

## STAFF SUMMARY RECOMMENDATION

### CLAREMONT MCKENNA COLLEGE Amended Resolution Number 280

May 26, 2011

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**PRIOR AMOUNT APPROVED:** \$6,000,000

**PRIOR APPROVAL DATE :** December 2, 2010

**UNDERLYING RATING:** Aa1 (Moody's)

**CREDIT ENHANCEMENT:** None

**SENIOR UNDERWRITER:** Prager, Sealy & Co., LLC

**TYPE OF FACILITY:** Private University

**LOCATION:** Claremont, California, Los Angeles County

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**PURPOSE OF THE AMENDMENT:** The Claremont McKenna College (the "CMC") seeks to extend the expiration date of the authorization to sell the bonds on or before December 31, 2011.

**BACKGROUND:** At the December 2, 2010 meeting, the Authority approved Resolution Number 280, authorizing the issuance of bonds in the amount of \$6,000,000. Proceeds of such bonds were to be used to refund a portion of the CEFA Series 1999 Bonds. To date, none of the authorized \$6,000,000 has been issued.

Resolution Number 280 authorized the State Treasurer to sell bonds on or before July 31, 2011. As a prudent measure with respect to current market uncertainties, CMC is requesting the extension as a precautionary measure. The pricing of the refunding bonds has been delayed due to fluctuating market conditions.

**FINANCIAL STATUS:** There have been no material changes in the CMC's financial position since the Board approval of Resolution Number 280 on December 2, 2010.

**RECOMMENDATION:** Staff recommends the Authority approve amended Resolution Number 280 to extend the expiration date of the authorization to sell bonds on or before December 31, 2011 in an amount not to exceed \$6,000,000 for the Claremont McKenna College, subject to all prior provisions and conditions remaining unchanged and in full effect.

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**AMENDED RESOLUTION NO. 280**

**RESOLUTION OF THE CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY  
AUTHORIZING THE AMENDMENT TO EXTEND THE EXPIRATION DATE OF  
RESOLUTION NO. 280 AUTHORIZING THE ISSUANCE OF BONDS TO REFINANCE  
EDUCATIONAL FACILITIES FOR CLAREMONT MCKENNA COLLEGE**

**May 26, 2011**

WHEREAS, the California Educational Facilities Authority (the "Authority") adopted Resolution No. 280 (the "Resolution") on December 2, 1010, authorizing the issuance of revenue bonds in one or more series in an amount not to exceed \$6,000,000 (the "Bonds") and the loaning of the proceeds to Claremont McKenna College (the "CMC") for purposes described in the Resolution;

WHEREAS, CMC has requested that the Authority amend the Resolution to extend the time limitation in which to issue the Bonds; and

WHEREAS, the Authority has determined that it is necessary and advisable that the Resolution be so amended;

NOW, THEREFORE BE IT RESOLVED by the California Educational Facilities Authority, as follows:

Section 1. The first sentence of Section 2 of the Resolution is amended to state as follows:

"The Treasurer of the State of California (the "State Treasurer") is hereby authorized and directed to sell the Bonds in a negotiated sale or sales in such principal amount which does not exceed the aggregate principal amount of Bonds set forth in Section 1, at such price or prices with such discount or premium, at such time or times on one sale date or on separate sale dates if more than one series is issued (each on or before December 31, 2011), as fixed interest rate bonds, bearing interest at such rate or rates, with such maturity date or dates, and upon such other terms and conditions as he, with the advice and consent of the Borrower, may determine."

Section 2. Except as amended pursuant to Section 1 hereof, the Resolution is in all other respects ratified and confirmed and shall remain in full force and effect. This resolution (the "Amended Resolution") shall take effect immediately.

Section 3. Each officer of the Authority, acting alone, is hereby authorized and directed to do any and all things which he or she may deem necessary or advisable in order to effectuate the Amended Resolution.

**PASSED AND ADOPTED** by the California Educational Facilities Authority.

Date of Adoption: \_\_\_\_\_