

San Mateo County Community Colleges Educational Housing Corporation
Board of Directors | Regular Meeting
March 1, 2017 | 3:00 p.m.
College Vista Clubhouse | CSM Drive | San Mateo, CA 94402

Notice about Public Participation at Board Meetings: The Housing Corporation Board welcomes public discussion. The public's comments on agenda items will be taken at the time the item is discussed by the Board. To comment on items not on the agenda, members of the public can speak under the agenda item titled "Public Comment." Normally, no more than 20 minutes will be allocated for this section of the agenda. No response on behalf of the Board will be given at this time and Board action is not permitted on items presented under this agenda item.

CLOSED SESSION

- I. Call to Order**
- II. Announcement of Closed Session Items for Discussion:**
 - Discussion of Pending Litigation: San Mateo Community College District vs. Segue Construction Co., Case # CIV534343
 - Discussion of Disposition of Property and Terms of Payment of Property: Parcel of Land on Skyline College Campus
- III. Public Comments on Closed Session Items Only**
- IV. Recess to Closed Session**
- V. Reconvene to Public Session**

PUBLIC SESSION

- I. Call To Order and Roll Call**
- II. Introduction of New Directors and New District Staff (*Enclosure #01*)**
- III. Election of Officers for 2017 (President, Vice Pres./Sec., Treasurer) (*Enclosure #02*)**
- IV. Approve Minutes from September 22, 2016 Meeting (*Enclosure #03*)**
- V. Public Comments on Non-Agenda Items**
- VI. New Business**
 - a. Review of Annual Audit (*Enclosure #04*)
 - b. Review and Accept Financial Statements/Information (*Enclosure #05*)
 - c. Review and Discuss Preliminary FY 2018 Budgets for College and Cañada Vistas (*Enclosure #06*)
 - d. Discussion of Resident Issues: Outdoor Activity Areas; Roommates; Appeals Processes (Housing Term Limits, etc.)
- VII. Board Members' Comments and/or Requests for Future Agenda Items**
- VIII. Next Meeting: Wednesday, June 7, 2017**
- IX. Adjourn**

BOARD REPORT

PREPARED FOR: Educational Housing Corporation Board of Directors

PREPARED BY: Mitchell Bailey, Chief of Staff – (650) 574-6510

MEETING DATE: March 1, 2017

REPORT SUBJECT: **New Board and Staff Members' Biographies**

New Member of the Board of Directors

Per the Bylaws of the Educational Housing Corporation, the San Mateo County Community College District Board of Trustees filled the vacancy created by the completion of Art Michael's term in December 2016. Upon recommendation from staff, the SMCCCD Board of Trustees appointed Michael Pierce for a four-year term expiring on December 31, 2021. Below is Mr. Pierce's biography.

Michael Pierce is the co-founder and President of Prodesse Property Group and has over 35 years of experience managing property in California and Washington. He has been active in the management, operation, acquisition, renovation and construction of apartments since 1979. Prior to founding Prodesse Property Group, Michael was a member of the management team at Essex Property Trust in Palo Alto, California.

Michael served as the 2009 President of the California Apartment Association (CAA) and has been active on the CAA Board of Directors for over 20 years. He also has been a member of the Board of Directors of the CAA Tri-County Division since 1991 and served as its President in 1997. Michael also serves on the Board of Directors of the St. Francis Center and previously served on the San Mateo County Colleges Educational Housing Corporation board of directors.

Michael holds the designation of Certified Property Manager from the Institute of Real Estate Management and is also a frequent public speaker on the subject of rental housing management, operations and ethics. He holds a Bachelor of Arts degree in Business Economics from the University of California, Santa Barbara.

New District Staff

The SMCCCD has also had new staff join the District as a result of the retirements of Barbara Christensen and Raymond Chow, and they will be working with the Educational Housing Corporation Board of Directors. Mitchell Bailey was appointed Chief of Staff (replacing Ms. Christensen) and Bernata Slater was appointed Chief Financial Officer (replacing Mr. Chow). Their biographies are provided on the following page.

Mitchell Bailey joined the San Mateo County Community College District on October 1, 2016, and serves as Chief of Staff to the Chancellor. Mitch came to San Mateo from Sinclair Community College in Dayton, Ohio, where he served as Chief of Staff to the President and CEO. Prior to that position, Mitch spent four years in government operations at the Ohio Department of Administrative Services, serving as policy administrator and assistant to the Director, and as assistant deputy director for state human resources. Mitch also served in the Montgomery County Treasurer's Office. From 2000 – 2006, he worked for Kids Voting, a national, non-profit, civics and voter education program, serving as state executive director in Kentucky, Dayton Region executive director in Ohio and on the national office staff in Arizona.

Mitch received an associates degree in communication from Sinclair Community College, a bachelor's degree in public administration from Capital University and a master's degree in public administration (MPA) from Wright State University.

Mitch is a graduate of the Leadership Dayton program, and he previously served as a member of the Leadership Dayton Board of Governors. He has also served on the boards of Project READ, Dayton AmeriCorps and on the WYSO marketing committee. Mitch has a commission into the Honorable Order of Kentucky Colonels and was named as one of the "Forty Under 40" business and community leaders by the *Dayton Business Journal* in 2015.

Bernata Slater is the Chief Financial Officer for the San Mateo County Community College District. Before joining SMCCCD she worked at Foothill-De Anza Community College District for 21 years. As Vice President of Finance and Administrative Services she directed key operational functions that supported students and the College. In addition to managing Foothill's financial strategy and operations, she had responsibility over such functions as payroll, audits, facilities rentals, and capital projects. She planned and implemented the College and District annual budget and played a pivotal role in financial planning and capital financing. Bernata served as the District's Director of Budget Operations from 2005-2013 and was responsible for state reporting, grant monitoring, overseeing the District's operating budget, and preparing the District's budget and quarterly reports for review by the Board of Trustees.

Bernata is committed to student success through sound use of resources and maintaining the high levels of integrity and transparency for which San Mateo County Community College District is known. She is a member of the Association of California Community College Administrators and through that organization provides budget training to new deans throughout the California Community College system. Prior to 2005, she worked as a classified professional, holding increasingly responsible accounting roles. Bernata holds a bachelor's degree in Accounting and a master's degree in Business Administration from San Jose State University.

BOARD REPORT

PREPARED FOR: Educational Housing Corporation Board of Directors

PREPARED BY: Mitchell Bailey, Chief of Staff – (650) 574-6510

MEETING DATE: March 1, 2017

REPORT SUBJECT: **Annual Election of Officers**

Per the Bylaws of the Educational Housing Corporation (Article VIII, Sections 1 and 2), the Board of Directors will annually elect officers. Officers to be elected include:

- President
- Vice President/Secretary
- Treasurer

Following are descriptions of the duties of the respective offices as prescribed in the Bylaws.

- **President**

The President shall preside at meetings of the Board, shall be the Chief Executive Officer of the Corporation, and shall supervise, direct, and control the Corporation's activities, affairs, and Officers. The President shall have such other powers and duties as the Board or the Bylaws may prescribe.

- **Vice President/Secretary**

If the President is absent or disabled, the Vice President/Secretary shall perform all duties of the President. When so acting, the Vice President/Secretary shall have all powers of and be subject to all restrictions on the President. The Vice President/Secretary shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

The Vice President/Secretary shall keep or cause to be kept, at the Corporation's Principal Office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and committees of the Board. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual, regular, or special, and, if special, how authorized, the notice given, and the names of those present at Board and committee meetings. The Vice President/Secretary shall keep or cause to be kept, at the Principal Office in California, a copy of the Articles of Incorporation and Bylaws, as amended to date.

The Vice President/Secretary shall give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The Vice President/Secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

- **Treasurer**

The Treasurer shall serve as the Chief Financial Officer of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The Treasurer shall send or cause to be given to the Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any Director at all reasonable times.

The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board may designate, shall disburse the Corporation's funds as the Board may order, shall render to the President and the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

If required by the Board, the Treasurer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Treasurer on his or her death, resignation, retirement, or removal from office.



**Educational Housing Corporation Board Meeting
September 22, 2016
College Vista Clubhouse
Minutes**

Attendees:	Absent:
Dennis McBride, President	Kate Browne
Peggy Berlese	Art Michael
Kathy Blackwood	Annette Perot
Maurice Goodman	Other Attendees:
Ron Granville	Ray Chow
Karen Schwarz	Caryn Kenny
	Mike Kenny
	Gohar Momjian
	Ana Mozzetti
	Ginny Brooks

Call to Order

The meeting was called to order at 3:00 p.m.

Announcement of Closed Session Items for Discussion

Mr. McBride announced that during closed session, the Board will hold a conference with legal counsel regarding one case of pending litigation as listed on the printed agenda.

Public Comments on Closed Session Items Only

None

Recess to Closed Session

The Board recessed to closed session at 3:02 p.m.

Reconvene to Open Session/Call to Order

The Board reconvened to open session at 4:20 pm.

Announcement of Reportable Action Taken in Closed Session

Mr. McBride said that the Board took no reportable action during closed session.

Discussion of the Order of the Agenda

It was agreed that item #7, Receive Update on Skyline College Housing Development Project, will be heard after Public Comments on Non-Agenda Items.

Approve Minutes from May 9, 2016 Meeting

Ms. Berlese questioned the accuracy of the statement, “. . . Ms. Blackwood said money that is transferred back to the District goes into the unrestricted general fund to be used in any way the District sees fit.” Ms.

Blackwood said it should read that the money that is transferred to the District goes into the Capital Outlay Fund. It was moved by Mr. Granville and seconded by Ms. Blackwood to approve the minutes as amended. The motion carried, all members voting Aye.

Public Comments on Non-Agenda Items

None

Receive update on Skyline College Housing Development Project

Barbara Christensen informed the Board of Directors that the District sold six acres of surplus land at Skyline College to SummerHill Homes for the sum of \$20million. SummerHill will develop the six acres of land for single family housing. In addition, the District plans to build faculty and staff housing (28-30 units) on the adjacent two acres which it owns. This project will be funded by the proceeds of the sale of land. It is expected that the District will engage with SummerHill to construct the faculty and staff housing for occupancy in 2018.

Approve Management Agreement with Kenny Realty

Mr. Granville noted that the Agreement states that “. . . Manager shall be named as co-insured in all policies related to public liability insurance.” He said he has seen the term “additional insured” used in agreements. Ms. Blackwood said the District’s Director of General Services drafted the agreement and she assumes that the use of “co-insured” is correct.

Mr. Granville suggested that the reference to conducting investigations of the “moral character” of a prospective tenant be struck from the agreement. The Board unanimously agreed with this suggestion.

Ms. Berlese said the list of protected classes (race, color, creed or national origin) under “Leasing Standards” is not up to date. Ms. Momjian said she will update the statement with the current legal standard.

It was moved by Ms. Blackwood and seconded by Mr. Goodman to approve the management agreement with the modifications noted above. The motion carried, all members voting Aye.

Approve Resident Manager Agreements

Ms. Berlese said the agreements define the terms “Resident Manager” and “Employer” but the terms are not used consistently throughout the agreements, e.g. resident managers are sometimes referred to as “employees” and sometimes as “you/your”. Ms. Berlese also suggested that the last sentence of item #8 in Schedule A – “Provide unit access as needed for outside contract work” – be a separate bullet point. Mr. Kenny said he will make the changes noted and Ms. Momjian said she will review the changes as well. The revised agreements will be sent to Board members for review.

Mr. Granville said it is important that the attorney who drafted the agreements be well versed in this area of employment as it is a specialty area.

Mr. Granville asked if the resident managers are expected to check to see if the lights are working at night and if there are sprinkler problems. Mr. Kenny said they do check and call Kenny Realty if they observe any issues. Mr. Granville asked who the resident managers contact if there are problems between tenants. Mr. Kenny said they are advised to contact Kenny Realty.

Ms. Schwarz asked if the resident managers get a reduction in rent as well as compensation. Ms. Blackwood said they pay the same rent as other tenants.

Mr. Granville asked if resident managers sign time cards. Mr. Kenny said they will begin to do so starting with the new agreements.

It was moved by Ms. Schwarz and seconded by Ms. Berlese to approve the resident manager agreements with the changes noted above, with the understanding that if Board members have further comments after reviewing the amended agreements, the agreements will not be executed. The motion carried, all members voting Aye.

Approve Apartment Pricing Guidelines and Rent Increase for Cañada Vista and College Vista

Ms. Momjian said that at the last meeting, the Board asked how rents were determined. She said Ms. Christensen surveyed costs for similar units in the area and used the average to determine the rents, making sure to generate enough income to pay back the District. Ms. Momjian said the last rental increase was in September 2012 for College Vista and September 2013 for Cañada Vista. She said it is recommended that the Board approve an across-the-board 2% increase. The adjusted base rents would range from \$918 for a 1 bedroom/1 bathroom unit to \$1632 for a 3 bedroom/2 bathroom unit, plus a \$50 charge for each amenity. It is further recommended that the same rents be applicable to the new housing units to be constructed at Skyline College. Ms. Momjian noted that the rents would continue to be significantly below market rates.

Mr. McBride said he does not believe it is advisable to have rates frozen for a long time because it may necessitate a large increase at one time. He asked if a 2% increase is enough so that there will not have to be a large increase next year. Ms. Momjian said the 2% increase will cover rising maintenance costs. Ms. Blackwood suggested that the Board review rental rates each year in order to avoid large increases.

Mr. Kenny said that rent control will be on the November ballot and will be retroactive if passed. He said this could affect the units at College Vista and Cañada Vista depending on how the law is written. Mr. Granville said most property owners he knows are continuing to conduct their business as usual. He said that if the measure passes, the retroactivity clause will be challenged. He also said the housing units might be exempt from rent control if passed. Mr. Kenny agreed to investigate this issue.

Mr. McBride suggested that notice of a 2% increase, to be effective January 1, 2017, be given to current tenants, with the understanding that the increase could be changed if necessary after the election. The Board agreed that rents for the Skyline College development will not be set at this time.

It was moved by Ms. Blackwood and seconded by Ms. Berlese to increase rents at College Vista and Cañada Vista by 2%, effective January 1, 2017. The motion carried, all members voting Aye.

Discuss Future Proposal to Extend Occupancy Limit for Residents

Ms. Momjian said the Board does not need to act on extension of occupancy limits at this time, but should begin discussion about the issue. She said that due to expected unit turnover in 2019 and 2020, along with new units at Skyline College, it is anticipated that the wait list might be exhausted. She said the administration is requesting that the Board begin to consider extending the occupancy limit by an additional two years for current residents whose limit expires in 2019 or 2020, contingent on their demonstration of significant progress and close proximity toward becoming a homebuyer. She said that if the Board is interested in considering this two-year extension in the future, residents can be informed about the possibility and the requirements so that they have time to adequately plan. Ms. Momjian referred to a list of sample questions which could be used on an application to determine whether the extended occupancy would be granted.

Mr. McBride asked if the District Board of Trustees should determine whether occupancy limits are extended. Ms. Blackwood said the Educational Housing Corporation Board sets criteria or occupancy, while the District determines which employees actually occupy the units.

Ms. Schwarz said there was a past discussion about opening the units to high school district employees if units were unfilled. Ms. Blackwood said it was determined that the tax exempt status would be forfeited if units were offered to individuals outside of the District.

Mr. McBride said he believes it is too early to consider the possibility of extending occupancy limits in the future. Mr. Granville agreed, stating that informing residents of such a possibility could create false expectations. Mr. Chow added that those tenants who left to purchase homes to date have stayed in their units for only three or four years.

Ms. Berlese said the list of potential application questions could create a substantial amount of paperwork and some seem nebulous. Mr. McBride added that the questions seem intrusive. He said tenants' goals, actions, and financial management are items which the Board cannot control and which he believes the Board does not want to control. Mr. McBride suggested, and the Board agreed, that this item should be brought to the Board for further discussion at a subsequent meeting.

Approve First Time Home Buyer Definition and Other Changes in the 2016 Allocation Guidelines

Ms. Momjian said that at the last meeting, the Board took action to modify the equity threshold from \$15,000 to \$75,000 in the definition of a First Time Homebuyer. However, at that time the Board did not consider the fact that the District offers employees a ten-year second loan program of up to \$150,000. Given the availability of the second loan program plus the monthly savings available through the below market rents, it is recommended that the equity threshold be lowered from \$75,000 to \$25,000. Ms. Berlese said there seems to be a conflict between the previous discussion regarding the possibility of vacant units and this recommendation to make it more difficult to qualify to live in the units. Mr. McBride said the previous discussion involved concerns about the future, while this recommendation is related to current circumstances. After further discussion, Ms. Blackwood said she believes further discussion on priorities is warranted. She said the District Board of Trustees is interested in the allocation guidelines and she recommended that Ms. Schwarz and Mr. Goodman, as District Trustees, discuss this issue with the full Board of Trustees. She said she will ask that it be placed on a future agenda for a Board of Trustees meeting. The Educational Housing Board took no action on the recommendation to modify the equity threshold.

Ms. Momjian said recommendation #2 is to approve extending the time from 18 months to 24 months for employees who are coming from outside the Bay Area to take a job in the District, own a home outside the Bay Area, and received or will receive more than \$25,000 in equity. Mr. McBride suggested that this recommendation, as well as recommendation #3 to amend eligibility for administrators, be tabled at this time because they require broader discussion. The Board took no action on these recommendations.

Mr. Granville said recommendation #4, adding language stating that the employee's household size will determine the type of unit offered, appears to be non-controversial. He moved that this recommendation be approved and Ms. Schwarz seconded the motion. The motion carried, all members voting Aye.

Receive Update on Maintenance Reserve Expenditures and Balances

Ms. Momjian said the Board reviews the maintenance reserves each year. She said funds from the Cañada Vista reserve have been used for expenses related to the water investigation but the funds will be replenished. Mr. Granville said the outcome of the lawsuit is not assured. He said he would like to maintain

the reserve at the expected level and use other funds for the litigation. To this end, he said he would suggest suspending transfers to the District and replenishing the reserve. Mr. Chow said the funds transferred to the District are available for use if needed. However, he said he agrees that the reserves can be replenished and he will talk with Ms. Blackwood about how to make sure this is done.

Board Members' Comments or Requests for Future Agenda Items

Mr. McBride said Mr. Michael could not attend this meeting. He said he wished to thank him for his service and said Ms. Christensen is seeking a replacement. Ms. Momjian said she will make sure that a formal thank you letter is sent to Mr. Michael.

Next Meeting

The Board agreed to meet in early December. Ms. Momjian said staff will email the Housing Board to determine the best date.

Adjournment

The meeting was adjourned by consensus at 5:15 p.m.

BOARD REPORT

PREPARED FOR: Educational Housing Corporation Board of Directors

PREPARED BY: Mitchell Bailey, Chief of Staff – (650) 574-6510

MEETING DATE: March 1, 2017

REPORT SUBJECT: **Annual Audit**

The Educational Housing Corporation's annual audit is included as part of the San Mateo County Community College District's annual audit. The District's audit section that relates to the Housing Corporation is provided for review. The audit reflects cash assets of the Corporation, not physical assets (i.e. buildings, etc.).

The audit was recently conducted by Crowe Horwath and there were no findings.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
EDUCATIONAL HOUSING CORPORATION
STATEMENT OF FINANCIAL POSITION
June 30, 2016

ASSETS

Cash and cash equivalents	\$ 181,297
Due from District	<u>7,000</u>
Total assets	<u><u>\$ 188,297</u></u>

LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable	\$ 15,462
Unearned rent	13,565
Rent security deposits	<u>138,080</u>

Total liabilities 167,107

Unrestricted net assets 21,190

Total liabilities and net assets \$ 188,297

See accompanying notes to the basic financial statements.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
EDUCATIONAL HOUSING CORPORATION
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

Revenues:		
Rental income	\$	1,486,284
Interest and dividends		288
Water reimbursement		4,808
Other local income		<u>9,758</u>
Total revenues		<u>1,501,138</u>
Expenses:		
Operating expenses		417,076
Transfer to District		<u>1,083,206</u>
Total expenses		<u>1,500,282</u>
Change in net assets		856
Net assets, July 1, 2015		<u>20,334</u>
Net assets, June 30, 2016	\$	<u><u>21,190</u></u>

See accompanying notes to the basic financial statements.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
EDUCATIONAL HOUSING CORPORATION
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2016

Cash flow from operating activities:	
Change in net assets	\$ 856
Changes in assets and liabilities	
Accounts receivable	3,925
Accounts payable	15,462
Unearned rent	13,565
Rent security deposits	<u>(3,315)</u>
Net cash flows provided by operating activities	<u>30,493</u>
Net change in cash and cash equivalents	30,493
Cash and cash equivalents, July 1, 2015	<u>150,804</u>
Cash and cash equivalents, June 30, 2016	<u><u>\$ 181,297</u></u>

See accompanying notes to the basic financial statements.

San Mateo Community Colleges Educational Housing Corporation
College Vista

Budget vs Actual for 2016-17

	Annual Budget	6 Month Budget	Actual 2016-17	Budget Variance
	(July 1, 2016 - June 30, 2017)	(July 1, 2016 - Dec. 31, 2016)	(Dec 31 2016) Year to Date	Favorable (Unfavorable)
Operation Revenues				
Club House Rental	1,000	500	1,425	925
Interest	-	-	-	-
Rent	598,000	299,000	307,386	8,386
Total Operation Revenues	599,000	299,500	308,811	9,311
Operation Expenses				
Property Administration				
Property Management	27,450	13,725	13,725	-
Resident Management Fee	7,200	3,600	3,600	-
Supplies (Clubhouse)	1,000	500	65	435
Insurance				
General Liability (Clubhouse included)	1,200	600	-	600
Property Liability	3,000	1,500	-	1,500
Worker Compensation	2,500	1,250	-	1,250
Audit & Accounting	400	200	-	200
Bank Charges	75	38	-	38
Legal & Professional	1,000	500	-	500
Office Supplies	200	100	-	100
Taxes & License	160	80	-	80
Total Property Administration	44,185	22,093	17,390	4,703
Service Maintenance				
Appliance Repair/replacement	5,000	2,500	1,201	1,299
Cleaning	2,500	1,250	370	880
Dryer Vent cleaning (annual)	4,400	2,200	-	2,200
Electrical Repair	3,000	1,500	783	718
Fire Alarm System/Monitoring *	14,500	7,250	1,170	6,080
Flooring Repair/Replacement	15,000	7,500	4,989	2,511
Garage Door Repair	1,500	750	935	(185)
Gutters (cleaning and repair)	1,700	850	-	850
Heating Repair	4,000	2,000	-	2,000
Maintenance General	5,000	2,500	3,329	(829)
Painting & Decorating	15,000	7,500	2,150	5,350
Plumbing Repair	5,000	2,500	1,106	1,394
Window Washing (annual)	2,800	1,400	-	1,400
Total Service Maintenance	79,400	39,700	16,032	23,668
Monthly Services				
ADT (monitoring)*	-	-	405	(405)
Garbage	10,900	5,450	4,230	1,220
Internet/Cable	1,400	700	-	700
Landscape/Gardening	15,000	7,500	4,830	2,670
Pest Control	1,800	900	637	263
PG&E	18,400	9,200	7,354	1,846
Telephone (monitoring)*	-	-	3,161	(3,161)
Water Grounds & Tenants	21,600	10,800	8,251	2,549
Total Utilities	69,100	34,550	28,868	5,682
Total Operation Expenses	192,685	96,343	62,290	34,052
Net Operation Profit/(Loss)	406,315	203,158	246,521	43,363
Other Financial Uses				
Transfer to District	310,000	155,000	205,541	(50,541)
Transfer to Capital Reserve	95,000	47,500	33,804	13,696
Total Other Financial Sources/Uses	405,000	202,500	239,345	(36,845)
Excess of Revenues Over Expenditures and Other Sources	1,315	658	7,176	6,518
Vacancy Factor (reflected in rents)	(6,000)	(4,500)	(1,081)	3,419

San Mateo Community Colleges Educational Housing Corporation
Canada Vista

	Budget vs Actual for 2016-17			
	Annual Budget	6 Month Budget	Actual 2016-17	Budget Variance
	(July 1, 2016 - June 30, 2017)	(July 1, 2016 - Dec. 31, 2016)	(Dec 31 2016) Year to Date	Favorable (Unfavorable)
Operation Revenues				
Club House Rental	5,000	2,500	4,438	1,938
Club House Liab. Insurance	2,000	1,000	2,400	1,400
Interest	-	-	-	-
Rent	891,000	445,500	442,926	(2,574)
Total Operation Revenues	898,000	449,000	449,763	763
Operation Expenses				
Property Administration				
Property Management	37,500	18,750	18,750	-
Resident Management Fee	8,500	4,250	4,250	-
Supplies (club house)	1,000	500	700	(200)
Insurance		-		
Clubhouse Liability (TULIP)	3,000	1,500	-	1,500
General Liability	1,400	700	-	700
Property Liability	3,500	1,750	-	1,750
Workers Compensation	2,500	1,250	-	1,250
Audit & Accounting	400	200	-	200
Bank Charges	15	8	-	8
		-		
Legal & Professional	1,000	500	-	500
Office Supplies	200	100	-	100
Tax and License	310	155	-	155
Total Property Administration	59,325	29,663	23,700	5,962
Service Maintenance				
Appliance Repair	5,000	2,500	5,125	(2,625)
Cleaning	2,500	1,250	1,970	(720)
Dryer Vent cleaning (annual)	5,950	2,975	2,079	896
Electrical Repair	3,000	1,500	3,098	(1,598)
Fire Alarm System/Monitoring *	14,500	7,250	-	7,250
Flooring Replacement/ Repair	15,000	7,500	16,084	(8,584)
Garage Door Repair	1,000	500	140	360
Gutters Cleaning	-	-	-	-
Heating Repair	1,000	500	1,090	(590)
Maintenance General	10,000	5,000	11,911	(6,911)
Painting & Decorating	17,000	8,500	12,750	(4,250)
Plumbing Repair	7,500	3,750	997	2,753
Window Washing (annual)	4,000	2,000	3,780	(1,780)
Total Service Maintenance	86,450	43,225	59,023	(15,798)
Monthly Services				
Garbage	22,300	11,150	10,897	253
Internet/Cable	550	275	278	(3)
Landscape/Gardening	15,000	7,500	5,934	1,566
Pest Control	4,400	2,200	1,172	1,028
PG & E	18,200	9,100	7,919	1,181
Telephone *	-	-	2,048	(2,048)
Signawest (monitoring)*	-	-	1,671	(1,671)
Water Grounds and Clubhouse	7,000	3,500	-	3,500
Water reimb. to tenants	-	-	-	-
Total Utilities	67,450	33,725	29,917	3,808
Total Operation Expenses	213,225	106,613	112,641	(6,028)
Net Operation Profit/(Loss)	684,775	342,388	337,122	(5,265)
Other Financial Uses				
Transfer to District	563,000	281,500	270,981	10,519
Transfer to LT Capital Reserve	120,000	60,000	66,141	(6,141)
Total Other Financial Sources/Uses	683,000	341,500	337,122	4,378
Excess of Revenues Over Expenditures and Other Sources	1,775	888	0	(887)
Vacancy Factor (reflected in rents)	(3,000)	(2,250)	(6,435)	(4,185)

Educational Housing Corporation Debt Payoff Update
As of December 31, 2016

College Vista

Debts:	9,341,000.00	
Payoff:	4,513,696.81	
Balance:	4,827,303.19	48.32% paid off

Canada Vista

Debts:	14,882,000.00	
Payoff:	4,067,284.05	
Balance:	10,814,715.95	27.33% paid off

Capital Reserve

College Vista:	\$62,000 per year per the Trower Maintenance Study
Balance 12/31/16	295,906.50

Canada Vista:	\$71,000 per year per the Trower Maintenance Study
Balance 12/31/16	318,515.50

**San Mateo Community Colleges Educational Housing Corporation
College Vista
Draft Budget Proposal (2017-2018)**

	Adopted Budget	Proposed Budget
	2016-17	2017-18
Operation Revenues		
Club House Rental	1,000	1,500
Interest	-	-
Rent	598,000	649,704
Total Operation Revenues	599,000	651,204
Operation Expenses		
Property Administration		
Property Management	27,450	27,450
Resident Management Fee	7,200	7,200
Supplies (Clubhouse)	1,000	1,000
Insurance		
General Liability (Clubhouse included)	1,200	1,200
Property Liability	3,000	3,000
Worker Compensation	2,500	2,500
Audit & Accounting	400	1,250
Bank Charges	75	75
Legal & Professional	1,000	1,000
Office Supplies	200	200
Taxes & License	160	160
Total Property Administration	44,185	45,035
Service Maintenance		
Appliance Repair/replacement	5,000	8,000
Cleaning	2,500	2,500
Dryer Vent cleaning (annual)	4,400	4,400
Electrical Repair	3,000	3,000
Fire Alarm System/Monitoring *	14,500	14,500
Flooring Repair/Replacement	15,000	15,000
Garage Door Repair	1,500	2,000
Gutters (cleaning and repair)	1,700	1,700
Heating Repair	4,000	4,000
Maintenance General	5,000	8,000
Painting & Decorating	15,000	15,000
Plumbing Repair	5,000	5,000
Window Washing (annual)	2,800	2,800
Total Service Maintenance	79,400	85,900
Monthly Services		
ADT (monitoring)*	-	-
Garbage	10,900	10,900
Internet/Cable	1,400	1,400
Landscape/Gardening	15,000	15,000
Pest Control	1,800	1,800
PG&E	18,400	18,400
Telephone (monitoring)*	-	-
Water - Grounds & Tenants	21,600	21,600
Total Utilities	69,100	69,100
Total Operation Expenses	192,685	200,035
Net Operation Profit/(Loss)	406,315	451,169
Other Financial Uses		
Transfer to District	310,000	355,000
Transfer to Capital Reserve	95,000	95,000
Total Other Financial Sources/Uses	405,000	450,000
Excess of Revenues Over Expenditures and Other Sources	1,315	1,169
Vacancy Factor (reflected in rents)	(6,000)	(6,000)

San Mateo Community Colleges Educational Housing Corporation
Canada Vista
Draft Budget Proposal (2017 - 2018)

	Adopted Budget	Proposed Budget
	2016-17	2017-18
Operation Revenues		
Club House Rental	5,000	7,000
Club House Liab. Insurance	2,000	3,500
Interest	-	-
Rent	891,000	929,326
Total Operation Revenues	898,000	939,826
Operation Expenses		
Property Administration		
Property Management	37,500	37,500
Resident Management Fee	8,500	8,500
Supplies (club house)	1,000	1,000
Insurance		
Clubhouse Liability (TULIP)	3,000	3,500
General Liability	1,400	1,400
Property Liability	3,500	3,500
Workers Compensation	2,500	2,500
Audit & Accounting	400	1,250
Bank Charges	15	75
Legal & Professional	1,000	1,000
Office Supplies	200	200
Tax and License	310	310
Total Property Administration	59,325	60,735
Service Maintenance		
Appliance Repair	5,000	8,000
Cleaning	2,500	3,000
Dryer Vent cleaning (annual)	5,950	5,950
Electrical Repair	3,000	4,000
Fire Alarm System/Monitoring *	14,500	14,500
Flooring Replacement/ Repair	15,000	20,000
Garage Door Repair	1,000	1,000
Gutters Cleaning	-	-
Heating Repair	1,000	2,000
Maintenance General	10,000	15,000
Painting & Decorating	17,000	17,000
Plumbing Repair	7,500	5,000
Window Washing (annual)	4,000	4,000
Total Service Maintenance	86,450	99,450
Monthly Services		
Garbage	22,300	22,300
Internet/Cable	550	550
Landscape/Gardening	15,000	15,000
Pest Control	4,400	4,400
PG&E	18,200	18,200
Telephone *	-	-
Signawest (monitoring)*	-	-
Water Grounds and Clubhouse	7,000	3,500
Water reimb. to tenants	-	-
Total Utilities	67,450	63,950
Total Operation Expenses	213,225	224,135
Net Operation Profit/(Loss)	684,775	715,691
Other Financial Uses		
Transfer to District	563,000	594,000
Transfer to LT Capital Reserve	120,000	120,000
Total Other Financial Sources/Uses	683,000	714,000
Excess of Revenues Over Expenditures and Other Sources	1,775	1,691
Vacancy Factor (reflected in rents)	(3,000)	(3,000)