



## President's *Report to the Board of Trustees*



**March 31, 2017**

**Following is a compendium of email reports to the Board for the month of March.**

1. As part of our relationship with Nossaman LLP, our contact, Ashley Walker, has shared this opportunity ([attached](#)) for you to attend one or both of these fundraising events. 3/28/17
2. [Attached](#) are Gary Nellesen's responses to questions posed by Trustee Laura Santos. 3/27/17
3. [Attached](#) is a download of a press release posted by the City of Walnut on their web site regarding Solar Project court ruling. Jill is working with our entire team on a draft press release of our own. We'll run that by you by early next week before we send it out. 3/22/17
4. The sale of the Bond Anticipation Notes yielding \$90 million was completed today at a rate of 2.382% which was 5.8 basis points lower than the listed rate when the sale was posted at 7 am this morning at 2.44%. Offers to buy the BANs were 3.7 times the listed price. This high demand and the strong bond rating for Mt. SAC enabled our representative to negotiate this excellent sale rate. Bottom line: The great credit rating, strong financial position, and excellent reputation of Mt. SAC just saved the tax payers of our District a whopping \$1.3 million in future interest payments. The details of the sale are [attached](#). 3/22/17
5. We are planning a tour of the Net Zero Plus Electrical Training Institute ([link](#)). The facility is at 6023 Garfield Ave in Commerce just southwest of the 5 freeway between the 610 and 710. Let Carol know if you are interested, and we will coordinate schedules. I expect that several of our faculty and managers will attend. 3/17/17
6. We have just inked an agreement with our utility partners that will fund internships for Mt. SAC students. As articulated in the attached agreement, the utility partnership is called Energize Colleges ([link](#)) and includes PG&E, SCE, SoCal Gas, and SDG&E. The utility partnership uses the nonprofit Strategic Energy Innovations to administer the program. We are one of thirteen colleges and universities in the project. (They came to us to invite Mt. SAC to join.) The funds from this agreement in Program Year 1 will pay for:
  - A Fellow to manage program on campus, fully funded at \$35,000
  - Approximately 5 paid student internships, each valued at \$1,250 (or \$6,250 in aggregate)
  - Up to 1 faculty grant, estimated at \$2,000
  - SEI consulting and support to establish internships, develop academic resources and programs, and supervise campus Fellow
  - SEI curriculum access and license 3/17/17

7. We have just been notified that Mt. SAC student and Phi Theta Kappa member Anna Badillo has been selected as one of just 20 students nationally to be a member of the 2017 All-USA Community College Academic Team. There will be an award ceremony at the AACC National Convention in New Orleans at which Honors Director Heidi Lockhart and I will be present. As the highest scoring student in California, Anna is also a Coca-Cola New Century Scholar. Wow! 3/15/17
8. [Attached](#) are well deserved kudos for our own Bruce Rogers, choral director extraordinaire. 3/15/17
9. I thought you might appreciate the [attached analysis](#) of changes in management positions over the last twelve months. 3/15/17
10. Moody's Investors Service has assigned an Aa1 rating to Mt. San Antonio Community College District's (CCD) \$90 million General Obligation Bond Anticipation Notes. Concurrently, we have upgraded the district's GO bond rating to Aa1 from Aa2, affecting \$357 million. The outlook has been changed to stable from positive. The upgrade reflects the district's continued moderate growth in assessed value, sustained healthy financial position and continued practice of funding its pension and OPEB liability above the minimal required levels. The Aa1 reflects the district's significantly large tax base, healthy financial position that is expected to remain stable, low direct debt burden and strong management team. The rating also incorporates the district's manageable OPEB liability and moderate pension burden.  
The Aa1 rating also incorporates that the general obligation bonds are secured by the district's voter-approved unlimited property tax pledge. The county rather than the district will levy, collect, and disburse the district's property taxes, including the portion constitutionally restricted to pay debt service on general obligation bonds. The Aa1 rating assigned to the BANs reflects the district's fundamental credit strength, and our expectation that the district is well positioned to permanently finance the notes at maturity (2022) with GO bonds or Certificates of Participation, if necessary.  
3/13/17  
Credit Strengths
  - Large tax base that is expected to continue to experience moderate growth
  - Healthy reserves and liquidity position
  - Strong management team
  - Operating expenditure flexibility inherent to California Community College Districts (CCDs)Credit Challenges
  - No significant revenue raising ability inherent to CA CCDs
  - Rising pension and OPEB costs
11. [Attached](#) is Judge Chalfant's 49 page tentative ruling. Sean Absher has provided some preliminary analysis that is available from my office upon request. [Attached](#) are some comments from my perspective. 3/13/17
12. Our local newspaper, the San Gabriel Valley Tribune, is running its annual [Readers' Choice Awards](#). You can vote for Mt. SAC under the category "Places" for:
  - Best Career College
  - Best Community College
  - Best Trade School
  - Best Place to Work

**Vote for Mt. SAC!**

Hurry, voting ends Sunday, March 26! Visit <http://la-dev.com/ReadersChoice/SGVT/2017/index.php>. 3/13/17

13. Below are two Board questions on the matter of disallowed public comment at our March Board of Trustees meeting along with my responses.
- Q1: "What is the authority you rely on (Brown Act or otherwise) to prevent the speaker from making public comment and having him removed by security?"
- A1: This is in the Brown Act and in BP 2345 ([link](#)). Comments must be related to the business of the college. 3/9/17
- Q2: "There is case law on a similar matter in the Baca v. Moreno Valley Unified School District ruling ([link](#)). My understanding is that speakers can be prohibited for conduct, but not content. 3/10/17
- A2: The distinction between content-based and content-neutral is a complex issue. Not all content-based speech is a violation of the First Amendment. Hence the concept of limited public forums. Regarding public comment under the Brown Act, public comment sessions have been found to be limited public forums, limited by the content restrictions set forth in the Brown Act. See *White v. City of Norwalk*, 900 F.2d 1421, 1425, 9th Cir. 1990 ([link](#)).
14. The accreditation visiting team exit report was very positive. Sunny Cooke explicitly stated that Mt. SAC has met all the accreditation standards. She said the team identified three areas for us to consider improvement. Many of our class syllabi give web links to the course student learning outcomes rather than write them out in detail, and the visiting team found it difficult to follow the links. Their comment was to have the links go directly to the specific course SLO, and, as this was a technical fix, this has already been done. The team commented that the college does not have a regular process for reviewing the overall governance structure but rather reviews each AP that addresses individual components. They thought that a periodic overall review would be useful. Finally, they recommended that we verify that departmental exams are free from bias. This is an outstanding result that will undoubtedly yield full accreditation for Mt. SAC. We will not know the official result until after ACCJC takes action in June. Our entire college worked hard to make sure we are still the best community college in the state. 3/10/17
15. [Attached](#) is our first update from Ashley Walker with Nossaman LLP. 3/9/17
16. Rod Carter and his team joined Rosa and me in two hour-long presentations to have our Bond Anticipation Note (BAN) rated: one with Standard & Poor's and the other with Moody. We asked for an upgrade to AA+(S&)/Aa1(Moody). I have [attached](#) the presentation booklet for your information. We will be asking you to approve a \$90 million BAN at next week's Board meeting. Rod and I also went over a draft of the presentation to the Board next week. I will send you the updated material in advance of the meeting. 3/1/17
17. Thought you would like to see some of the advertising that the College is doing to get the word out about the Community Workshops. Please see the [attached ad](#) in an insert in the San Gabriel Valley Tribune. 3/1/17