

**MISSION-WEST VALLEY LAND CORPORATION
BOARD OF DIRECTORS**

(It is noted that all members of the Board of Trustees of the West Valley-Mission Community College District are members of this Board and all or a majority of the Trustees may be in attendance at this meeting)

NOTICE OF REGULAR MEETING and AGENDA

March 20, 2012

5:00 p.m.

TAV 130

Mission College

Santa Clara, California

1. **Call to order/Roll Call**
2. **Approval of the order of the agenda**
3. **Oral communications from the public on items not listed elsewhere on the agenda**
4. **Approval of the minutes of the meeting of January 17, 2012**
5. **Executive Director's Report**

This item may include a report on matters not noticed elsewhere on the agenda. The report may include information regarding the status of ground tenants, burrowing owls, construction and/or the general business of the Land Corporation.

6. **Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of January 31, 2012**

This item may include review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of January 31, 2012.

7. **Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of February 29, 2012**

This item may include review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of February 29, 2012.

8. **Review, consideration and possible action to amend the 2012-2013 Project budget to include funding for a contingency reserve in the amount of \$26,000 for the West Valley College Child Development Center**

This item may include an allocation of \$26,000 as described above and in the supporting memorandum accompanying the Board agenda packets.

9. **Director's Reports**

10. **Adjournment**

MISSION-WEST VALLEY LAND CORPORATION

Board of Directors
Regular Meeting
Minutes
January 17, 2012

A regular meeting of the Board of Directors of the Mission-West Valley Land Corporation was called to order by President Owens at 5:00 p.m. in the Campus Center, Rooms 219-220, Mission College, Santa Clara, California.

Directors present: Owens, Polk, Heimlich, Grey, Walsh, Stampolis (5:10 p.m.), and Lucas (5:27 p.m.)

Directors absent: None

Others present: Hendrickson, Perlberger, Maduli, Gaskin, Jones

1. Call to order/Roll Call

2. Approval of the order of the agenda

There was a motion by Polk, seconded by Heimlich, to “approve the order of the agenda as presented.” The motion carried unanimously (5-0, with Stampolis and Lucas absent and not voting).

3. Election of Corporate Officers to serve for 2012

There was a motion by Polk, seconded by Grey, to “Nominate Nick Heimlich for President.” The motion carried unanimously (5-0, with Stampolis and Lucas absent and not voting). There was a motion by Owens, seconded by Walsh, to “Nominate Buck Polk for Vice President.” The motion carried unanimously (5-0, with Stampolis and Lucas absent and not voting). There was a motion by Heimlich, seconded by Polk, to “Nominate Mark Perlberger for Secretary, and Chancellor John Hendrickson as Treasurer.” The motion carried unanimously (5-0, with Stampolis and Lucas absent and not voting).

President Owens passed the “gavel” to President Heimlich to preside over the meeting.

4. Oral communications from the public on items not listed elsewhere on the agenda

None.

5. Approval of the minutes of the meeting of November 14, 2011

There was a motion by Owens, seconded by Polk, to “approve the minutes of the meeting of November 14, 2011, as presented.” The motion carried unanimously (5-0, with Stampolis and Lucas absent and not voting).

6. Executive Director’s Report

The Executive Director reminded Board members of their required FPPC filings for the Land Corporation and explained that he was working with the CPA to finalize the 2011 Tax Returns. The Executive Director reported all documents have been executed and the Land Corporation received reimbursement of legal costs in the amount of \$16,848 from tenant QTS related to its lease amendment. The Executive Director is working with QTS on its rezone application.

7. Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of November 30, 2011

There was a motion by Owens, seconded by Walsh, to “accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of November 30, 2011.” The motion carried unanimously (5-0, with Stampolis and Lucas absent and not voting).

8. Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of December 31, 2011

There was a motion by Polk, seconded by Owens, to “accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of December 31, 2011.” The motion carried unanimously (6-0, with Lucas absent and not voting).

9. Review, consideration and possible action to amend the current Land Corporation budget and to approve the transfer of \$4,500,000 to the District to be placed in a restricted account to provide funding for architectural, planning and construction program management and other related services stemming from specific future construction projects on the District’s 2012 Bond Planning list of projects as described in the attachment hereto

Director Owens introduced this item as a concept to position District project’s to be shovel ready if and when the next Bond Measure is approved by voters (preliminary design and engineering) or other funding becomes available. District staff made a brief presentation and a discussion ensued.

There was a motion by Owens, seconded by Polk, to “approve the item as presented.” Owens explained that the motion was intended to initiate discussion. It did. Then, there was a substitute motion by Owens, seconded by Walsh (with Polk’s agreement to withdraw prior motion), to “allocate \$340,360 to the District for HVAC and Lighting Energy Retrofit Projects per the attachment with the acknowledgement that should there be a future bond approved, these funds would be refunded to the Land Corporation.” The motion carried 5-2, with Heimlich and Stampolis voting no.

10. **Review, consideration and possible action to amend the current Land Corporation budget to include funding to backfill the District’s fiscal year 2011-2012 budget in the amount of \$1,560,472 consistent with the information attached hereto**

There was a motion by Stampolis, seconded by Grey, to “approve amending the current Land Corporation budget to include \$1,560,472 to backfill the District’s fiscal year 2011-2012 budget.” Motion carried unanimously 7-0.

11. **A report on the status of Special Projects ongoing as to their funds expended-to-date and completion status**

Vice Chancellor Maduli reviewed the status report provided to the Board with their agenda materials.

12. **Report on the current performance, results and audit results of the Advancement Foundation’s efforts in administering the Endowment Funds provided by the Land Corporation**

Mr. Rob Fernandez representing the Advancement Foundation gave a presentation to the Board on the administering of the Endowment Funds, including scholarships awarded, fund earnings and investments.

13. **Director’s Reports**

Director Stampolis asked the Board to amend the minutes approved earlier for his comment under “Director’s Report’s. Motion by Stampolis, seconded by Owens, to have his comment reflected as “...questioned whether District Staff should be the sole Board members of the Land Corporation.” Motion carried unanimously, 7-0.

Director Lucas complimented the Executive Director for his presentation at the November Community College League of California conference.

14. **Adjourned at 6:15 p.m. by President Heimlich.**

March 20, 2012

To: Board of Directors
Mission-West Valley Land Corporation

From: Jerry Donnard
Bookkeeper

Subject: Financial Statements

Attached are the financial statements for January 31, 2012, and February 29, 2012.

Please refer to the footnotes for any unusual or unexpected fluctuations in the Monthly or Year-to-Date expenses.

Please contact Mark or me if there are any questions regarding the statement.

Mission West Valley Land Corporation
Statement of Revenues, Expenses and Changes in Fund Balance
Budget vs Actual

As of January 31, 2012

	Budget (Col A)	Current Month (Col B)	Year to date Actual (Col C)
Revenues			
Ground Lease Revenues			
<i>LAKHA Properties</i>	\$ 1,046,250	\$ 104,583	\$ 650,417
<i>Sobrato/S-3: Phase I</i>	1,002,375	83,049	581,340
<i>Sobrato/S3: Phase II</i>	701,806	58,484	409,387
<i>Quality Technology</i>	1,085,032	90,419	632,936
<i>General Interest Revenue</i>	40,000	\$ 9,264	\$ 18,061
Gross Revenue	\$ 3,875,464	\$ 345,799	\$ 2,292,141
Expenses:			
Administrative and Operating Expenses			
<i>Audit Services</i>	\$ 12,000	\$ -	\$ 10,750
<i>Office Supplies</i>	500	-	54
<i>Property Taxes</i>	400	-	436
<i>Legal Fees</i>	60,000	-	18,371
<i>Financial Services</i>	7,000	608	3,240
<i>Executive Director/Project Manager</i>	84,000	7,000	48,500
<i>WVMCCD Rent Fees (25% of Revenues)</i>	958,866	222,922	484,386
Total Administrative and Operating Expenses	\$ 1,122,766	\$ 230,530	\$ 565,736
Scheduled Maintenance			
<i>08/09 Scheduled Maintenance</i>	\$ 116,914	\$ 56,211	\$ 71,409
<i>09/10 & 10/11 Scheduled Maintenance</i>	400,000		
Total Scheduled Maintenance Expenses	\$ 516,914	\$ 56,211	\$ 71,409
Other Expenses			
<i>District HVAC & Lighting Energy Retrofit Projects</i>	340,360		
<i>District 2011-2012 Budget Backfill</i>	1,560,472		
Total Other Expenses	\$ 1,900,832	\$ -	\$ -
Excess of Revenues Over Expenses Before Special Project Expenses			
	\$ 334,952	\$ 59,058	\$ 1,654,996
Special Projects Ongoing			
<i>Marketing</i>	\$ 181,204	\$ -	\$ 22,360
<i>Web Content Mgmt System - WVC</i>	52,751		
<i>Library Materials - WVC</i>	46,000		23,243
<i>Upgrade Computers in Tech Lab, IC-B, Library</i>	30,423		11,723
<i>Multi-Media Classrooms</i>	48,823		41,700
<i>Adapted Software/Hardware</i>	16,418		15,885
<i>Adapted Furniture for students w/Disabilities</i>	22,696		22,696
<i>SLO Module</i>	11,008		6,769
<i>Virtual DLR</i>	38,677		4,284

Mission West Valley Land Corporation
Statement of Revenues, Expenses and Changes in Fund Balance
Budget vs Actual

As of January 31, 2012

	Budget (Col A)	Current Month (Col B)	Year to date Actual (Col C)
<i>Welcome Center - WVC</i>	89,833		366
<i>WVC Website Reorg, Revised Design, Schedule</i>	16,000		
<i>AutoDESK Software</i>	5,985		5,676
<i>Integrated Recycle & Disp Collection Project - WVC</i>	37,000		21,494
<i>Computer Upgrades in AAS Classrooms</i>	28,124		
<i>Puente Project & SUCCESS Program</i>	36,280		650
<i>ET Enhanced Project</i>	17,032		3,054
<i>Certificate, Degree & Transfer Program</i>	61,990		14,092
<i>Critical Instructional Equip for Lab Classrooms</i>	10,812		
<i>Gym Air Conditioning - MC</i>	256,705		
<i>Welcome Center - MC</i>	4,551		4,551
<i>Library Space Modernization</i>	44,455		1,482
<i>Integrated Recycle & Disp Collection Project - MC</i>	1,722		
<i>Employee Assistance & Transition Programs</i>	108,260		13,810
<i>Mobile Patrol Computers</i>	14,501		10,988
<i>Desktop Optimization</i>	47,410		45,604
<i>Payroll Document Mgmt System</i>	73,839		15,901
Total Special Projects Expenses	\$ 1,302,499	\$ -	\$ 286,327
Excess of Revenues Over Expenses	\$ (967,547)	\$ 59,058	\$ 1,368,669
<i>Current Year Contributions to Endowment Fund</i>	\$ 383,546		
<i>Assignment of Interest to Endowment</i>	1,870		
Total 11-12 Endowment Contribution	\$ 385,416	\$ -	\$ -
Excess of Revenues Over Expenses and Endowment	\$ (1,352,964)	\$ 59,058	\$ 1,368,669

Statement of Changes in Fund Balance

Statement of Revenues and
Expenses From June 30,
2011

Net Assets June 30, 2011	\$ 8,783,446
less Amortization of Prepaid Expenses	\$ 14,977
	\$ 8,768,469

Restrictions and Designations of Net Assets	
Endowment Fund	\$ 424,321
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 637,710
Contingency Reserve	\$ 1,500,000
Undesignated Fund Balance	\$ 6,189,736

Excess of Revenues over Expenses in 11-12	\$ (967,547)
less Amortization of Prepaid Expenses	\$ 14,977
Projected net increase in fund balance	\$ (982,524)

Transfer of Endowment to Adv. Foundation

Projected Net Assets June 30, 2012	\$ 7,785,945
Restrictions and Designations of Net Assets	
Endowment Fund	\$ 809,737
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 622,733
Contingency Reserve	\$ 1,500,000
Undesignated Fund Balance	\$ 4,836,772

Current Month Cash Balance:

Month End Checking Acct Balance	\$ 8,576
Month End LAIF Acct Balance	\$ 10,101,092

Previous Month Cash Balance:

Month End Checking Acct Balance	\$ 110,746
Month End LAIF Acct Balance	\$ 9,983,829

**Schedule for
Restriction on reserves for endowment
effective 6/30/00**

	Contributions	Additions/ Interest	Cumulative Balance	LAIF interest rate	Endowment Transfers
Jun 2000 Beginning Balance	\$325,450				
Sep 2000		\$5,264	\$330,714	6.47% Actual	
Dec 2000		\$5,391	\$336,105	6.52% Actual	
Mar 2001		\$5,176	\$341,281	6.16% Actual	
Jun 2001		\$4,539	\$345,820	5.32% Actual	
Sep 2001		\$3,865	\$349,684	4.47% Actual	
Dec 2001		\$3,077	\$352,762	3.52% Actual	
Mar 2002		\$2,610	\$355,372	2.96% Actual	
Jun 2002	\$372,772	\$2,443	\$730,587	2.75% Actual	\$11,995
Sep 2002		\$4,804	\$735,391	2.63% Actual	
Dec 2002		\$4,247	\$739,638	2.31% Actual	
Mar 2003		\$3,661	\$743,299	1.98% Actual	
Jun 2003	\$402,746	\$3,289	\$1,149,334	1.77% Actual	\$16,001
Sep 2003		\$4,684	\$1,154,018	1.63% Actual	
Dec 2003		\$4,501	\$1,158,518	1.56% Actual	
Mar 2004	\$332,912	\$4,258	\$1,495,688	1.47% Actual	
Jun 2004	\$357,445	\$5,384	\$1,858,517	1.44% Actual	\$18,826
Sep 2004		\$7,759	\$1,866,277	1.67% Actual	
Dec 2004		\$9,331	\$1,875,608	2.00% Actual	
Mar 2005		\$11,160	\$1,886,768	2.38% Actual	
Jun 2005	\$358,231	\$13,443	\$2,258,442	2.85% Actual	\$41,694
Sep 2005		\$17,955	\$2,276,397	3.18% Actual	
Dec 2005		\$20,658	\$2,297,055	3.63% Actual	
Mar 2006		\$23,143	\$2,320,198	4.03% Actual	
Jun 2006	\$381,977	\$26,276	\$2,728,451	4.53% Actual	\$88,032
Sep 2006		\$33,628	\$2,762,079	4.93% Actual	
Dec 2006		\$35,286	\$2,797,365	5.11% Actual	
Mar 2007		\$36,156	\$2,833,521	5.17% Actual	
Jun 2007	\$426,809	\$37,048	\$3,297,378	5.23% Actual	\$142,118
Sep 2007		\$43,196	\$3,340,574	5.24% Actual	
Dec 2007		\$41,423	\$3,381,997	4.96% Actual	
Mar 2008		\$35,342	\$3,417,339	4.18% Actual	
Jun 2008	\$440,632	\$26,570	\$3,884,540	3.11% Actual	\$146,530
Sep 2008		\$26,900	\$3,911,441	2.77% Actual	
Dec 2008		\$24,838	\$3,936,278	2.54% Actual	
Mar 2009		\$18,796	\$3,955,074	1.91% Actual	
Jun 2009	\$450,341	\$14,930	\$535,806	1.51% Actual	\$85,464
Sep 2009		\$1,206	\$537,011	0.90% Actual	
Dec 2009		\$806	\$537,817	0.60% Actual	
Mar 2010		\$753	\$2,764	0.56% Actual	
Jun 2010	\$458,214	\$4	\$460,982	0.56% Actual	\$2,768
Sep 2010		\$588	\$461,569	0.51% Actual	
Dec 2010		\$531	\$1,118	0.46% Actual	
Mar 2011		\$1	\$1,119	0.51% Actual	
Jun 2011	\$423,201	\$1	\$424,321	0.48% Actual	\$1,121
Sep 2011		\$403	\$424,724	0.38% Actual	
Dec 2011		\$403	\$425,127	0.38% Actual	
Mar 2012		\$531	\$425,659	0.50% Estimate	
Jun 2012	\$383,546	\$532	\$809,737	0.50% Estimate	\$1,870
					\$4,881,328

Mission West Valley Land Corporation
Statement of Revenues, Expenses and Changes in Fund Balance
Budget vs Actual

As of February 29, 2012

	Budget (Col A)	Current Month (Col B)	Year to date Actual (Col C)
Revenues			
Ground Lease Revenues			
<i>LAKHA Properties</i>	\$ 1,046,250	\$ 79,167	\$ 729,583
<i>Sobrato/S-3: Phase I</i>	1,002,375	83,049	664,389
<i>Sobrato/S3: Phase II</i>	701,806	58,484	467,871
<i>Quality Technology</i>	1,085,032	90,419	723,355
<i>General Interest Revenue</i>	40,000	\$ -	\$ 18,061
Gross Revenue	\$ 3,875,464	\$ 311,119	\$ 2,603,259
Expenses:			
Administrative and Operating Expenses			
<i>Audit Services</i>	\$ 12,000	\$ 800	\$ 11,550
<i>Office Supplies</i>	500	-	54
<i>Property Taxes</i>	400	-	436
<i>Legal Fees</i>	60,000	1,763	20,134
<i>Financial Services</i>	7,000	450	3,690
<i>Executive Director/Project Manager</i>	84,000	7,000	55,500
<i>WVMCCD Rent Fees (25% of Revenues)</i>	958,866	-	484,386
Total Administrative and Operating Expenses	\$ 1,122,766	\$ 10,013	\$ 575,749
Scheduled Maintenance			
<i>08/09 Scheduled Maintenance</i>	\$ 116,914	\$ -	\$ 71,409
<i>09/10 & 10/11 Scheduled Maintenance</i>	400,000		
Total Scheduled Maintenance Expenses	\$ 516,914	\$ -	\$ 71,409
Other Expenses			
<i>District HVAC & Lighting Energy Retrofit Projects</i>	340,360		
<i>District 2011-2012 Budget Backfill</i>	1,560,472	\$ 1,560,472	\$ 1,560,472
Total Other Expenses	\$ 1,900,832	\$ 1,560,472	\$ 1,560,472
Excess of Revenues Over Expenses Before Special Project Expenses			
	\$ 334,952	\$(1,259,367)	\$ 395,629
Special Projects Ongoing			
<i>Marketing</i>	\$ 181,204	\$ -	\$ 22,360
<i>Web Content Mgmt System - WVC</i>	52,751		
<i>Library Materials - WVC</i>	46,000		23,243
<i>Upgrade Computers in Tech Lab, IC-B, Library</i>	30,423		11,723
<i>Multi-Media Classrooms</i>	48,823		41,700
<i>Adapted Software/Hardware</i>	16,418		15,885
<i>Adapted Furniture for students w/Disabilities</i>	22,696		22,696
<i>SLO Module</i>	11,008		6,769
<i>Virtual DLR</i>	38,677		4,284

Mission West Valley Land Corporation
Statement of Revenues, Expenses and Changes in Fund Balance
Budget vs Actual

As of February 29, 2012

	Budget (Col A)	Current Month (Col B)	Year to date Actual (Col C)
<i>Welcome Center - WVC</i>	89,833		366
<i>WVC Website Reorg, Revised Design, Schedule</i>	16,000		
<i>AutoDESK Software</i>	5,985		5,676
<i>Integrated Recycle & Disp Collection Project - WVC</i>	37,000		21,494
<i>Computer Upgrades in AAS Classrooms</i>	28,124		
<i>Puente Project & SUCCESS Program</i>	36,280		650
<i>ET Enhanced Project</i>	17,032		3,054
<i>Certificate, Degree & Transfer Program</i>	61,990		14,092
<i>Critical Instructional Equip for Lab Classrooms</i>	10,812		
<i>Gym Air Conditioning - MC</i>	256,705		
<i>Welcome Center - MC</i>	4,551		4,551
<i>Library Space Modernization</i>	44,455		1,482
<i>Integrated Recycle & Disp Collection Project - MC</i>	1,722		
<i>Employee Assistance & Transition Programs</i>	108,260		13,810
<i>Mobile Patrol Computers</i>	14,501		10,988
<i>Desktop Optimization</i>	47,410		45,604
<i>Payroll Document Mgmt System</i>	73,839		15,901
Total Special Projects Expenses	\$ 1,302,499	\$ -	\$ 286,327
Excess of Revenues Over Expenses	\$ (967,547)	\$(1,259,367)	\$ 109,303
<i>Current Year Contributions to Endowment Fund</i>	\$ 383,546		
<i>Assignment of Interest to Endowment</i>	1,870		
Total 11-12 Endowment Contribution	\$ 385,416	\$ -	\$ -
Excess of Revenues Over Expenses and Endowment	\$ (1,352,964)	\$(1,259,367)	\$ 109,303

Statement of Changes in Fund Balance

Statement of Revenues and
Expenses From June 30,
2011

Net Assets June 30, 2011	\$ 8,783,446
less Amortization of Prepaid Expenses	\$ 14,977
	\$ 8,768,469

Restrictions and Designations of Net Assets	
Endowment Fund	\$ 424,321
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 637,710
Contingency Reserve	\$ 1,500,000
Undesignated Fund Balance	\$ 6,189,736

Excess of Revenues over Expenses in 11-12	\$ (967,547)
less Amortization of Prepaid Expenses	\$ 14,977
Projected net increase in fund balance	\$ (982,524)

Transfer of Endowment to Adv. Foundation

Projected Net Assets June 30, 2012	\$ 7,785,945
Restrictions and Designations of Net Assets	
Endowment Fund	\$ 809,737
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 622,733
Contingency Reserve	\$ 1,500,000
Undesignated Fund Balance	\$ 4,836,772

Current Month Cash Balance:

Month End Checking Acct Balance	\$ 1,136
Month End LAIF Acct Balance	\$ 8,863,092

Previous Month Cash Balance:

Month End Checking Acct Balance	\$ 8,576
Month End LAIF Acct Balance	\$ 10,101,092

**Schedule for
Restriction on reserves for endowment
effective 6/30/00**

	Contributions	Additions/ Interest	Cumulative Balance	LAIF interest rate	Endowment Transfers
Jun 2000 Beginning Balance	\$325,450				
Sep 2000		\$5,264	\$330,714	6.47% Actual	
Dec 2000		\$5,391	\$336,105	6.52% Actual	
Mar 2001		\$5,176	\$341,281	6.16% Actual	
Jun 2001		\$4,539	\$345,820	5.32% Actual	
Sep 2001		\$3,865	\$349,684	4.47% Actual	
Dec 2001		\$3,077	\$352,762	3.52% Actual	
Mar 2002		\$2,610	\$355,372	2.96% Actual	
Jun 2002	\$372,772	\$2,443	\$730,587	2.75% Actual	\$11,995
Sep 2002		\$4,804	\$735,391	2.63% Actual	
Dec 2002		\$4,247	\$739,638	2.31% Actual	
Mar 2003		\$3,661	\$743,299	1.98% Actual	
Jun 2003	\$402,746	\$3,289	\$1,149,334	1.77% Actual	\$16,001
Sep 2003		\$4,684	\$1,154,018	1.63% Actual	
Dec 2003		\$4,501	\$1,158,518	1.56% Actual	
Mar 2004	\$332,912	\$4,258	\$1,495,688	1.47% Actual	
Jun 2004	\$357,445	\$5,384	\$1,858,517	1.44% Actual	\$18,826
Sep 2004		\$7,759	\$1,866,277	1.67% Actual	
Dec 2004		\$9,331	\$1,875,608	2.00% Actual	
Mar 2005		\$11,160	\$1,886,768	2.38% Actual	
Jun 2005	\$358,231	\$13,443	\$2,258,442	2.85% Actual	\$41,694
Sep 2005		\$17,955	\$2,276,397	3.18% Actual	
Dec 2005		\$20,658	\$2,297,055	3.63% Actual	
Mar 2006		\$23,143	\$2,320,198	4.03% Actual	
Jun 2006	\$381,977	\$26,276	\$2,728,451	4.53% Actual	\$88,032
Sep 2006		\$33,628	\$2,762,079	4.93% Actual	
Dec 2006		\$35,286	\$2,797,365	5.11% Actual	
Mar 2007		\$36,156	\$2,833,521	5.17% Actual	
Jun 2007	\$426,809	\$37,048	\$3,297,378	5.23% Actual	\$142,118
Sep 2007		\$43,196	\$3,340,574	5.24% Actual	
Dec 2007		\$41,423	\$3,381,997	4.96% Actual	
Mar 2008		\$35,342	\$3,417,339	4.18% Actual	
Jun 2008	\$440,632	\$26,570	\$3,884,540	3.11% Actual	\$146,530
Sep 2008		\$26,900	\$3,911,441	2.77% Actual	
Dec 2008		\$24,838	\$3,936,278	2.54% Actual	
Mar 2009		\$18,796	\$3,955,074	1.91% Actual	6/18/2009
Jun 2009	\$450,341	\$14,930	\$535,806	1.51% Actual	\$85,464 \$3,884,540
Sep 2009		\$1,206	\$537,011	0.90% Actual	
Dec 2009		\$806	\$537,817	0.60% Actual	2/1/2010
Mar 2010		\$753	\$2,764	0.56% Actual	\$535,806
Jun 2010	\$458,214	\$4	\$460,982	0.56% Actual	\$2,768
Sep 2010		\$588	\$461,569	0.51% Actual	10/15/2010
Dec 2010		\$531	\$1,118	0.46% Actual	\$460,982
Mar 2011		\$1	\$1,119	0.51% Actual	
Jun 2011	\$423,201	\$1	\$424,321	0.48% Actual	\$1,121
Sep 2011		\$403	\$424,724	0.38% Actual	\$4,881,328
Dec 2011		\$403	\$425,127	0.38% Actual	
Mar 2012		\$531	\$425,659	0.50% Estimate	
Jun 2012	\$383,546	\$532	\$809,737	0.50% Estimate	\$1,870

West Valley College Child Development Center

(Gaskin/Kobayashi)

West Valley College will operate the Child Development Center during 2012-2013 as a Pilot Project, utilizing a scaled down operational strategy combined with improved enrollment management. While every effort will be put into place to mitigate risk, the College requests that \$26,000 be set aside by the Land Corporation as a contingency to buffer any operational deficit.

CHILD DEVELOPMENT CENTER PILOT FOR 2012-2013

Background

- The West Valley College Child Development Center incurred a net operating loss of \$23,911 in 2008-2009, a loss of \$189,315 in 2009-2010, and a loss of \$274,699 in 2010-2011. The estimated loss for 2011-2012 is projected to be \$150,000.
- The West Valley College Council approved the full closure of the Child Development Center for 2012-2013 as part of the College's Budget Reduction Process.
- Several members of the Board of Trustees urged that alternatives to closure be investigated.
- On the recommendation of a representative from West Ed, a nonpartisan education focused research, development, and service agency, West Valley College engaged in a relationship with an Independent Consultant with expertise in Child Development Center operations and finance. The consultant recommendations validated the feasibility of the Child Development Center Pilot for 2012-2013.

Key components of Child Development Center Pilot for 2012-2013:

- Reduction of expenditures by 20%
- Increased efficiencies through enrollment management.
- Increased efficiencies through improved scheduling.
- Shift to 12-month program.
- Aggressive marketing and outreach.

Operating Assumptions:

- Maximum potential FTES = 41
- Half Day Morning Program
- Half Day Afternoon Program
- Full Day Program

Current Staffing

- The Child Development Center is currently staffed by 4.0 Teachers, 1.0 FTE Office Coordinator, and 1.0 FTE Director.

Proposed Reductions

- Reduction of 1.5 FTE Teachers
- Reduction of 1.0 FTE Office Coordinator

Proposed Pilot Staffing

- The Child Development Center will be staffed by 2.5 FTE Teachers and 1.0 FTE Director.

Conditions

- This is a PILOT program beginning July 1, 2012 through June 30, 2013.
- The following financial benchmarks must be met to continue the Pilot Program:

<u>Date:</u>	<u>Benchmark</u>	<u>Option(s)</u>
November 5, 2012	Deficit of \$10,000 or less.	If deficit is greater than \$10,000, further reduce staffing or implement plan to close center on June 30, 2013.
April 1, 2013	Deficit of \$5,000 or less.	If deficit is greater than \$5,000, implement plan to close center on June 30, 2013.
June 2, 2013	Deficit of \$500 or less.	If deficit is greater than \$500, implement plan to close center June 30, 2013.

Financial Projections (Based on Key Components of Pilot):

	<u>Best Case Scenario</u>	<u>Moderate Scenario</u>	<u>Worst Case Scenario</u>
Revenue	\$454,322	\$405,334	\$362,549
Expenses	\$388,783	\$388,783	\$368,283
Profit/Loss	\$65,539	\$16,551	(\$26,234)

Request:

West Valley College requests that \$26,000 be set aside by Land Corporation as a contingency in case the worst case operating scenario occurs.