



# THE MASTER'S

## UNIVERSITY

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Investor Call  
December 5, 2024  
Series 2019 Bonds



**THE MASTER'S**  
UNIVERSITY

*For Christ and Scripture*

**Mission Statement**

*To empower students for a life of enduring commitment to Christ, biblical fidelity, moral integrity, intellectual growth and lasting contribution to the Kingdom of God worldwide.*

**Programs:** 150+ programs of study  
undergraduate and graduate levels

**Locations:** Santa Clarita, CA (University)  
Sun Valley, CA (Seminary)  
Israel (Israel Bible Extension “IBEX”)

**Accreditation:** WASC, NASM, ACSI

# Agenda

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- Finances
  - FY2024 Operating Results (Audited)
  - FY2025 Income Projections
  - Debt Service Coverage Ratio
- Enrollment
- Q&A

# Finances | FY2024 Operating Results (Audited)

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**Strong balance sheet position and positive operating cash flow.**

## Statement of Financial Position

- Assets : \$188.5M (up \$21.8M or 13.1%).
- Liabilities : \$48.1M (down \$0.1M or 0.2%).
- Net assets without donor restrictions : \$64.9M (up \$9.9M or 18.0%).
- Net assets with donor restrictions : \$75.5M (up \$12.0M or 18.9%).
  - Improved total net asset position by \$21.9M or 18.5%.

## Statement of Activities

- Operating revenue : \$78.5M (up \$12.8M or 19.5%).
- Operating expenses : \$62.0M (up \$5.1M or 9.0%).
- Operating change in net assets : \$16.5M (up \$7.7M or 87.5%).
- Total change in net assets : \$21.9M (up \$5.6M or 34.4%).
  - Without donor restrictions : \$9.9M (up \$1.4M or 16.5%).
  - With donor restrictions : \$12.0M (up \$4.2M or 53.8%).

## Statement of Cash Flows

- Net cash from operations : \$8.9M (up \$3.1M).
- Total cash position : \$22.4M (up \$10.1M).
- Liquid and available assets : \$15.9M (up \$1.9M)

# Finances | FY2024 Projection

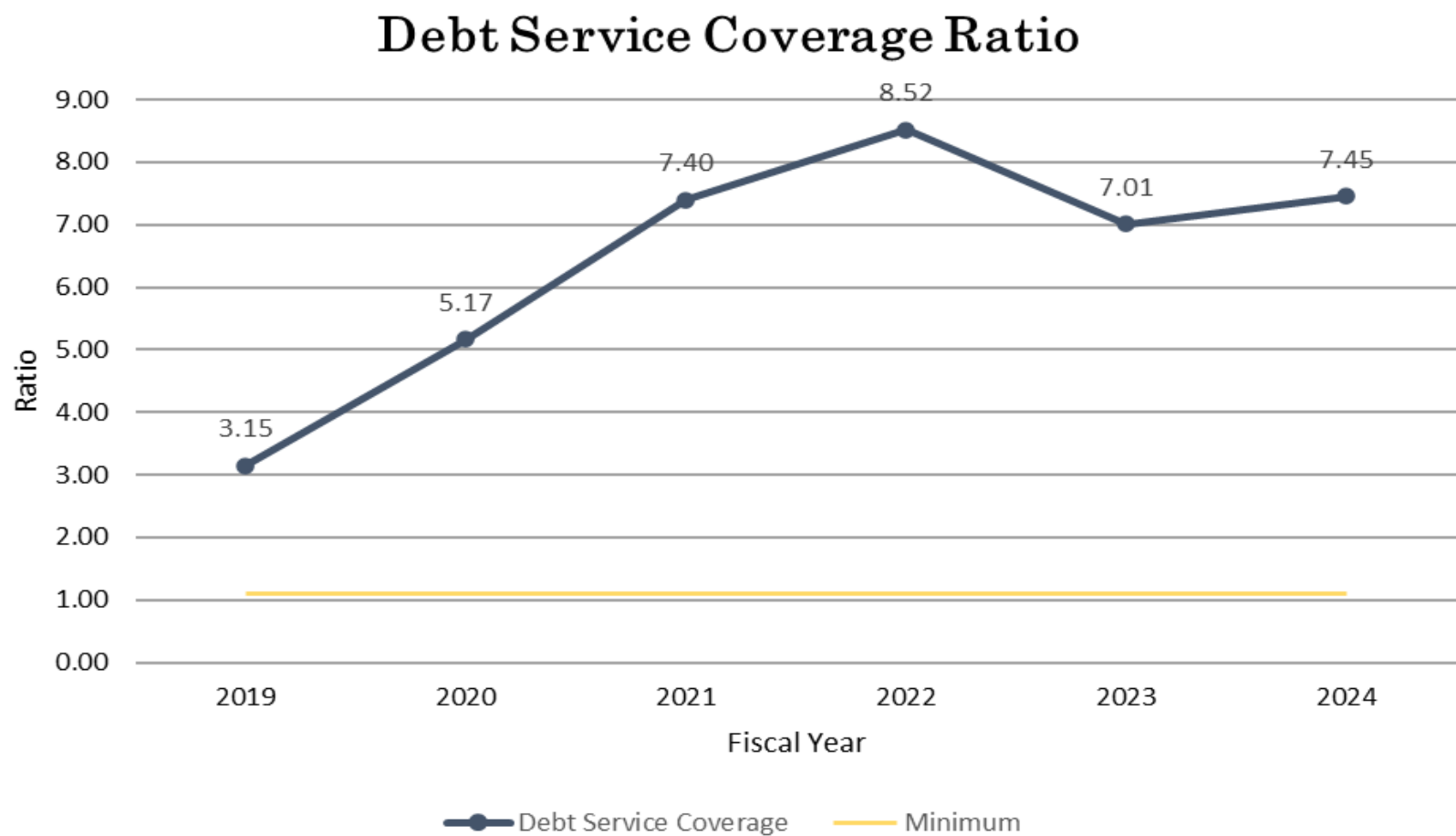
## University forecasting positive income and operating cashflow

- Net Tuition & Fees trending high due to +70 enrollment in TUG and positive trends in online education (9.5% YOY growth).
- Auxiliary & Other Income on track with full dorms and active campus.
- Operating Expenses are being managed carefully with growth and CPI.

FY25 Annual Projection as of October 31, 2024				
(In Millions)	FY24 Projected	FY24 Budget	\$ Var	% Var
Net Tuition & Fees	\$30.7	\$29.6	\$1.1	3.9%
Donor Funding	\$4.3	\$4.1	\$0.2	6.0%
Auxiliary & Other Income	\$16.3	\$15.9	\$0.4	2.6%
<b>Total Operating Revenue</b>	<b>\$51.4</b>	<b>\$49.6</b>	<b>\$1.8</b>	<b>3.6%</b>
Operating Expenses	\$50.6	\$49.5	\$1.0	2.0%
<b>Operating Income</b>	<b>\$0.8</b>	<b>\$0.1</b>	<b>\$0.8</b>	<b>800.4%</b>
Non-Operating Changes	\$2.8	\$0.0	\$2.7	0.0%
<b>Net Income</b>	<b>\$3.6</b>	<b>\$0.1</b>	<b>\$3.5</b>	<b>3535.9%</b>

# Finances | Debt Service Coverage Ratio

University maintains healthy margin in DSCR

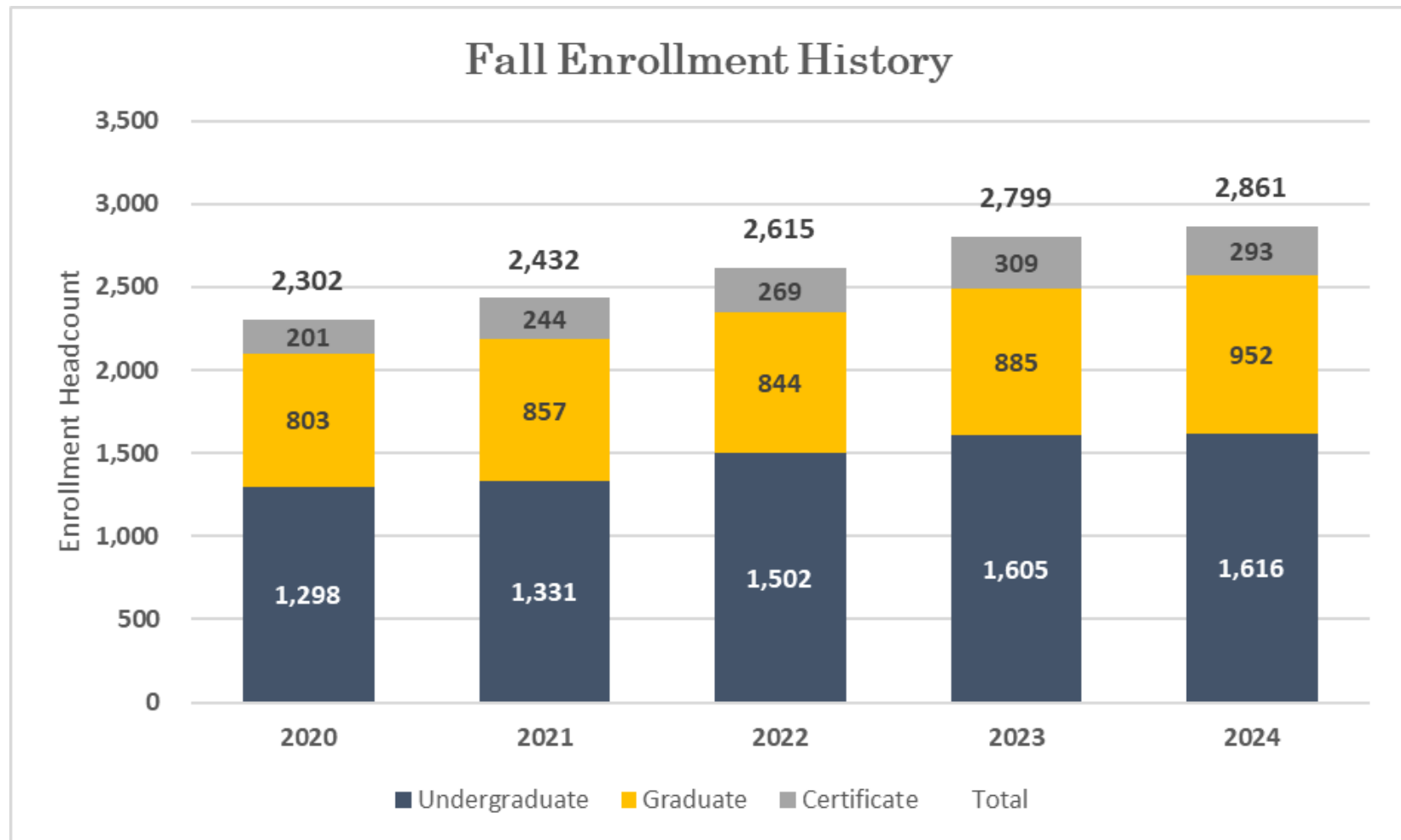


Fiscal Year	Income Available for Debt Service	Annual Debt Service	Debt Service Coverage
2019	4,475,593	1,420,735	3.15
2020	6,366,196	1,230,853	5.17
2021	10,677,174	1,443,500	7.40
2022	14,014,214	1,644,472	8.52
2023	14,409,634	2,056,673	7.01
2024	16,636,080	2,233,688	7.45

# Enrollment

## 5 Year Enrollment History

- Stable upward trends in enrollment (+4.9% avg 5-year growth)
- Fall 2024 new trad undergrad class is 425, and total class is 1,215.
- Clear mission marketing and online programs fueling steady growth





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# Q&A

For additional information:

John Russell  
Director of Finance & Controller  
[jrussell@masters.edu](mailto:jrussell@masters.edu)  
661-362-2619