F. Rent, Interest, and Other Income Realized
- G. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

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

As of August 31, 2013

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funds from bond issuance	\$ 7,300,000.00				
Issuance cost	(155,401.33)				
Bank fees	(98.25)				
Interest earned to date	486,581.70				
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		9,900.00	9,900.00	-	
Dewberry contracts ¹		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant ^{4, 5}		71,881.00	15,424.62	56,456.38	
Land		-	2,560,921.67	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	50,884.23	-	
CCC - Lots 3 & 9 project - RIFA Local Share ⁶		142,190.00	112,464.98	-	
Other expenditures		-	22,089.70	-	
Total	\$ 7,631,082.12	\$ 4,311,140.12	\$ 6,760,063.18	\$ 56,456.38	\$ <u><u>814,562.56</u></u>

notes:

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

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

³ Project completed under budget

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

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

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

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

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

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

Danville-Pittsylvania Regional Industrial Facility Authority
General Expenditures for Fiscal Year 2013
As of August 31, 2013

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2012	11,042.93				
Transfer in from Rent for Charles Hawkins Bldg ¹	33,777.98				
Contingency					
Miscellaneous contingency items		\$ 47,992.93	\$ 218.50	\$ -	\$ 47,774.43
Total Contingency Budget		47,992.93	218.50	-	47,774.43
Legal		108,777.98	87,666.70	-	21,111.28
Accounting		20,750.00	20,750.00	-	-
Annual Bank Fees		4,400.00	4,571.25	-	(171.25)
Postage & Shipping		100.00	84.36	-	15.64
Meals		2,800.00	2,974.10	-	(174.10)
Utilities		4,000.00	275.28	-	3,724.72
Insurance		6,000.00	2,241.00	-	3,759.00
Total	\$ 194,820.91	\$ 194,820.91	\$ 118,781.19	\$ -	<u><u>\$ 76,039.72</u></u>

¹ The rent proceeds from the Charles Hawkins Research Building are restricted by the EDA. RIFA is allowed to reimburse the General Expenditures budget for expenses of the building after the EDA grant closeout date of 7/31/2008. This transfer is to utilize part of the rent proceeds of the Hawkins Building to reimburse RIFA's General Expenditures budget for such expenses paid by it for the Hawkins Building.

Danville-Pittsylvania Regional Industrial Facility Authority
 General Expenditures for Fiscal Year 2014
 As of August 31, 2013

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2013	TBD				
Contingency					
Miscellaneous contingency items		\$ 16,900.00	\$ -	\$ -	\$ 16,900.00
Total Contingency Budget		16,900.00	-	-	16,900.00
Legal					
		100,000.00	-	-	100,000.00
Accounting					
		18,900.00	-	18,900.00	-
Annual Bank Fees					
		4,600.00	-	-	4,600.00
Postage & Shipping					
		100.00	-	-	100.00
Meals					
		3,000.00	232.37	-	2,767.63
Utilities					
		500.00	22.94	-	477.06
Insurance					
		6,000.00	-	-	6,000.00
Total	\$ 150,000.00	\$ 150,000.00	\$ 255.31	\$ 18,900.00	<u>\$ 130,844.69</u>

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park - Funding Other than Bond Funds

As of August 31, 2013

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
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				
Tobacco Commission FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion ⁵	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 ⁶	11,854.39				
 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		\$ 14,231,524.83	\$ 14,231,524.83	\$ 40,965.53	\$ (0.00)

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 was covered by the FY09 Tobacco Allocation. \$162,928 was covered by the FY10 Tobacco Allocation. \$87,922 will be covered with RIFA Funds.

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.

⁶ Due to the expiration of the Tobacco Commission FY10 SSED Allocation, the RIFA Board approved on 1/14/2013 to utilize \$11,854.39 of the 'Funds Available for Appropriation' to cover the funding shortfall for the budgeted Dewberry & Davis contract.

Danville-Pittsylvania Regional Industrial Facility Authority

Berry Hill Mega Park - Lot 4 Site Development

As of August 31, 2013

	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
Funding					
Tobacco Commission FY12 Megasite Allocation	\$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion ²	181,000.00				
Expenditures					
VA Water Protection Permit Fee		57,840.00	57,840.00	-	
Wetlands Studies and Solutions, Inc.		150,000.00	20,983.13	129,016.87	
Total	\$ 7,889,153.00	\$ 207,840.00	\$ 78,823.13	\$ 129,016.87	<u>\$ 7,681,313.00</u>

¹ These amounts have not been sent to RIFA yet as they are not needed at this time. Each locality has its local match budgeted.

² The RIFA Board approved on 2/11/2013 to transfer the remaining funds of \$175,316.17 from the "Funds Available for Appropriation" budget sheet and funds of \$5,683.83 from the "Rent, Interest, and Other Income Realized" budget sheet to use for the RIFA local match to Tobacco Commission grant #2491 for Berry Hill Mega Park Lot 4 Site Development.

Danville-Pittsylvania Regional Industrial Facility Authority

Rent, Interest, and Other Income Realized

As of August 31, 2013

<i>Source of Funds</i>	<u>Funding</u>			<u>Expenditures</u> <u>FY2014</u>	<u>Unexpended /</u> <u>Unencumbered</u>
	<u>Carryforward</u> <u>from FY2013</u>	<u>Receipts</u> <u>August 2013</u>	<u>Receipts</u> <u>FY2014</u>		
<u>Carryforward</u>	\$ 419,258.30				
<u>Current Lessees</u>					
	<u>Park</u>	<u>Property</u>			
Institute for Advanced Learning and Research (IALR) ¹	Cyberpark	Hawkins Research Bldg. at 230 Slayton Ave.	\$ 3,782.07	\$ 7,564.14	
Institute for Advanced Learning and Research (IALR)	Cyberpark	IALR Building at 150 Slayton Ave.	-	-	
Securitas	Cyberpark	Gilbert Building at 1260 South Boston Rd.	-	600.00	
Guilford Whitetail Management	Berry Hill	Klutz Farm off State Rd. 863	-	-	
Mountain View Farms of Virginia, L.C.	Berry Hill	30 acre tract on Stateline Bridge Rd.	-	-	
Osborne Company of North Carolina, Inc.	Berry Hill	4380 Berry Hill Road Pastureland	-	-	
Clodfelter Hunting Lease	Berry Hill	371.13 acres off State Road 863	-	2,000.00	
<u>Total Rent</u>			\$ 3,782.07	\$ 10,164.14	
<u>Interest Received</u> ²			\$ 55.92	\$ 74.66	
<u>Expenditures</u>					
Hawkins Research Bldg. Property Mgmt. Fee				\$ 7,686.58	
Totals			<u>\$ 419,258.30</u>	<u>\$ 3,837.99</u>	<u>\$ 10,238.80</u>
				<u>\$ 7,686.58</u>	<u>\$ 421,810.52</u>

Restricted ¹	\$ 361,173.13
Unrestricted	\$ 60,637.39

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

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

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Assets^{1, 2}
August 31, 2013*

	Unaudited FY 2014
Assets	
<i>Current assets</i>	
Cash - checking	\$ 375,899
Cash - money market	1,140,316
<i>Total current assets</i>	1,516,215
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	871,019
Restricted cash - debt service fund CCC bonds	1,501,838
Restricted cash - debt service fund Berry Hill bonds	-
Restricted cash - debt service reserve fund Berry Hill bonds	2,000,133
Capital assets not being depreciated	24,839,271
Capital assets being depreciated, net	27,794,063
Construction in progress	2,387,344
Unamortized bond issuance costs	627,906
<i>Total noncurrent assets</i>	60,021,574
Total assets	61,537,789
Liabilities	
<i>Current liabilities</i>	
Accrued interest	76,544
Bonds payable - current portion	1,045,000
<i>Total current liabilities</i>	1,121,544
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	10,275,000
<i>Total noncurrent liabilities</i>	10,275,000
Total liabilities	11,396,544
Net Assets	
Invested in capital assets - net of related debt	48,701,574
Unrestricted	1,439,671
Total net assets	\$ 50,141,245

¹ Please note 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 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 August 31, 2013 as of August 27, 2013, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Assets
*August 31, 2013**

	Unaudited FY 2014
Operating revenues	
Virginia Tobacco Commission Grants	-
Rental income	15,714
Total operating revenues	15,714
Operating expenses ⁴	
Mega Park expenses ³	21,191
Cane Creek Centre expenses ³	3,814
Cyber Park expenses ³	3,782
Professional fees	-
Insurance	2,241
Other operating expenses	256
Total operating expenses	31,284
Operating loss	(15,570)
Non-operating revenues (expenses)	
Interest income	75
Interest expense	(940)
Total non-operating expenses, net	(865)
Net loss before capital contributions	(16,435)
Capital contributions	
Contribution - City of Danville	341,043
Contribution - Pittsylvania County	341,043
Total capital contributions	682,086
Change in net assets	665,651
⁵ Net assets at July 1,	49,475,594
Net assets at August 31,	\$ 50,141,245

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 this will change once all FY2013 entries are made and may also change depending on audit adjustments, if any, for FY2013 and the nature of those audit adjustments.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*August 31, 2013**

	Unaudited FY 2014
Operating activities	
Receipts from grant reimbursement requests	\$ -
Receipts from leases	9,864
Payments to suppliers for goods and services	(42,011)
Net cash used by operating activities	(32,147)
Capital and related financing activities	
Capital contributions	682,086
Interest paid on bonds	(1,798)
Proceeds from bond issuance	5,595,000
Principal repayments on bonds	(5,595,000)
Net cash provided by capital and related financing activities	680,288
Investing activities	
Interest received	75
Net cash provided by investing activities	75
Net increase in cash and cash equivalents	648,216
Cash and cash equivalents - beginning of year (including restricted cash)	5,240,989
Cash and cash equivalents - through August 31, 2013 (including restricted cash)	\$ 5,889,205
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating loss	\$ (15,570)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Non-cash operating in-kind expenses	-
Changes in assets and liabilities:	
Change in prepaids	6,264
Change in due from other governments	-
Change in other receivables	3,002
Change in accounts payable	(19,993)
Change in unearned income	(5,850)
Change in security deposit	-
Net cash used by operating activities	\$ (32,147)

Components of cash and cash equivalents at August 31, 2013:	
American National - Checking	\$ 375,899
American National - General money market	1,140,316
Wachovia - \$7.3M Bonds CCC Debt service fund	1,501,838
Wachovia - \$7.3M Bonds CCC Project fund	871,019
US Bank - \$11.25M Bonds Berry Hill Debt service fund	-
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	2,000,133
	\$ 5,889,205