

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY
BOND FINANCING PROGRAM
EXECUTIVE SUMMARY**

Applicant:	University of La Verne (the "University") La Verne, California Los Angeles County	Amount Requested:	\$30,000,000
		Date Requested:	May 26, 2005
Facility Type:	Private College	Requested Loan Term:	30 years
		Resolution Number:	228
Project sites:	1950 Third Street, La Verne, CA 2157 Second Street, La Verne, CA 2115 E Street, La Verne, CA 2140-2170 D Street, La Verne, CA		
Accreditation:	Western Association of Schools and Colleges		
Use of Bond Proceeds: Bond proceeds will be used to advance refund the University's portion of CEFA Pool Series 2000B, refund CEFA Series 1993 and renovate various campus facilities. The overall present value savings is approximately \$1,335,000 over the life of the bonds or a present value savings of 5.88%.			
	Type of Issue: Negotiated public offering, fixed interest rate		
	Credit Enhancement: None		
Expected Credit Ratings:	Baa2 (Moody's)		
	Underwriters: Prager, Sealy and Co., LLC		
	Bond Counsel: Squire, Sanders & Dempsey LLP		
Financial Overview: University of La Verne has experienced a steady growth in revenues over the last three years with fluctuations in investment returns primarily due to market conditions. The University's balance sheet continues to remain solid but has experienced a decline in unrestricted net assets.			
Sources of Revenues - FYE 6-30-04:			
	<u>Amount</u>	<u>Percent</u>	
Student tuition and fees, net	\$68,288,301	87.6%	
Auxiliary enterprises	3,750,005	4.8%	
Private gifts and grants	2,560,616	3.3%	
Government grants	1,232,907	1.6%	
Other	1,126,310	1.4%	
Investment income	707,314	0.9%	
Net assets released from restrictions	281,272	0.4%	
Annuity and trust gifts	10,000	0.0%	
Total revenues and support	<u>\$77,956,725</u>	<u>100%</u>	
Estimated Sources of Funds:			
Bond Proceeds, par amount	\$30,000,000	Estimated Uses of Funds:	
Borrower's funds	1,600,000	Advance refund CEFA, 2000B	\$20,000,000
		Refund CEFA, 1993	2,000,000
		Chill Water Loop/Retrofit	4,500,000
		Refinance short term note	1,400,000
		Reimbursement	50,000
		Miscellaneous Projects	1,200,000
		Debt Service Reserve Fund	1,825,000
		Financing Costs	625,000
Total Sources	<u>\$31,600,000</u>	Total Uses	<u>\$31,600,000</u>
Legal Review: No information was disclosed to question the financial viability or legal integrity of the Applicant.			
Staff Recommendation: Staff recommends the Authority approve a resolution in an amount not to exceed \$30,000,000 to issue tax exempt revenue bonds for the University of La Verne, subject to a bond rating of at least an "Baa" category by a nationally recognized rating agency and the standard bond issuance guidelines.			

**STAFF SUMMARY AND RECOMMENDATION
BOND FINANCING PROGRAM**

May 26, 2005

University of La Verne (the "University")

Resolution Number: 228

I. PURPOSE AND STRUCTURE OF FINANCING: University of La Verne is embarking on a plan to restructure its debt, take advantage of the low rates in the bond market and complete various projects throughout campus including a highly needed Chilled Water Loop System. Loan proceeds will be used to refinance the Authority's Series 1993 and Series 2000B bonds and renovate various campus facilities. The refunding will generate an overall present value savings of approximately \$1,335,000 over the life of the bonds.

The following information provides details pertaining to the projects and the financing:

Advance Refund CEFA's Pooled College and University, Series 2000B..... \$20,000,000

The CEFA Pooled College and University, Series 2000B financed several construction and renovation projects of various facilities throughout the campus. The fixed interest rate on the bonds ranged from 6.00% to 6.75%. Replacing these bonds with the proposed new bond issue will result in a present value savings of approximately \$1,272,000 over the life of the bonds.

Current Refund CEFA, Series 1993..... 2,000,000

The Authority's outstanding Revenue Bonds Series 1993 financed the construction of the Wilson Library, the classroom and office building adjacent to Wilson Library, remodeled an existing engineering warehouse and rewired an academic building. The fixed interest rate on the bonds ranged from 5.70% to 6.30%. Replacing these bonds with the proposed new bond issue will result in a present value savings of approximately \$63,000 over the life of the bonds.

Chilled Water Loop/Campus-wide Retrofit of Existing Lights..... 4,500,000

A Chilled Water Loop (CWL) is a centralized piping system for the distribution of chilled water for the cooling of buildings. The advantage of a CWL is a more efficient cooling system resulting in significant reduction in operating costs. The CWL will eliminate future capital expenditures for replacement of aging equipment and reduced energy consumption, conservatively estimated to be at least 20% in the project buildings. In addition, the University plans retrofit 1,800 existing light fixtures throughout campus. The cost of this project is incorporated within the CWL system. This lighting retrofit is conservatively estimated to save \$70,000 per year in energy costs.

Reimburse University for Funds Expended in Renovation 50,000

The University is near completion of renovating two buildings to house the Literacy Clinic and Institute for Multicultural Research and Campus Diversity located at 2157 Second Street and 2114 E Street. This project included renovating buildings to accommodate offices, classrooms, and laboratory facilities, painting, re-carpeting, rewiring, installing integrated voice and data networking systems, alarm systems, and addressing access issues.

Refinance Short-term Note 1,400,000

The University plans to refinance a short-term note from American Armenian International College dated July 1, 2004 at 6% interest with a single payment of \$684,000 due on July 1, 2005 and the remaining balance due on July 1, 2006. The note was used to purchase property adjacent to the campus at 2140-2170 D Street, La Verne, CA. The building is currently being used for classrooms, faculty office space and a temporary student center.

Miscellaneous Projects..... 1,200,000

The University is embarking on a fundraising campaign for the projects listed below. Any remaining bond funds will be applied towards the projects.

Renovate Sports Science and Athletic Pavilion

The renovation of the Super Tents structure into the Sports Science and Athletics Pavilion will increase usable space by 25%, and become the dedicated space for the Movement and Sports Science and Athletics Departments. The goal of the renovation is to bring the building up to code, maximize energy efficiency, and address spatial limitations. In addition, the project will address deferred maintenance issues, upgrade existing restrooms, install an elevator, and attend to other access issues. The renovation will occur in two phases, the first of which began in April of 2005.

Renovate and Expand Hanawalt House

Hanawalt House was significantly damaged in a fire. While insurance should cover much of the efforts at restoration of the original house, additional upgrades are planned. These would include integrated voice and data networking systems, expanded space to be added to the south end of Hanawalt House, and requisite construction to bring the building into compliance with access issues.

Convert Football Field to Artificial Surface

This project would involve re-grading of field, establishing new subsurface drainage, and installing an artificial turf field. It will reduce operating costs and enhance more sustainable practices.

Renovate Founders Hall Auditorium

The renovation of historic Founders Hall Auditorium and upgrading building systems, include the rewiring of the lighting grid, extension of stage, conversion of seating to continental style seating, creation of acoustic shell behind proscenium arch, and acoustical upgrades.

Debt Service Reserve Fund	1,825,000
Financing costs	<u>625,000</u>
Underwriter Expenses	\$325,000
Cost of Issuance.....	300,000
Total Uses of Funds.....	<u>\$31,600,000</u>

Financing Structure:

- Negotiated public offering
- 30 year Fixed Rate Debt
- Expected credit ratings: Baa2 (Moody's)
- Debt service reserve fund
- General obligation pledge
- Gross revenue pledge
- Security on real property meeting the valuation required by CEFA bond issuance guidelines.

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II. FINANCIAL STATEMENTS AND ANALYSIS:

University of La Verne
Statement of Activities
Unrestricted

	Fiscal Year Ended June 30,		
	<u>2004</u>	<u>2003</u>	<u>2002</u>
Revenues:			
Student tuition and fees, net	\$ 68,288,301	\$ 65,762,026	\$ 58,539,632
Private gifts and grants	2,560,616	3,723,666	2,096,561
Government grants	1,232,907	998,783	985,045
Investment income	707,314	718,429	1,037,376
Auxiliary enterprises	3,750,005	3,508,096	2,988,574
Annuity and trust gifts	10,000	-	115,870
Other	1,126,310	978,055	1,076,304
Net assets released from restriction	281,272	-	-
Total revenues	<u>77,956,725</u>	<u>75,689,055</u>	<u>66,839,362</u>
Expenses:			
Instruction	42,772,144	40,859,841	37,234,290
Academic support	9,140,230	9,523,780	9,081,676
Student services	10,585,736	10,832,060	10,073,053
Institutional support	12,979,247	12,204,441	9,599,596
Auxiliary enterprises	4,496,820	4,431,303	4,380,707
Total expenses	<u>79,974,177</u>	<u>77,851,425</u>	<u>70,369,322</u>
Increase (decrease) in net assets from operating activities	(2,017,452)	(2,162,370)	(3,529,960)
Net gains (loss) on investments/other	3,355,296	(299,928)	(2,912,239)
Increase (decrease) in net assets	1,337,844	(2,462,298)	(6,442,199)
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	<u>39,295,980</u>	<u>41,758,278</u>	<u>48,200,477</u>
UNRESTRICTED NET ASSETS, END OF YEAR	<u>\$ 40,633,824</u>	<u>\$ 39,295,980</u>	<u>\$ 41,758,278</u>

University of La Verne
Statement of Financial Position

	As of June 30,		
	<u>2004</u>	<u>2003</u>	<u>2002</u>
Assets			
Cash and cash equivalents	\$ 8,803,061	\$ 5,297,464	\$ 3,064,208
Cash whose use is restricted	1,814,129	1,813,789	1,812,304
Accounts, notes and pledge receivable, net	12,402,410	10,092,762	9,886,578
Prepaid expenses and other assets	1,424,319	1,358,016	1,535,248
Investments	35,876,479	36,778,230	39,163,161
Property plant and equipment, net	39,037,734	40,436,545	42,564,741
Total Assets	<u>\$ 99,358,132</u>	<u>\$ 95,776,806</u>	<u>\$ 98,026,240</u>
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued liabilities	\$ 4,879,750	\$ 5,463,793	\$ 5,560,649
Line of credit	-	-	143,393 ^(b)
Student deposits and deferred revenues	6,670,652	5,143,102	5,474,154
Actuarial liability for annuity obligations	5,651,508	6,205,262	5,702,689
Bonds and notes payable	21,172,401	21,796,060	22,545,574
Federal student loan funds.	2,645,521	2,593,578	2,191,987
Total Liabilities	<u>41,019,832</u>	<u>41,201,795</u>	<u>41,618,446</u>
Net Assets			
Unrestricted	40,633,824	39,295,980	41,758,278
Temporarily Restricted	1,795,711	328,430	199,993
Permanently Restricted	15,908,765	14,950,601	14,449,523
Total Net Assets	<u>58,338,300</u>	<u>54,575,011</u>	<u>56,407,794</u>
Total Liabilities and Net Assets	<u>\$ 99,358,132</u>	<u>\$ 95,776,806</u>	<u>\$ 98,026,240</u>

Financial Ratios:

	Proforma (a)	<u>2004</u>	<u>2003</u>	<u>2002</u>
	<u>FYE June 30, 2004</u>			
Debt service coverage (x)	3.03	3.51	1.28	(0.50)
Debt to expendable net assets (x)	1.17	0.50	0.55	0.54
Expendable net assets to operations (x)		0.53	0.51	0.60
Margin (%)		(2.6)	(2.9)	(5.3)

(a) Recalculates 2004 audited results to include the impact of this proposed financing.

(b) Line of credit was used to pay a balloon payment on a mortgage payable. This was subsequently refinanced by a note payable. Currently, no outstanding balance is due on the line of credit.

Financial Discussion:

University of La Verne has experienced a steady growth in revenues over the last three years with fluctuations in investment returns primarily due to market conditions.

The University's primary source of revenues is student tuition, which makes up 87% of total revenues. Other revenues include auxiliary enterprises, private gifts and grants, and government grants, which consist of 9%, while the remaining revenues of investment income and other sources make up the difference.

In the fiscal year 2004, total revenues were \$77.9 million, up more than 16.6% from fiscal year 2002 while expenses only increased 13.6% from fiscal year 2002. The University continually reviews its programs on a monthly basis in order to streamline and control unnecessary expenses while maintaining essential programs. Since fiscal year 2002, there has been an increase in enrollment as well as an increase in tuition and fees for all undergraduate and graduate programs. In addition, there have been increases in room rates ranging from 26.60% to 30.89% depending on the type of room, and board rates ranging from 19.05% to 21.29% depending on the meal plan. However, gift and investment revenue have substantially decreased due to the economy that resulted in a less philanthropic environment for cultivation of donations.

Lower investment income is a result of volatility in investment markets showing a decline from \$1.0 million in fiscal year 2002 to \$700,000 in fiscal year of 2004. The investment fund balance has declined due to liquidation of some investments. Investment income declined during fiscal years 2003 and 2004 due to the lower interest rate environment for interest bearing securities. This decline has prompted a reallocation of its investments by the University.

The University's balance sheet continues to remain solid but has experienced a decline in unrestricted net assets.

The University's total unrestricted net assets have declined slightly from \$48.2 million at the beginning of fiscal year 2002 to \$40.6 million at the end of fiscal year 2004, a decrease of approximately 15.6% over our review period. This reduction in net assets is reflective of asset use for growth in academic, administrative, technological and facility infrastructure as well as the impact of the poor economic environment in investments.

Cash and cash equivalents have increased due to enrollments and cash payments from the students. As of fiscal year 2004, there was \$1.4 million in cash donations to the University's capital campaign. There were investments liquidated and cash transferred to the University's short-term cash investment as part of the quasi-endowment support of the College of Law as it pursues ABA accreditation. In addition, the University has experienced an increase in accounts, notes and pledge receivables due to a net pledge receivable of \$1.7 million for the capital campaign.

The University's debt service coverage ratio improved from a negative .43x in fiscal year 2002 to a solid proforma of 3.03x. Historically, debt to expendable net assets ratios have been

consistently low. The proforma debt to expendable net assets ratio is leveraged at 1.17x but it is anticipated that the University will be able to repay the debt based on a strong proforma debt service coverage of 3.03x.

The University is requesting a substantial increase in long-term debt from \$21 million to \$30 million, an increase of 40.5%. The restructuring of debt results in relatively minimal additional annual debt service payments of approximately \$300,000, as the 1993 and 2000 bond maturities are being extended by 22 and 5 years, respectively. This refunding will result in a net present value saving of \$1.3 million due to lower market rates currently available.

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III. STUDENTS, COLLEGE COSTS, AND FACULTY STATISTICS:

Students

The Fall 2004 entering freshman class had representatives from 14 states; 7% of the class was from outside California. The average entering GPA for the freshman class was 3.48 with SAT composite scores of 1,014.

Freshman Applicant Pool

Academic Year	Applications	Acceptances	Matriculations
2000-01	1,123	835	289
2001-02	1,164	838	309
2002-03	1,261	768	299
2003-04	1,432	805	290
2004-05	1,654	979	379

Transfer Applicant Pool

Academic Year	Applications	Acceptances	Matriculations
2000-01	341	198	133
2001-02	353	204	123
2002-03	287	174	114
2003-04	250	146	109
2004-05	438	255	163

Enrollments and Degrees (On and Off-Campus)

Academic Year	Undergrad. Headcount	FTE	Associate Degrees	Bachelor Degrees	Graduate Headcount	FTE	Masters Degrees
2000-01	4,492	3,124	9	885	2,713	2,241	1,012
2001-02	4,517	3,058	2	927	2,948	2,461	972
2002-03	3,843	3,166	3	978	3,134	2,944	1,074
2003-04	3,862	3,185	3	1,076	2,993	2,882	1,136
2004-05	4,361	3,588	N/A**	N/A**	3,104	2,945	N/A**

Academic Year	Law Headcount	FTE	Law (J.D.) Degrees	Doctoral Headcount	FTE	Doctoral Degrees
2000-01	164	198	39	469	345	64
2001-02	132	160	55	516	373	49
2002-03	127	157	24	555	385	65
2003-04	195	259	21	547	384	57
2004-05	221	302	N/A**	577	400	N/A**

**Law FTE students exceed the headcount since a divisor of 9 units a term or 18 units a year is applied to make the enrollment figures comparable to Masters and Doctoral level students.

**May 2005 Graduation (data not available)

Comprehensive Tuition and Fees

PROGRAM	Tuition 2000-01	Tuition 2001-02	Tuition 2002-03	Tuition 2003-04	Tuition 2004-05
UNDERGRADUATE (Traditional)					
Undergraduate-Full Year	\$16,800	\$18,000	\$19,500	\$20,500	\$21,500
Undergraduate-Per Semester	8,400	9,000	9,750	10,250	10,750
Undergraduate-Part Time	525	550	560	585	610
Undergraduate-Summer Sessions	410	430	450	470	490
Undergraduate-Study Abroad Full Year	24,000	25,000	26,830	28,520	29,910
Undergraduate-Study Abroad Per Semester	12,700	13,300	13,415	14,260	14,955
Undergraduate-BPA OnLine/BSOM OnLine	N/A	330	350	375	380
Undergraduate-Legal Studies	515	675	235	245	255
GRADUATE (Masters)					
Graduate-Masters Per Unit (GERO Prefix only)	370	390	405	425	450
Graduate-Masters Per Unit (MHA)	360	380	395	425	450
Graduate-Masters Per Unit (Education Bakersfield)	400	400	415	425	440
Graduate-Masters Per Unit (MED Bakersfield)	340	360	395	425	440
Graduate-Masters Per Unit (MBA/MBA OnLine)	380	405	430	455	475
Graduate-Masters Per Unit (MSLM)	405	405	425	455	475
Graduate-Masters Per Unit (PA Credential/Tier II)	400	415	430	430-455	430-460
Graduate-Masters Per Unit (MPA)	425	525	450	465	480
Graduate-Masters Per Unit (PA Credential/Tier I)	415	430	445	465	480
Graduate-Masters Per Unit (Education/All Other)	415	430	445	465	480
GRADUATE (Doctoral)					
Graduate-DPA	600	700	700	700	705
Graduate-Ed.D.	555	580	600	630	650
Graduate-Psy.D.	540	540	540	575	600
GRADUATE (Law)					
Law School (Full Time)	N/A	N/A	10,275	10,800	11,350
Law School (Part Time)	N/A	N/A	6,850	7,200	8,513
Law School (Returning Students)	645	685	685	720	750
SCHOOL OF CONTINUING EDUC.					
SCE-CAPA	335	360	375	395	410
SCE-RC (Undergraduate)	205	215	230	230	235
SCE-California RC (Graduate)	250	250	265	265	270
SCE-California PDC (Undergraduate)	310	330	345	365	380
SCE-California PDC (Graduate/MBA-MSLM)	380	405	430	455	475
SCE-California PDC (Graduate/MHA)	360	380	395	425	450
SCE-California PDC (Graduate/Education)	275-340	300-365	315-395	325-425	355-440
SCE-California PDC (Military Rate)	250	250	265	265	270
SCE-California PDC (Undergraduate Corp. Rate)	N/A	305	320	340	355
SCE-California PDC (Graduate Corporate Rate)	N/A	380	405	430	445
SCE-Education Degrees/Credentials	290-340	310-365	340-395	350-425	355-440
SCE-Graduate Alaska Programs	225	245	265	265	N/A

ROOM AND BOARD	2000-01	2001-02	2002-03	2003-04	2004-05
Room-Oaks (Double)	1,355	1,560	1,780	1,975	2,075
Room-Stu-Han/Brandt (Double)	1,355	1,560	1,780	1,975	2,075
Room-Off Campus Housing	1,355	1,910	2,235	2,960	3,100
Room-Oaks (Triple)	N/A	N/A	N/A	N/A	1,700
Room-Stu-Han/Brandt (Triple)	N/A	1,248	1,460	1,620	1,700
Room-Single Room Rate	N/A	N/A	N/A	2,500	2,625
Housing Security Deposit (Refundable/One Time)	100	100	100	200	200
Returning Resident Application Fee	25	25	25	25	25
Residence Halls Student Activity Fee	N/A	N/A	N/A	40	40
Board-5 Meal Plan (Off-campus Residents Only)	N/A	N/A	N/A	N/A	960
Board-10 Meal Plan (Off-campus Residents Only)	1,245	1,470	1,620	1,750	N/A
Board-12 Meal Plan	1,295	1,520	1,675	1,825	1,920
Board-14 Meal Plan	1,345	1,580	1,740	1,900	1,995
Board-Gold Plan	1,470	1,725	1,900	2,075	2,180

Faculty

The following table reflects the number of full-time and part-time faculty appointments for the current and past four academic years. The data is for instructional faculty only and excludes deans, associate deans, coaches, administrators and librarians who may hold faculty rank. Shared faculty appointments in joint programs are not included.

Academic Year	Full Time	Part Time	FTE Total	Tenured
2000-01	124	411	532	72
2001-02	161	471	569	78
2002-03	169	495	589	77
2003-04	179	465	583	80
2004-05	185	465	550	74

*Estimated Part-time Instructional Faculty FTEF are calculated by subtracting the Full-time Instructional Faculty from Estimated Total FTEF. It also includes any overloads undertaken by Full-time Instructional Faculty.

**Full-time Equivalent Faculty are estimated based on the number of classes (CRNs) with four or more students (after cross-list adjustments), divided by a full-time faculty workload of 6 classes of this size per year.

Of the 185 full-time faculty in 2004-05, 82 are professors, 61 are associate professors, and 42 are assistant professors. Approximately 80.5% of the full-time faculty and 36.6% of the part-time faculty have obtained a Ph.D. or other terminal degree and 40% of the full-time faculty are tenured. The current undergraduate student/faculty ratio is 10 to 1 without joint appointments. Approximately 42.7% of the faculty are women and almost 26% of the faculty represent minority faculty appointments

IV. BACKGROUND:

General:

University of La Verne (“University”) is a nonprofit organization founded in 1891 as Lordsburg College by members of the Church of the Brethren who moved west from the Midwest to settle a new land. Both the College and the agricultural community were renamed La Verne in 1917, and the 1920’s and 1930’s found three-quarters of the student body in teacher education. The next three decades saw campus facilities multiply fourfold, the Board of Trustees became independent of church control, and the student body increased and became more cosmopolitan without the College losing its commitment to service or its dedication to sound, people-centered, values-oriented education. In 1955, the College was accredited by the Western Association of Schools and Colleges (WASC). A decade later it awarded its first master’s degree, and in 1979 conferred its first doctorate.

In 1969, the University began offering degree programs off campus and the following year opened its College of Law. Reflecting these profound changes in size and scope, the College reorganized in 1977 as the University of La Verne. Continuing its trend to improve services to off-campus students, the University created the Central Coast Campus in San Luis Obispo, High Desert Campus in Victorville, Inland Empire Campus in Rancho Cucamonga, Kern County Campus in Bakersfield, Orange County Campus in Garden Grove, San Fernando Valley Campus in Burbank, and Ventura County Campus in Oxnard.

Administration:

The University is governed by a Board of Trustees consisting of up to 39 persons. Members of the Board (except ex-officio members) are elected to three (3) year terms, and officers to six (6) year terms.

Accreditation and Affiliations:

The University is accredited by the Accrediting Commission for Senior Colleges and Universities of the Western Association of Schools and Colleges (WASC), is approved by the California Commission on Teacher Credentialing for offering credentials in several areas, the Doctor of Psychology Program is accredited by the American Psychological Association, the Masters in Public Administration Degree is accredited by the National Association of School of Public Affairs and Administration (NASPAA), the Athletic Training Education Program is accredited by the Commission on Accreditation of Allied Health Education Programs (CAAHEP), the College of Law is accredited by the Committee of Bar Examiners for the State of California, and the Legal Studies Program is accredited by the American Bar Association.

The University maintains memberships and affiliations in numerous organizations including the American Council on Education, the Association of Independent California Colleges and Universities, the Independent Colleges of Southern California, the Western College Association, the American Assembly of Collegiate Schools of Business, and the College Board.

Competition: University of La Verne is a well-respected, strong independent regional university in a fast growing region of the United States. Its competing institutions are as follows:

- University of Redlands
- Chapman University
- Azusa Pacific University
- California State Polytechnic University
- California State University, San Bernardino
- University of Southern California
- University of California, Irvine

V. OUTSTANDING DEBT:

<u>Issue:</u>	<u>Original Issue Amount</u>	<u>Amount Outstanding As of 6/30/04*</u>	<u>Estimated Amount Outstanding after Proposed Financing</u>
Existing:			
CEFA, Series 2000B	\$17,480,000	\$17,480,000	\$-0-
CEFA, Series 1993	17,500,000	1,715,369	-0-
Mortgage payable, 2003	575,000	460,000	460,000
Notes payable, 1992 Weingart Foundation	858,613	471,753	471,153
Note payable, 2001	1,150,000	1,045,279	1,045,279
Proposed:			
CEFA, Series 2005		N/A	30,000,000
Total		<u>\$21,172,401</u>	<u>\$31,976,432</u>

*On July 1, 2004, the University purchased property adjacent to the campus with a short-term note of \$1.4 million at 6% interest.

VI. LEGAL REVIEW:

Staff has reviewed the applicant's responses to the questions contained in the Legal Status portion of the application. No information was disclosed to question the financial viability or legal integrity of the Applicant.

VII. STAFF RECOMMENDATION:

Staff recommends the Authority approve a resolution in an amount not to exceed \$30,000,000 to issue tax exempt revenue bonds for University of La Verne, subject to a bond rating of at least a “Baa” category by a nationally recognized rating agency and the standard bond issuance guideline.