

MISSION-WEST VALLEY LAND CORPORATION

Board of Directors

Regular Meeting

Minutes

March 7, 2017

1. Call to order

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

2. Roll Call

Directors Susan Fish - President, Adrienne Grey (arrived 5:16pm), Anne Kepner (absent), Randi Kinman, Jack Lucas (arrived at 5:34pm), Bob Owens – Vice President, and Karl Watanabe; Secretary/Treasurer Ed Maduli.

3. Approval of the order of the agenda

The order of the agenda was approved as presented. (Owens/Kinman, 4/0/0, with Grey, Kepner and Lucas absent and not voting)

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

None.

5. Approval of the minutes of the meeting of January 24, 2017

The January 24, 2017, meeting minutes were approved as presented. (Owens/Kinman, 4/0/0, with Grey, Kepner and Lucas absent and not voting)

6. Officers' Report

There was no report.

7. Closed Session and possible direction to negotiators

Adjourned to closed session at 5:01pm

8. Report of Action taken in closed Session

Resumed regular session at 5:22pm. There was no action to report.

9. Review, consideration and possible action to amend the FY 16/17 Operating Budget to transfer the FY 15/16 amount of \$550,698 to the Endowment Fund/Advancement Foundation

Mr. Maduli reported that, per the Allocation of Funds Policy, 10% of the Land Corporation's gross annual ground lease revenue is contributed to the Foundation Endowment Fund pending the receipt of the Foundation's annual audit and a report by the Foundation Board. Out-going Foundation President Dave Sandretto, in-coming Foundation President Bill Cooper, and Foundation Treasurer and Finance Committee Chair Bill McFarland provided information on the Foundation's investment earnings, Scholarship allocation, and annual audit. It was reported that the annual audit presented "fairly," which means it was a clean audit.

Mr. Owens noted that the agreement between the Land Corporation and the Foundation has lapsed. He would like the new agreement to better outline how scholarships are awarded and see more of the money used to bring new students to the colleges as opposed to awarding existing students. Mr. Sandretto stated that the Foundation Board has been discussing that same issue and would be amenable to changing the criteria. In the next several weeks, Chancellor Schmitt will schedule a meeting to discuss a new agreement.

There was a motion by Owens, seconded by Grey, to "amend the FY 16/17 Operating Budget to transfer the FY 15/16 amount of \$550,698 to the Endowment Fund/Advancement Foundation." The motion passed. (6/0/0, with Kepner absent and not voting)

10. Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of January 31, 2017

There was a motion by Owens, seconded by Kinman, to "accept the January 31, 2017, Statement of Revenues, Expenditures and Net Assets as presented." The motion passed. (6/0/0, with Kepner absent and not voting)

11. Review, consideration and possible action to amend the FY 16/17 Operating Budget to increase budget for audit, legal, and consultant expenses

Mr. Maduli reported that, due to on-going negotiations with Lakha Properties, additional monies are needed to cover expenses for legal and consulting services. In addition, the cost for completing the Land Corporation's annual audit slightly increased. As a result, he is asking that the FY 16/17 Operating Budget be increased as follows:

- Audit budget - increase by \$500
- Legal budget – increase by \$70,000
- Consultant budget – increase by \$25,000

There was a motion by Owens, seconded by Watanabe, to “amend the FY 16/17 Operating Budget to increase budget for the audit by \$500, legal by \$70,000, and consultant by \$25,000.” The motion passed. (6/0/0, with Kepner absent and not voting)

12. Investment Committee Report

Ms. Grey provided a brief report. She indicated that since it was the first committee meeting it was mostly educational. In the future, handouts provided to Investment Committee members will also be provided to all Land Corporation Directors.

13. Status report on FY 2016-17 Teaching & Learning Innovation Fund

The college Presidents and Vice Presidents of Administrative Services provided reports as described above. Mr. Owens noted that Mission College was allocated \$50,000 and only \$4,000 had been expended. President Peck indicated that the majority of the funds would be expended prior to year-end.

14. Status report on FY 2016-17 Student Success Innovation Fund

The college Presidents and Vice Presidents of Administrative Services provided reports as described above.

15. Status report on FY 2016-17 Capital Improvements funds

Mr. Maduli indicated that sufficient funding had been provided for previously identified capital improvement projects and that any unallocated funds would be carried forward per the Allocation of Funds Policy.

16. Status report on FY 2016-17 Special Projects Fund

Mr. Maduli reported that funding for the web redesign projects at the colleges has not yet been expended but will be encumbered pending approval of board items going forward at the March 7 meeting and April 4 meeting.

17. Status report on FY 2016-17 Technology Refresh & Instructional Equipment funds

The college Presidents and Vice Presidents of Administrative Services provided reports as described above.

18. Status report on FY 2016-17 Student Assistance (other student assistance) funds

The college Presidents and Vice Presidents of Administrative Services provided reports as described above.

19. Status report on FY 2016-17 Entrepreneurial Fund

Chancellor Schmitt reported on the Entrepreneurial Fund.

20. Preliminary discussion on FY 17/18 funding allocations per the Allocation of Funds Policy

Per the Allocation of Funds Policy, Mr. Maduli provided recommendations for FY 17/18 funding allocations totaling \$2,725,000. Detailed plans for the allocations, and requests for approval, will be presented at the May 2 meeting. Mr. Owens expressed concern about funding for maintenance items – scheduled maintenance, capital improvements, and special projects. Mr. Maduli assured him that each item is distinct and separate.

21. Directors' Comments

None.

22. Adjournment

Meeting adjourned at 6:07pm.