

**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

August 21, 2012

5:00 p.m.

Board Room

West Valley College

Saratoga, 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 July 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 the Land Corporation's ground tenants, construction and/or the general business of the Land Corporation.

6. **Closed Session discussion and possible direction to negotiators**

Negotiations with Lakha Properties – Santa Clara, LLC, regarding issues associated with its ground lease and subtenant leases.

Property: 3101 Mission College Blvd.

Negotiators: Mark Perlberger and Alan Gennis

Negotiating Parties: Lakha Properties – Santa Clara, LLC, and the Land Corporation

7. **Report out of action taken in Closed Session**

8. **Review, consideration and possible action to accept the revised, year-end Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of June 30, 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 June 30, 2012.

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

10. **Review, consideration and possible action to amend the current fiscal year budget to eliminate or confirm the annual contribution to the Endowment Fund/Advancement Foundation as shown**

This item may include review, consideration and possible action as described above as well as a presentation from the Foundation.

11. **A discussion concerning the possible settlement of litigation over the 49er's stadium financing plan by and between the 49er's and Santa Clara County and its potential impact on the District's need for Land Corporation funding in the coming fiscal years**

This item was placed on the agenda at the request of President Heimlich and may involve a discussion as described above.

12. **Adjournment**

MISSION-WEST VALLEY LAND CORPORATION
Board of Directors
Regular Meeting
Minutes
July 17, 2012

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

Directors present: Owens, Polk, Heimlich, Grey (5:08 pm), Walsh (5:41 pm), Lucas and Stampolis (5:03 pm). Ex-Officio's: Davis, Jones, and Schmitt

Directors absent: None

Others present: Perlberger, Maduli and Gennis (by Phone)

1. Call to order/Roll Call

2. Approval of the order of the agenda

There was a motion by Owens, seconded by Polk, to "approve the order of the agenda as presented." The motion carried unanimously (4-0, with Grey, Stampolis, and Walsh absent and not voting).

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

None.

4. Approval of the minutes of the meeting of June 19, 2012

There was a motion by Polk, seconded by Owens, to "approve the minutes as presented." Motion carried unanimously (4-0, with Grey, Stampolis and Walsh absent and not voting).

5. Executive Director's Report

The Executive Director informed the Board that Sobrato had leased another 43,000 square feet and expected the remainder of the space to be filled soon. The

Executive Director continues to work with QTS on its options for updated entitlements. The Executive Director noted that the Audit preparation has begun.

Adjourned into Closed Session at 5:03 p.m.

6. Closed Session discussion and possible direction to negotiators

Negotiations with Lakha Properties – Santa Clara, LLC, regarding issues associated with its ground lease and subtenant leases.

Property: 3101 Mission College Blvd.

Negotiators: Mark Perlberger and Alan Gennis

Negotiating Parties: Lakha Properties – Santa Clara, LLC, and the Land Corporation

Adjourned into Open Session at 5:16 p.m.

7. Report out of actions taken in closed session

No action taken, direction given to negotiators.

8. Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of June 30, 2012

There was a motion by Stampolis, seconded by Owens, to “accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of June 30, 2012.” Motion carried unanimously (6-0, with Walsh absent and not voting).

9. Review, consideration and possible action to carryover funding for Special Projects identified as Marketing (\$82,301), Employee Assistance & Transition Programs (\$36,249) and Payroll Document Management System (\$38,220) as identified at the June Board meeting.

The Executive Director circulated updated Fiscal 2012-2013 Proforma Budgets reflecting the carryover amounts. District staff circulated project update reports for both campuses marketing efforts and discussed with the Board the remaining work.

There was a motion by Owens, seconded by Polk, to “approve carryover funding for Special Projects identified as Marketing (\$82,301), Employee Assistance & Transition Programs (\$36,249), and Payroll Document Management System (\$38,220).” Motion carried unanimously (6-0, with Walsh absent and not voting).

10. Review, consideration and possible action to amend the current fiscal year budget to eliminate or confirm the annual contribution to the Endowment Fund/Advancement Foundation as shown.

No representative of the Foundation was present for discussion. The Board inquired of the Executive Director as to if the Foundation President was invited or expected to attend. The Executive Director confirmed the contact and invite. Director Stampolis made a motion to continue the item to the next month. Motion died for lack of a second. After some discussion, President Heimlich continued the item to the August Board Meeting due to lack of information and action.

11. Director's Reports

Director Stampolis clarified with the President that item #10 would be on the agenda for August.

12. Adjournment

The meeting was adjourned at 5:42 p.m. by President Heimlich.

August 21, 2012

To: Board of Directors
Mission-West Valley Land Corporation

From: Jerry Donnard
Bookkeeper

Subject: Financial Statements

Attached are the revised financial statement for June 30, 2012, and the statement for July 31, 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 June 30, 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	\$ 1,046,250
<i>Sobrato/S-3: Phase I</i>	1,002,375	85,722	1,002,375
<i>Sobrato/S3: Phase II</i>	701,806	58,484	701,806
<i>Quality Technology</i>	1,085,032	93,132	1,090,457
<i>General Interest Revenue</i>	40,000	\$ 7,802	\$ 34,922
Gross Revenue	\$ 3,875,464	\$ 324,306	\$ 3,875,811
Expenses:			
Administrative and Operating Expenses			
<i>Audit Services</i>	\$ 12,000	\$ -	\$ 11,550
<i>Office Supplies</i>	500	104	215
<i>Property Taxes</i>	400	-	436
<i>Legal Fees</i>	60,000	22,148	44,022
<i>Financial Services</i>	7,000	473	4,928
<i>Executive Director/Project Manager</i>	84,000	7,000	83,500
<i>WVMCCD Rent Fees (25% of Revenues)</i>	958,866	236,143	960,222
Total Administrative and Operating Expenses	\$ 1,122,766	\$ 265,868	\$ 1,104,872
Scheduled Maintenance			
<i>08/09 Scheduled Maintenance</i>	\$ 116,914	\$ 4,818	\$ 108,637
<i>09/10 & 10/11 Scheduled Maintenance</i>	400,000	\$ 137,414	\$ 179,311
Total Scheduled Maintenance Expenses	\$ 516,914	\$ 142,232	\$ 287,949
Other Expenses			
<i>District HVAC & Lighting Energy Retrofit Projects</i>	347,360	\$ -	\$ 347,360
<i>District 2011-2012 Budget Backfill</i>	1,560,472	\$ -	\$ 1,560,472
Total Other Expenses	\$ 1,907,832	\$ -	\$ 1,907,832
Excess of Revenues Over Expenses Before Special Project Expenses			
	\$ 327,952	\$ (83,794)	\$ 575,158
Special Projects Ongoing			
<i>Marketing</i>	\$ 181,204	\$ 54,172	\$ 98,903
<i>Web Content Mgmt System - WVC</i>	52,751	52,751	52,751
<i>Library Materials - WVC</i>	46,000	22,565	45,808
<i>Upgrade Computers in Tech Lab, IC-B, Library</i>	30,423	14,040	25,763
<i>Multi-Media Classrooms</i>	48,823	5,642	47,342
<i>Adapted Software/Hardware</i>	16,418	533	16,418
<i>Adapted Furniture for students w/Disabilities</i>	22,696		22,696
<i>SLO Module</i>	11,008	4,239	11,008
<i>Virtual DLR</i>	38,677	30,736	35,019

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

As of June 30, 2012

	Budget (Col A)	Current Month (Col B)	Year to date Actual (Col C)
<i>Welcome Center - WVC</i>	89,833	88,991	89,356
<i>WVC Website Reorg, Revised Design, Schedule</i>	16,000	14,041	14,041
<i>AutoDESK Software</i>	5,985	243	5,919
<i>Integrated Recycle & Disp Collection Project - WVC</i>	37,000	15,502	36,996
<i>Computer Upgrades in AAS Classrooms</i>	28,124	28,124	28,124
<i>Puente Project & SUCCESS Program</i>	36,280	35,599	36,249
<i>ET Enhanced Project</i>	17,032	13,978	17,032
<i>Certificate, Degree & Transfer Program</i>	61,990	33,747	61,782
<i>Critical Instructional Equip for Lab Classrooms</i>	10,812	6,214	10,786
<i>Gym Air Conditioning - MC</i>	256,705	130,667	256,705
<i>Welcome Center - MC</i>	4,551		4,551
<i>Library Space Modernization</i>	44,455	42,973	44,455
<i>Integrated Recycle & Disp Collection Project - MC</i>	1,722	1,689	1,689
<i>Employee Assistance & Transition Programs</i>	108,260	36,376	72,012
<i>Mobile Patrol Computers</i>	14,501		14,501
<i>Desktop Optimization</i>	47,410		45,604
<i>Payroll Document Mgmt System</i>	73,839	4,543	35,619
Total Special Projects Expenses	\$ 1,302,499	\$ 637,365	\$ 1,131,129
Excess of Revenues Over Expenses	\$ (974,547)	\$ (721,159)	\$ (555,971)
<i>Current Year Contributions to Endowment Fund</i>	\$ 383,546		\$ 384,089
<i>Assignment of Interest to Endowment</i>	1,593		1,593
Total 11-12 Endowment Contribution	\$ 385,140	\$ -	\$ 385,682
Excess of Revenues Over Expenses and Endowment	\$ (1,359,687)	\$ (721,159)	\$ (941,653)

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	\$ (555,971)
less Amortization of Prepaid Expenses	\$ 14,977
Projected net increase in fund balance	\$ (570,948)

Transfer of Endowment to Adv. Foundation

Projected Net Assets June 30, 2012	\$ 8,197,521
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Restrictions and Designations of Net Assets	
Endowment Fund	\$ 809,461
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 622,733
Contingency Reserve	\$ 1,500,000
Undesignated Fund Balance	\$ 5,248,625

Current Month Cash Balance:

Month End Checking Acct Balance	\$ 166,945
Month End LAIF Acct Balance	\$ 8,762,151

Previous Month Cash Balance:

Month End Checking Acct Balance	\$ 160,539
Month End LAIF Acct Balance	\$ 8,762,151

**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		\$404	\$425,531	0.38% Actual	
Jun 2012	\$383,546	\$383	\$809,461	0.36% Actual	\$1,593
					\$4,881,328

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

As of July 31, 2012

	Budget (Col A)	Current Month (Col B)	Year to date Actual (Col C)
Revenues			
Ground Lease Revenues			
<i>LAKHA Properties</i>	\$ 950,000	\$ 79,167	\$ 79,167
<i>Sobrato/S-3: Phase I</i>	1,034,451	85,722	85,722
<i>Sobrato/S3: Phase II</i>	701,806	58,484	58,484
<i>Quality Technology</i>	1,117,583	93,132	93,132
<i>General Interest Revenue</i>	36,000		
Gross Revenue	\$ 3,839,840	\$ 316,504	\$ 316,504
Expenses:			
Administrative and Operating Expenses			
<i>Audit & Tax Preparation Services</i>	\$ 12,100		
<i>Office Supplies</i>	500		
<i>Property Taxes</i>	450		
<i>Legal Fees</i>	60,000	803	803
<i>Financial Services</i>	7,000	608	608
<i>Executive Director/Project Manager</i>	84,000	7,000	7,000
<i>WVMCCD Rent Fees (25% of Revenues)</i>	950,960		
Total Administrative and Operating Expenses	\$ 1,115,010	\$ 8,410	\$ 8,410
Scheduled Maintenance			
<i>08/09 Scheduled Maintenance</i>	\$ 8,277	\$ 660	\$ 660
<i>09/10 & 10/11 Scheduled Maintenance</i>	220,689	\$ 134,938	\$ 134,938
Total Scheduled Maintenance Expenses	\$ 228,966	\$ 135,598	\$ 135,598
Other Expenses			
<i>District 2012-2013 Budget Support</i>	1,500,000		
Total Other Expenses	\$ 1,500,000	\$ -	\$ -
Excess of Revenues Over Expenses Before Special Project Expenses			
	\$ 995,864	\$ 172,495	\$ 172,495
Special Projects Ongoing			
<i>Marketing</i>	\$ 82,301	\$ 23,133	\$ 23,133
<i>Employee Assistance & Transition Programs</i>	36,249	125	125
<i>Payroll Document Mgmt System</i>	38,220		
Total Special Projects Expenses	\$ 156,770	\$ 23,258	\$ 23,258
Excess of Revenues Over Expenses			
	\$ 839,094	\$ 149,237	\$ 149,237
<i>Current Year Contributions to Endowment Fund</i>			
	\$ 380,384		
<i>Assignment of Interest to Endowment</i>			
	771		
Total 12-13 Endowment Contribution	\$ 381,155	\$ -	\$ -
Excess of Revenues Over Expenses and Endowment			
	\$ 457,939	\$ 149,237	\$ 149,237

Statement of Changes in Fund Balance

Projected Statement of
Revenues and Expenses
From June 30, 2012

Net Assets June 30, 2012	\$ 8,212,498
less Amortization of Prepaid Expenses	\$ 14,977
	\$ 8,197,521

Restrictions and Designations of Net Assets	
Endowment Fund	\$ 809,461
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 622,733
Contingency Reserve	\$ 1,500,000
Undesignated Fund Balance	\$ 5,248,625

Excess of Revenues over Expenses in 12-13	\$ 839,094
less Amortization of Prepaid Expenses	\$ 14,977
Projected net increase in fund balance	\$ 824,117

Transfer of Endowment to Adv. Foundation

Projected Net Assets June 30, 2013	\$ 9,021,638
Restrictions and Designations of Net Assets	
Endowment Fund	\$ 1,192,926
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 607,756
Contingency Reserve	\$ 1,500,000
Undesignated Fund Balance	\$ 5,704,255

Current Month Cash Balance:

Month End Checking Acct Balance	\$ 248,259
Month End LAIF Acct Balance	\$ 8,501,953

Previous Month Cash Balance:

Month End Checking Acct Balance	\$ 166,945
Month End LAIF Acct Balance	\$ 8,762,151

**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	
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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		\$404	\$425,531	0.38% Actual	
Jun 2012	\$383,546	\$383	\$809,461	0.36% Actual	\$1,593
Sep 2012		\$769	\$810,230	0.38% Estimate	
Dec 2012		\$770	\$811,000	0.38% Estimate	
Mar 2013		\$770	\$811,770	0.38% Estimate	
Jun 2013	\$380,384	\$771	\$1,192,926	0.38% Estimate	\$3,080