

MINUTES OF THE ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE
UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.

January 26, 2024

In Open Session

Members of the Board of Directors of the University of Louisville Athletic Association, Inc. met in the Jefferson room, Grawemeyer Hall, Belknap Campus, on January 26, 2024, at 9:01 a.m., with members present and absent as follows:

| | | |
|----------|-------------------------|---------------------------|
| Present: | Dr. Kim Schatzel, Chair | Mr. Dennis Heishman |
| | Prof. Melissa Barnes | Mr. Steve Jones |
| | Dr. Larry Benz | Mr. Robert Kohn |
| | Prof. Eric Berson | Dr. Amy Lingo |
| | Dr. Gerry Bradley | Prof. Brandon McCormack |
| | Mr. Ryan Bridgeman | Prof. Sharon Moore |
| | Prof. Jeremy Clark | Ms. Angel Okorie |
| | Dr. Douglas Craddock | Mr. Sam Rechter |
| | Ms. Kari Donahue | Ms. Gayle Saunders |
| | Mr. Dan Durbin | Dr. Sherri Wallace |
| | Mr. Lee Gill | Prof. Krista Wallace-Boaz |
| | Ms. Katie Hayden | Dr. Ron Wright |

Absent: Prof. Meg Hancock
Prof. Carolyn Klinge

From the UofL Board
of Trustees: Mr. Jim Rogers
Ms. Sherrill Zimmerman

From the
University: Mr. Josh Heird
Ms. Angela Curry
Mr. Nick Bowes
Ms. Amy Calabrese
Ms. Lottie Stockwell
Ms. Laura Clemente
Ms. Megan Edwards
Mr. Zach Greenwell
Mr. Zach Brooks
Mr. John Drees
Mr. Allan Kellogg
Ms. Rachel Cosgrove
Mr. Derek Cowherd
Mr. Justin Ruffin

Mr. Scott Sallade
Lt. Col. Jessie Murnock
Ms. Michelle Comer
Ms. Kaelah McMonigle
Mr. Jake Beamer

Guests: Mr. Chris Suda, CLA
Mr. Ethan Lay, CLA

I. Call to Order

Chair Schatzel called the roll. Having determined a quorum present, she called the meeting to order at 9:01 a.m.

The chair welcomed and introduced the board's newest member, Prof. Berson, who has previously served as a faculty director on the board.

Approval of Minutes, 10-6-2023

Dr. Wright made a motion, which Mr. Jones seconded, to approve the minutes of the October 6, 2023, meeting.

II. Action Item: ULAA 2023 Audited Financial Statements

Mr. Suda presented a summary of the 2023 Audited Financial Statements of the Athletic Association using the **attached** presentation. He discussed with board members the terms of the audit engagement, audit scope and coverage, audit results highlights, internal control deficiencies, effects of GASB 96 and 94 implementation, and uncorrected and correct misstatements. He then fielded questions from directors.

Mr. Rechter made a motion, which Dr. Wright seconded to approve the

Chair's recommendation that the Board of Directors approve the Auditor's Report and Financial Statements June 30, 2023 and 2022 as presented under Governmental Accounting Standards Board (GASB) 34, as attached.

The motion passed.

III. Budget Update

Mr. Bowes provided an update highlighting resources and expenditures of the ULAA budget as of the second quarter of fiscal year 2024. He and AD Heird then fielded questions from directors.

Chair Schatzel thanked Messrs. Bowes and Heird for the update. No action was taken.

IV. Action Item: 2024 Basketball Ticket Pricing

Before presenting the recommendation to approve the 2024 Men's Basketball Ticket pricing, Ms. Clemente updated board members on 2024 Football season ticket sales, noting that more than \$1.1 million was generated in new ticket and donation revenue and 255 of seats sold within a week of launch following the win over Notre Dame.

Ms. Clemente then summarized the proposed basketball ticket pricing using the attached presentation, stating that the Athletics department, like the football ticket pricing, moved away from a per-game prices model and created a season ticket package to alleviate price fluctuations.

She and Mr. Heird then fielded questions from board members.

Prof. Berson made a motion, which Dr. Bradley seconded, to approve the

Athletic Director's recommendation that the Board of Directors approve the ticket prices for the 2024 basketball season, as listed in the attached document.

The motion passed.

V. Report of the Faculty Athletic Representative

Prof. Wallace-Boaz's highlighted activities of the Committee on Academic Performance and its subcommittees which are comprised of the faculty directors of the Board, and discussed the transfer credit approval process, final exam schedule, DEI attestation process, and stacking policy updates.

She also reported that this marked the fourth year of the annual ACC Innovation Research Grant program, co-managed by the ACC and the Center for Research in Intercollegiate Athletics at UNC-Chapel Hill. The purpose of the program is to assist conference athletics administrators with data-driven decision making by awarding grants to financially support faculty members and students from ACC member institutions who conduct research related to issues deemed critical by the aforementioned administrators. FAR Wallace-Boaz concluded her report by noting activities she conducted, including but not limited to:

- Reviewing proposed NCAA legislation with compliance staff,
- Attending team practices and competitions,
- Attending conference FAR meetings,
- Reviewing and signing off student athlete eligibility reports and waiver appeals, and
- Attending UofL Student Athlete Advisory Committee meetings.

Chair Schatzel thanked the FAR for her report.

VI. Report of the Athletic Director

The Athletic Director's report, **attached**, consisted of various academic achievements, including the highest-ever department grade point average and graduation success rate; student athlete community service measures; postseason team statistics and rankings; football, field hockey, men's soccer, and volleyball player accolades; and the 2023-2024 Learfield Directors' Cup final fall standings where UofL is ranked 13th.

AD Heird then fielded questions from board members.

The Chair thanked the athletic director for his report.

VII. Report of the Chair

Chair Schatzel provided a 2023 year-end update which included the following highlights:

- Since her tenure began in February, the president participated in more than 40 listening sessions where she learned about the history, traditions and importance of UofL.
- The president outlined her first eight university priorities early in the fall semester and those priorities are the basis for the 2023-25 Strategic Plan.
- UofL continues to be an exceptional producer of Fulbright Scholars and had six more join that elite club last year. The university also produced two Goldwater Scholars, Madeline Martinez and Klemmer Nicodemus. Klemmer also was named the state's only Truman Scholar.
- RaiseRed, UofL's largest student-run philanthropy, generated more than \$551,000 in donations for the university's Division of Pediatric Hematology and Oncology and the Norton Children's Cancer Institute outpatient clinic in 2023. The amount brought the cumulative total raised over the 10-year history of the event to more than \$4.6 million.
- In 2023, UofL students reported more than 17,000 volunteer hours, with an economic impact to Louisville of more than \$450,000.
- UofL celebrated its highest-on-record first-year enrollment in the fall 2023 semester with 3,130 students, an increase of 6.8 percent from 2022, which also had been a record year.
- The university jumped 15 places in the 2023-24 U.S. News and World Report "Best Value Schools" ranking, moving from No. 146 to No. 131. UofL topped the list of "best values" among national universities in Kentucky.

- UofL will be making more efforts in 2024 to provide an accessible and affordable college education through the expansion of the Border Benefit Award that allows students from some neighboring states to attend UofL at in-state tuition rates. An additional \$2.4 million will be invested into the Cardinal Commitment Grant for in-state residents this year.
- The university set a new record with \$230 million in research expenditures in 2023 including more than \$22 million in funding from the Health Resources and Services Administration awarded to the Schools of Medicine (\$16 million) and Nursing (\$6.5 million) for physician and nurse training to help increase Kentuckians' access to health care, particularly in underserved rural and urban areas.
- The National Institutes of Health granted \$11.5 million to researcher Cheri Levinson to continue her work addressing the devastating effects of eating disorders. Dr. Levinson has established herself as a national leader in this field, which affects nearly 30 million Americans.
- UofL received the APLU Innovation and Economic Prosperity designation 5-year extension. The designation is a public recognition of UofL's commitment to the economic growth and health of our community. The successful application resulted from a real collaboration between the offices of Community Engagement and Research and Innovation and will further elevate the visibility of UofL's commitment to the growth of the region.
- The university welcomed two new deans in 2023: Dayna Touron, College of Arts and Sciences, and John W. Miller Jr., Raymond A. Kent School of Social Work and Family Science. UofL also named Kathryn (Katie) Cardarelli new dean of the School of Public Health and Information Sciences effective April 8.
- The McConnell Center Distinguished Speaker Series, celebrating its 30th year, brought Oksana Markarova, Ukraine's ambassador to the United States, to Belknap Campus in October.
- Steve Trager, community leader and chairman and CEO of Republic Bank, was named UofL's 2023 Alumnus of the Year.
- UofL's Christina Lee Brown Envirome Institute teamed up with Simmons College of Kentucky on an 18-month study to identify what makes a neighborhood contribute to the health of its residents.
- The Center for Military-Connected Students debuted its newly-renovated offices in Brodschi Hall. The center focuses on meeting the needs of the more than 2,100 military-connected students enrolled at UofL.
- UofL students, faculty and alumni performed with the Louisville Orchestra and Louisville Chamber Choir alongside renowned cellist Yo-Yo Ma in a truly unique concert at Kentucky's Mammoth Cave National Park.

- Larry Benz, fellow member of the board of directors and a member of the UofL Board of Trustees, was awarded the Business First's annual Health Care Heroes program's 2024 Lifetime Achievement award.
- UofL has been re-designated into the Innovation and Economic Prosperity Program (IEP) by the Association of Public & Land-Grant Universities (APLU) for another five years. This program recognizes universities that show significant commitment and improvements toward developing the economic landscape of their respective communities. Participation in the IEP has increased recognition of the university's contribution to the region and has presented UofL with an array of new programs to engage with.

That concluded the chair's report.

VIII. Executive Session

Mr. Jones made a motion, which Dr. Wright seconded, to recess to executive session to discuss proposed or pending litigation, pursuant to KRS 61.810(1)(c). The motion passed the open meeting recessed at 9:56 a.m.

IX. Open Meeting Reconvenes

The open meeting reconvened at 10:14 a.m. Chair Schatzel reported that the board discussed proposed or pending litigation. No action was taken.

X. Adjournment

Dr. Wright made a motion, which Mr. Kohn seconded, to adjourn. The motion passed and the meeting adjourned at 10:15 a.m.

Approved by:


Signature on file _____
Assistant Secretary

RECOMMENDATION TO BOARD OF DIRECTORS OF THE
UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC. CONCERNING
THE AUDITOR'S REPORT AND FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Board of Directors – January 26, 2024

RECOMMENDATION:

The Chair recommends that the Board of Directors approve the Auditor's Report and Financial Statements June 30, 2023 and 2022 as presented under Governmental Accounting Standards Board (GASB) 34, as [attached](#).

BOARD ACTION:

Passed X

Did Not Pass

Other

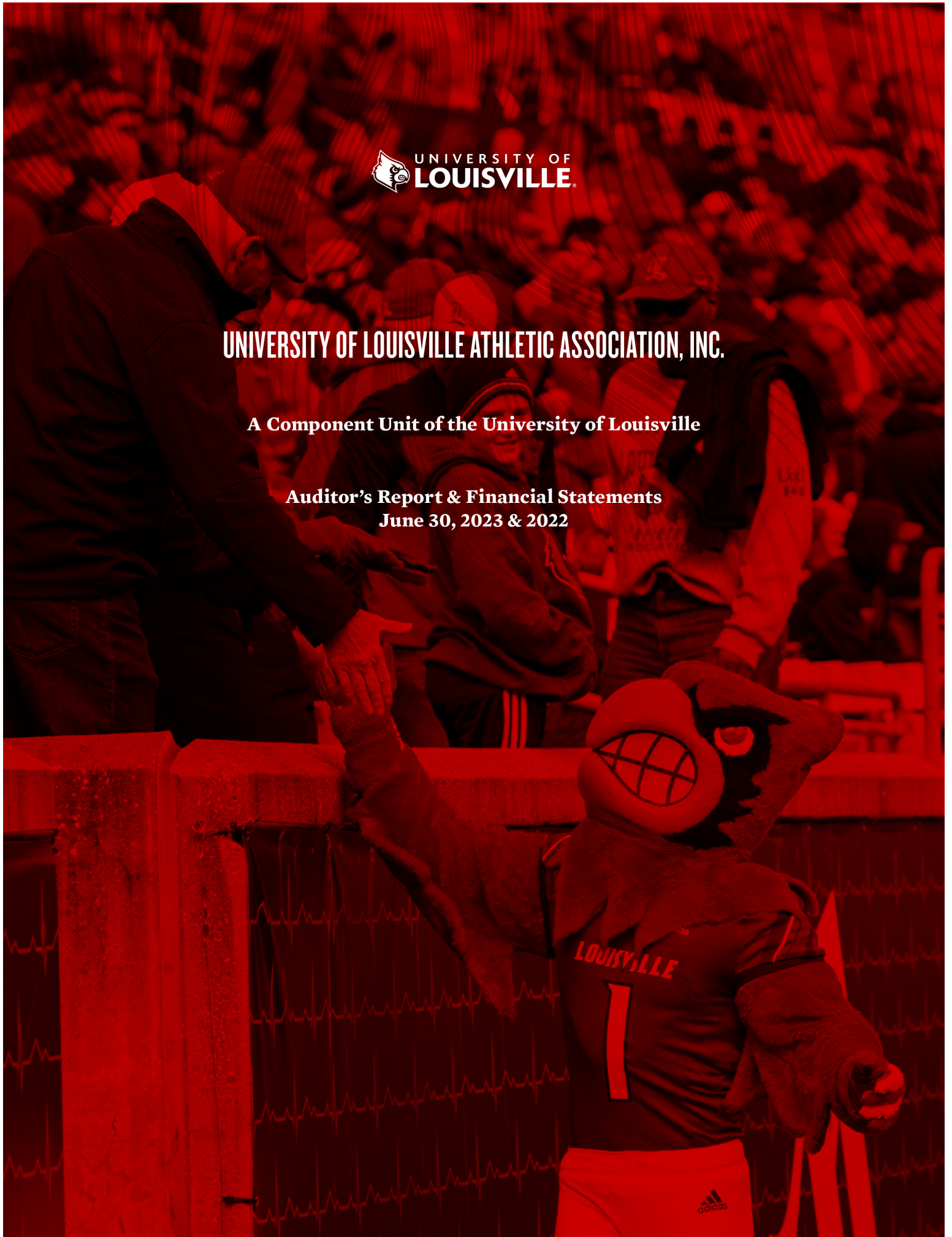
 n
Signature on file
 Assistant
Assistant Secretary



UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.

A Component Unit of the University of Louisville

Auditor's Report & Financial Statements
June 30, 2023 & 2022



UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
For the Years Ended June 30, 2023 and 2022

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INDEPENDENT AUDITORS' REPORT

Board of Directors
University of Louisville Athletic Association, Inc.
Louisville, Kentucky

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements University of Louisville Athletic Association, Inc. (Association), a component unit of the University of Louisville, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association, as of June 30, 2023 and 2022, and the changes in financial position, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 11, and the Post-employment Benefit Information on Page 38 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

St. Louis, Missouri
October 23, 2023

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Management Discussion and Analysis (Unaudited)
For Years Ended June 30, 2023 and 2022

Introduction

The following discussion and analysis provides an overview of the financial position and activities of the University of Louisville Athletic Association, Inc. (Association) as of and for the years ended June 30, 2023 and 2022. Comparative information for the year ended June 30, 2021 has been provided where applicable. This discussion has been prepared by management and should be read in conjunction with the financial statements and related notes, which follow this section.

The Association is a Kentucky nonprofit corporation organized in 1984 for the purpose of promoting the intercollegiate athletic activities of the University of Louisville (University), a state-supported metropolitan research university located in Louisville, Kentucky. The Association is reported herein as a separate corporation and it is included in the consolidated financial statements of the University.

The Association's mission, to provide quality intercollegiate athletic programs through a comprehensive sports program, requires a major financial commitment of both operating and capital resources. In addition, the Association is committed to achieving athletic excellence for its student-athletes, maintaining National Collegiate Athletic Association (NCAA) compliance, ensuring full implementation of gender equality plans and offering a wide variety of sports and recreational outlets for the University community, alumni, and visitors.

The Association is committed to the academic achievement and community involvement of its student-athletes. During the 2022/2023 academic year, the overall student athlete GPA for the year was a combined 3.28 and a graduation success rate of 92%.

The Association recorded 50 all American student athletes during the 2022-23 athletic seasons with 35 coming from Women's Swimming and Diving, Women's Volleyball, with four All American student athletes finished runner-up in the national title game.

Using the Financial Statements

The Association's financial report includes the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; and the Statements of Cash Flows. These financial statements are prepared in accordance with Government Accounting Standards Board (GASB) principles, which establish standards for external financial reporting for public colleges and universities. The Association is presented here as a single entity and is also included in the consolidated financial statements of the University.

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Management Discussion and Analysis (Unaudited)
For Years Ended June 30, 2023 and 2022

Statements of Net Position

The Statements of Net Position present the financial position of the Association at the end of each fiscal year. Net position represents the difference between total assets, total deferred outflows of resources, total liabilities, and total deferred inflow of resources. The change in net position indicates whether the overall financial condition has accumulated or consumed resources during the year. Assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally measured using current values. Pledges receivable with payment terms greater than one year are discounted. Capital assets are stated at historical cost less an allowance for accumulated depreciation.

The condensed version of the Association's assets, liabilities, and net position at June 30, 2023, 2022, and 2021 is summarized below (in thousands):

| | 2023 | 2022 | 2021 (Restated) | 2023-2022 Change | 2022-2021 Change |
|--|-------------------|-------------------|--------------------|---------------------|---------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Current assets | \$ 44,418 | \$ 41,868 | \$ 44,683 | \$ 2,550 | \$ (2,815) |
| Capital assets, net | 208,267 | 206,838 | 211,676 | 1,429 | (4,838) |
| Right-to-use asset, net | 42,027 | 43,614 | 45,838 | (1,587) | (2,224) |
| Other | 56,719 | 35,959 | 29,349 | 20,760 | 6,610 |
| Deferred outflows of resources | 1,519 | 1,564 | 1,585 | (45) | (21) |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | 352,950 | 329,843 | 333,131 | 23,107 | (3,288) |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| Current liabilities | 51,713 | 57,660 | 56,509 | (5,947) | 1,151 |
| Noncurrent liabilities | 194,907 | 162,712 | 158,105 | 32,195 | 4,607 |
| Deferred inflows of resources | 2,956 | 1,413 | 1,799 | 1,543 | (386) |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 249,576 | 221,785 | 216,413 | 27,791 | 5,372 |
| NET POSITION | | | | | |
| Net investment in capital assets | 123,927 | 127,205 | 130,662 | (3,278) | (3,457) |
| Restricted - nonexpendable | 1,905 | 1,831 | 1,868 | 74 | (37) |
| Restricted - expendable | 5,236 | 7,635 | 18,033 | (2,399) | (10,398) |
| Unrestricted | (27,694) | (28,613) | (33,845) | 919 | 5,232 |
| TOTAL NET POSITION | 103,374 | 108,058 | 116,718 | (4,684) | (8,660) |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | \$ 352,950 | \$ 329,843 | \$ 333,131 | \$ 23,107 | \$ (3,288) |

Assets

The primary components of current assets are cash and cash equivalents, pledges and accounts receivable, investments held with the Foundation, and inventory. The Association experienced an increase in current assets of \$2.6 million when compared to June 30, 2022.

The primary components of noncurrent assets are restricted cash, capital assets, including right-to-use leased assets, and pledges and accounts receivable due in greater than a year. A net increase of \$20.6

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Management Discussion and Analysis (Unaudited)
For Years Ended June 30, 2023 and 2022

million in these assets occurred between June 30, 2023 and June 30, 2022 from an increase in long term receivables.

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net assets applicable to a future period. The balance of \$1.5 million as of June 30, 2023 consists of a loss on bond refunding of \$413 thousand and \$1.1 million of future payments to be made for other post-retirement employment benefits.

Liabilities

The primary components of current liabilities are accounts payable, deferred compensation, deferred ticket revenue, and the current portion of notes payable. The current liabilities decrease of \$5.9 million is the conversion of the \$9 million line of credit to a long term note, reclassifying \$7.8 million to long-term notes payable.

Noncurrent liabilities net increase of \$32.2 million as of June 30, 2023, when compared to June 30, 2022, is mainly attributed to unearned revenue for the stadium naming rights. The most significant noncurrent liabilities are interest-free and interest bearing loans from the University and the Foundation, notes and contracts payable, and leases payable over the life of lease contracts.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to future periods. The balance of \$3.0 million consists of \$1.3 million of future receipts from a food service concession arrangement and \$1.6 million related to the change in actuarial assumptions and differences between expected and actual experience in the other post-employment benefit liability.

Net Position

Net position represents the residual interest in the Association's assets after liabilities are deducted. Total net position of \$103.4 million as of June 30, 2023 is reported in the following categories: net investment in capital assets of \$123.9 million; restricted nonexpendable of \$1.9 million; restricted expendable of \$5.2 million, and a net balance in unrestricted of negative \$27.7 million.

Fiscal Year 2022

Total assets at June 30, 2022 were \$329.8 million, a decrease of \$3.3 million from June 30, 2021. The decrease is attributable to a reduction of capital assets of \$4.8 million.

Deferred outflows of resources were \$1.6 million as of June 30, 2022 representing a minor decrease of \$21 thousand from the balance as of June 30, 2021.

Liabilities at June 30, 2022 were \$220.4 million, an increase of \$5.8 million compared to June 30, 2021. This increase is primarily due to increased notes and contacts payable of \$12.9 million offset by decreases in advances and due to University.

Deferred inflows of resources experienced a net decrease of \$386 thousand from June 30, 2021 to June 30, 2022 due to future benefits of a service concession amortization and a decrease in changes in other post employment benefits.

Net position at June 30, 2022 was \$108.1 million, a decrease of \$8.7 million, when compared to the June 30, 2021 net position, the majority of the decrease is captured in investment in capital assets and restricted-expendable categories.

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
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Management Discussion and Analysis (Unaudited)
For Years Ended June 30, 2023 and 2022

Statements of Revenues, Expenses, and Changes in Net Position

The Statements of Revenues, Expenses, and Changes in net position present the Association's results of operations. Revenues and expenses are categorized as operating or nonoperating revenues or expenses according to their source or purpose. Significant sources of revenues such as gifts, investment returns and the supplemental income received from the University for gender equity purposes, as well as the student fees collected, are classified as nonoperating activities. Capitalized assets are being depreciated over their useful lives. Depreciation is recognized as an operating expense.

The Association's condensed statements of revenues, expenses and changes in net position for the years ended June 30, 2023, 2022, and 2021 are summarized below (in thousands):

| | 2023 | 2022 | 2021 (Restated) | 2023-2022 Change | 2022-2021 Change |
|--|-------------------|-------------------|--------------------|---------------------|---------------------|
| OPERATING REVENUES | | | | | |
| Sports | \$ 73,891 | \$ 70,290 | \$ 39,716 | \$ 3,601 | \$ 30,574 |
| Other operating revenues | 23,604 | 26,650 | 22,668 | (3,046) | 3,982 |
| TOTAL OPERATING REVENUES | 97,495 | 96,940 | 62,384 | 555 | 34,556 |
| OPERATING EXPENSES | | | | | |
| Sports | 75,811 | 74,510 | 50,906 | 1,301 | 23,604 |
| Other operating expenses | 46,606 | 54,226 | 43,432 | (7,620) | 10,794 |
| Depreciation | 12,381 | 10,576 | 10,362 | 1,805 | 214 |
| TOTAL OPERATING EXPENSES | 134,798 | 139,312 | 104,700 | (4,514) | 34,612 |
| OPERATING LOSS | (37,303) | (42,372) | (42,316) | 5,069 | (56) |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Gifts | 44,521 | 37,300 | 27,124 | 7,221 | 10,176 |
| Net realized and unrealized (loss)/gain on investments | 822 | (33) | 1,010 | 855 | (1,043) |
| Investment returns | 68 | 27 | 21 | 41 | 6 |
| Other nonoperating expenses | (9,509) | (2,693) | 722 | (6,816) | (3,415) |
| Contributions (to)/from related entities | (1,840) | (889) | 3,824 | (951) | (4,713) |
| TOTAL NONOPERATING REVENUES (EXPENSES) | 34,062 | 33,712 | 32,701 | 350 | 1,011 |
| INCREASE/(DECREASE) IN NET POSITION | (3,241) | (8,660) | (9,615) | 5,419 | 955 |
| Net position - beginning of year | 108,058 | 116,718 | 126,333 | (8,660) | (9,615) |
| Cumulative effect of change in accounting principle | (1,443) | — | — | (1,443) | — |
| Net position - end of year | \$ 103,374 | \$ 108,058 | \$ 116,718 | \$ (4,684) | \$ (8,660) |

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
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Management Discussion and Analysis (Unaudited)
For Years Ended June 30, 2023 and 2022

Operating Revenues

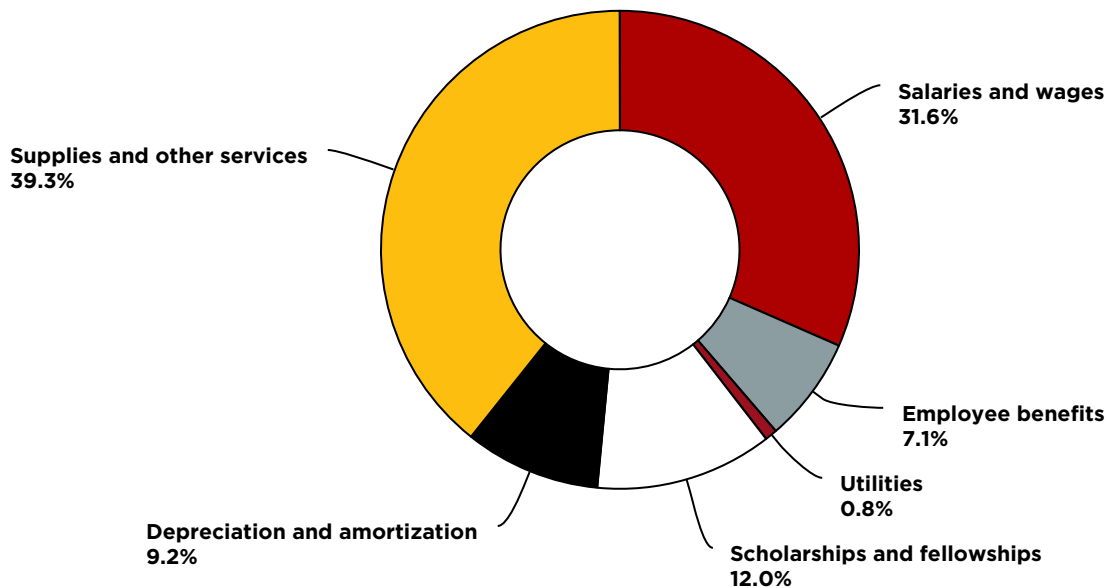
Total operating revenues were \$97.5 million for the year ending June 30, 2023 an increase of \$0.6 million compared to \$96.9 million for the year ended June 30, 2022. Income from sports programs, primarily from football and basketball ticket sales, comprised \$73.9 million, or 75.8% of total operating revenues for the year compared to \$70.3 million, or 72.5% of total operating revenues for June 30, 2022. Recovery from capacity restrictions continued as attendance to athletic events increased. Other operating revenues amounting to \$23.6 million for the year ended June 30, 2023, and include revenues from sources such as concession sales, parking and facility rentals, sponsorships, and media contracts.

Operating Expenses

Total operating expenses were \$134.8 million and \$139.3 million for the years ended June 30, 2023 and 2022, respectively. For the year ended June 30, 2023, reductions in administrative and support services expenses totaling \$11.9 million were offset by an increase of \$1.8 million in depreciation.

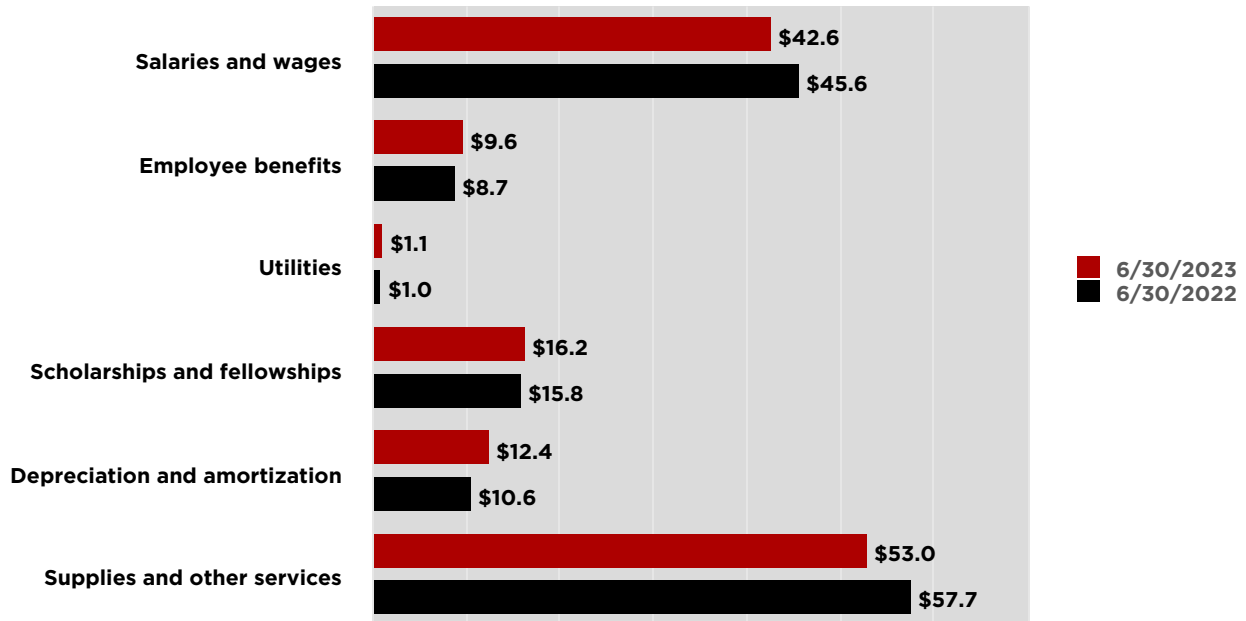
The illustrations below show total expenses by natural classification for the years ended June 30, 2023 and 2022:

Operating Expenses by Natural Classification
Year ended June 30, 2023



UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Management Discussion and Analysis (Unaudited)
For Years Ended June 30, 2023 and 2022

Natural Expense Trends
(in millions)



Operating Loss, Nonoperating Revenues, and Net Position

The Association's loss from operations amounted to \$37.3 million and \$42.4 million for the years ended June 30, 2023 and 2022, respectively. During the fiscal year ended June 30, 2023 the operating loss was offset by the \$34.1 million in nonoperating revenues and gifts, leaving a decrease in net position of \$3.2 million, compared to the \$8.7 million decrease in net position realized during the fiscal year ended June 30, 2022.

Overall, nonoperating revenues increased \$0.4 million, or 7.1%. The most significant change being an increase of gifts of \$8.6 million offset by a reduction in capital gifts of \$7.7 million.

Fiscal Year 2022

The Association's loss from operations amounted to \$42.4 million and \$42.3 million for the years ended June 30, 2022 and 2021, respectively. During the fiscal year ended June 30, 2022, the operating loss was offset by the \$33.7 million in nonoperating revenues and capital gifts, leaving a decrease in net position of \$8.7 million compared to a decrease of \$9.6 million recognized during fiscal year ended June 30, 2021.

Total operating revenues were \$96.9 million for the year ending June 30, 2022 and \$62.4 million for the year ended June 30, 2021. This significant increase is due to the removal of restrictions on sporting event attendance.

Total operating expenses increased by \$34.6 million, or 35.8%, for the year ended June 30, 2022 as compared to the year ended June 30, 2021. The increased expenditures are directly related to increased sporting event activities as in person events came back after pandemic shutdowns.

Overall, nonoperating revenues decreased \$1.0 million, or 13.3% primarily from a reduction in gifts.

The Association received \$0.1 million in Covid-19 relief funds from the University to reimburse for expenses for quarantine and public safety related to the pandemic.

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Management Discussion and Analysis (Unaudited)
For Years Ended June 30, 2023 and 2022

Statements of Cash Flows

The statements of cash flows provide information about the Association's sources and uses of cash during the year. Cash inflows and outflows are categorized as operating, noncapital financing, capital financing and investing activities.

The statements of cash flows provide additional information about the Association's financial results by reporting the major sources and uses of cash. The condensed statements of cash flows for the years ended June 30, 2023, 2022, and 2021 are summarized below (in thousands):

| | 2023 | 2022 | 2021 (Restated) | 2023-2022 Change | 2022-2021 Change |
|--|------------------|------------------|--------------------|---------------------|---------------------|
| CASH (USED)/PROVIDED BY: | | | | | |
| Operating activities | \$ (30,028) | \$ (44,144) | \$ (33,803) | 14,116 | \$ (10,341) |
| Noncapital financing activities | 30,076 | 21,489 | 21,968 | 8,587 | (479) |
| Capital financing activities | (14,062) | 20,951 | 12,517 | (35,013) | 8,434 |
| Investing activities | 786 | 3 | 3,081 | 783 | (3,078) |
| NET (DECREASE)/INCREASE IN CASH EQUIVALENTS | (13,228) | (1,701) | 3,763 | (11,527) | (5,464) |
| Cash and cash equivalents, beginning of year | 24,323 | 26,024 | 22,261 | (1,701) | 3,763 |
| Cash and cash equivalents, end of year | \$ 11,095 | \$ 24,323 | \$ 26,024 | \$ (13,228) | \$ (1,701) |

Operating Activities

The Association's cash and cash equivalents decreased by \$13.2 million during the year, The Association experienced a net outflow of \$30.0 million. The cash used from operating activities was primarily derived from salaries and benefits provided to employees of \$43.1 million offset by ticket sales and conference distributions of \$68.1 million.

Other Activities

Cash used by noncapital and related financing activities of \$30.1 million offset the cash provided by operating activities. These cash flows consist primarily of \$36.8 million in gifts received to support the sports programs offset by noncapital financing activities of \$379 thousand, \$6.3 million of payments to affiliated entities. Cash provided by capital financing activities of \$14.1 million relates mainly to capital activities for the receipt of capital gifts and purchases of capital assets or payment of debt for capital assets.

Fiscal Year 2022

The Association's cash and cash equivalents decreased by \$1.7 million during the year. Operating activities consumed an additional \$13.3 million in cash during the period ending June 30, 2023 as compared to the period ending June 30, 2022. The decrease was offset by increased noncapital and capital financing activities of \$10.9 million.

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Management Discussion and Analysis (Unaudited)
For Years Ended June 30, 2023 and 2022

Economic Factors that May Affect Future Periods

The Association's Board of Directors approved a balanced operating budget for the 2023 fiscal year of \$153.7 million in revenues. Uncertainty surrounded this budget because of the risk of the effects of the pandemic repeating which would have forced cancellations of events and gatherings. Now, that the uncertainty is mostly diminished, the 2024 fiscal year budget of \$176.7 million has been approved.

The goals of the Association continue to include: 1) zero level 1 or 2 NCAA violations, 2) win ACC and NCAA Championships, 3) end each year with a surplus, 4) trust and collaboration become the norm, and 5) improve diversity, equity and inclusion. The Association is also establishing programs and protocols to help its student athletes successfully navigate name, image, likeness (NIL) to comply with NCAA, staff, and Federal Laws. Despite recent financial setbacks due to the Pandemic, the Association continues to make progress in these areas.

The success of the athletics programs managed by the Association is also linked to the success of the University. The university has completed its 2023-2025 strategic plan, addressing how the university ensures student success, creating and supporting a thriving workforce and how the university connects with the community. The university designs its planning and budgeting to support the strategic plan but retains flexibility to meet possible future plan changes. From increasing available student aid to providing an array of compensation improvements to faculty and staff, and investing millions of dollars to improve the university's physical and operational infrastructure.

This financial report is designed to provide a general overview of the Association's finances and to show the Association's accountability for the money it receives. Questions about this report and requests for additional financial information should be directed to the Controller; University of Louisville; Louisville, KY 40292.

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Statements of Net Position
As of June 30, 2023 and 2022
(in thousands)

| | 2023 | 2022 |
|---|-------------------|-------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 11,088 | \$ 10,322 |
| Accounts and contributions receivable, net | 22,848 | 21,987 |
| Inventories | 5,400 | 4,838 |
| Investments held with University of Louisville Foundation, Inc. | 3,537 | 3,400 |
| Other assets | 1,545 | 1,321 |
| Total current assets | 44,418 | 41,868 |
| Noncurrent Assets | | |
| Restricted cash and cash equivalents | 7 | 14,001 |
| Accounts and contributions receivable, net | 56,341 | 21,397 |
| Other long-term investments | 371 | 561 |
| Right-to-use asset, net | 42,027 | 43,614 |
| Capital assets, net | 208,267 | 206,838 |
| Total noncurrent assets | 307,013 | 286,411 |
| Total assets | 351,431 | 328,279 |
| DEFERRED OUTFLOWS OF RESOURCES | 1,519 | 1,564 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 352,950 | \$ 329,843 |

See notes to financial statements

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Statements of Net Position
As of June 30, 2023 and 2022
(in thousands)

| | 2023 | 2022 |
|--|-------------------|-------------------|
| LIABILITIES | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | 11,584 | 13,742 |
| Line of credit | — | 9,000 |
| Unearned compensation and wages payable | 1,145 | 1,120 |
| Unearned revenue | 28,541 | 25,607 |
| Due to the University of Louisville | 4,636 | 4,661 |
| Leases payable | 1,688 | 1,621 |
| Subscription-based arrangements | 241 | — |
| Notes and contracts payable | 3,878 | 1,909 |
| Total current liabilities | 51,713 | 57,660 |
| Noncurrent liabilities | | |
| Due to University of Louisville | 76,517 | 80,952 |
| Note payable to University of Louisville Foundation, Inc. | 1,000 | 1,000 |
| Unearned compensation and wages payable | 1,386 | 2,144 |
| Unearned revenue | 41,838 | 5,504 |
| Other post-retirement benefits | 4,765 | 5,156 |
| Other long-term liabilities | — | 2,045 |
| Leases payable | 40,189 | 42,043 |
| Subscription-based arrangements | 741 | — |
| Notes and contracts payable | 28,471 | 23,868 |
| Total noncurrent liabilities | 194,907 | 162,712 |
| Total liabilities | 246,620 | 220,372 |
| DEFERRED INFLOWS OF RESOURCES | 2,956 | 1,413 |
| NET POSITION | | |
| Net investment in capital assets | 123,927 | 127,205 |
| Restricted - nonexpendable | 1,905 | 1,831 |
| Restricted - expendable | 5,236 | 7,635 |
| Unrestricted | (27,694) | (28,613) |
| Total net position | 103,374 | 108,058 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | \$ 352,950 | \$ 329,843 |

See notes to financial statements

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Statements of Revenues, Expenses, and Changes in Net Position
For Years Ended June 30, 2023 and 2022
(in thousands)

| | 2023 | 2022 |
|---|-----------------|-----------------|
| OPERATING REVENUES | | |
| Sports: | | |
| Basketball | \$ 22,159 | \$ 19,376 |
| Football | 49,534 | 48,350 |
| Other sports | 2,198 | 2,564 |
| Total sports | 73,891 | 70,290 |
| Cardinal Stadium | 1,012 | 766 |
| Marketing and development | 8,590 | 13,011 |
| Administration | 2,633 | 2,737 |
| Support services | 3,206 | 2,127 |
| Other operating revenues | 8,163 | 8,009 |
| Total operating revenue | 97,495 | 96,940 |
| OPERATING EXPENSES | | |
| Sports: | | |
| Basketball | 16,225 | 14,346 |
| Football | 27,335 | 29,541 |
| Other sports | 32,251 | 30,623 |
| Total sports | 75,811 | 74,510 |
| Cardinal Stadium | 3,469 | 2,986 |
| Marketing and development | 8,303 | 8,272 |
| Administration | 4,282 | 3,968 |
| Support services | 13,695 | 21,290 |
| Game management and facilities operations | 3,759 | 3,244 |
| Depreciation and amortization | 12,381 | 10,576 |
| Other operating expense | 13,098 | 14,466 |
| Total operating expense | 134,798 | 139,312 |
| Operating loss | (37,303) | (42,372) |

See notes to financial statements

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Statements of Revenues, Expenses, and Changes in Net Position
For Years Ended June 30, 2023 and 2022
(in thousands)

| | 2023 | 2022 |
|---|-------------------|-------------------|
| NONOPERATING REVENUES (EXPENSES) | | |
| Gifts | 35,647 | 27,039 |
| Investment returns | 68 | 27 |
| Net realized and unrealized gain on investments | 822 | (33) |
| Interest expense | (2,118) | (1,905) |
| Other nonoperating revenue (expense) | (7,391) | (788) |
| Net nonoperating revenue | 27,028 | 24,340 |
| Capital gifts | 8,874 | 10,261 |
| Contributions (to)/from related entities | (1,840) | (889) |
| Total other revenue | 7,034 | 9,372 |
| Increase (decrease) in net position | (3,241) | (8,660) |
| NET POSITION | | |
| Net position - beginning of year | 108,058 | 116,718 |
| Cumulative effect of change in accounting principle | (1,443) | — |
| Net position - end of year | \$ 103,374 | \$ 108,058 |

See notes to financial statements

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Statements of Cash Flows
For Years Ended June 30, 2023 and 2022
(in thousands)

| | 2023 | 2022 |
|--|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Ticket sales | \$ 22,540 | \$ 21,045 |
| NCAA/Conference distributions | 45,542 | 40,869 |
| Marketing and development | 16,968 | 13,525 |
| Payments to suppliers, vendors and contractors | (52,168) | (58,925) |
| Payments for utilities | (1,114) | (958) |
| Payments to employees | (43,071) | (44,807) |
| Payments for benefits | (9,485) | (8,689) |
| Payments for scholarships and fellowships | (16,087) | (15,780) |
| Other athletic program receipts | 6,847 | 9,576 |
| Net cash used by operating activities | (30,028) | (44,144) |
| CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Gifts | 36,754 | 27,192 |
| Contributions to/from related entities | (6,299) | (5,547) |
| Draw on line of credit | — | — |
| Other noncapital financing activity | (379) | (156) |
| Net cash provided by noncapital financing activities | 30,076 | 21,489 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Capital gifts received | 1,908 | 9,629 |
| Proceeds from notes payable | — | 15,873 |
| Purchases of capital assets | (11,445) | (1,705) |
| Principal paid on notes payable and contracts | (2,428) | (1,096) |
| Interest paid on notes payable and contracts | (1,959) | (1,764) |
| Other capital financing activities | (138) | 14 |
| Net cash provided by capital and related financing activities | (14,062) | 20,951 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Proceeds from sales and maturities of investments | 21 | 10 |
| Purchase of investments | — | — |
| Interest on investments | 765 | (7) |
| Net cash provided by investing activities | 786 | 3 |
| Net increase/(decrease) in cash and cash equivalents | (13,228) | (1,701) |
| Cash and cash equivalents - beginning of year | 24,323 | 26,024 |
| Cash and cash equivalents - end of year | \$ 11,095 | \$ 24,323 |

See notes to financial statements

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Statements of Cash Flows
For Years Ended June 30, 2023 and 2022
(in thousands)

| | 2023 | 2022 |
|--|--------------------|--------------------|
| RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES | | |
| Operating loss | \$ (37,303) | \$ (42,372) |
| Adjustments to reconcile operating loss to net cash used by operating activities: | | |
| Depreciation and amortization | 12,381 | 10,576 |
| Loss on disposal of equipment | 246 | 2 |
| Change in assets and liabilities: | | |
| Accounts and contributions receivable, net | (45,724) | (6,959) |
| Inventories | 7,526 | 580 |
| Other assets | (224) | 36 |
| Other long term assets | 114 | 193 |
| Accounts payable and accrued liabilities | (2,189) | 2,759 |
| Advances | 40,126 | (4,968) |
| Unearned compensation and wages payable | (732) | 778 |
| Other long-term liabilities | (4,346) | (4,227) |
| Deferred outflows | (112) | (157) |
| Deferred inflows | 209 | (385) |
| Net cash used by operating activities | \$ (30,028) | \$ (44,144) |

See notes to financial statements

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Notes to the Financial Statements
For the Years Ended June 30, 2023 and June 30, 2022

1. Basis of Presentation and Summary of Significant Accounting Policies

The University of Louisville Athletic Association, Inc. (Association) (a Kentucky nonprofit corporation) is affiliated with the University of Louisville (University) and is included within the University's financial statements. The Association is a separate corporation organized for the purpose of promoting the intercollegiate athletic activities of the University. The Association has authorized the University to receive, hold and disburse funds on behalf of the Association.

a. Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Government Accounting Standards Board (GASB). The financial statements of the Association have been prepared on the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows and outflows of resources from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from nonexchange transactions are recognized when all applicable eligibility requirements are met. Internal activity and balances are eliminated in preparation of the financial statements unless they relate to services provided and used externally. Operating revenues and expenses include exchange transactions and program-specific, government-mandated nonexchange transactions. Government-mandated nonexchange transactions that are not program specific, investment income and interest on capital asset-related debt are included in nonoperating revenues and expenses. The Association first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available.

The financial statements of the Association can be found at the following:

<http://louisville.edu/finance/controller/univacct/finst-1>

b. Cash and Cash Equivalents

The Association considers all investments (not held for long-term purposes) with original maturities of three months or less to be cash equivalents.

c. Accounts and Contributions Receivable

The Association records operating and capital pledges as revenue when all eligibility requirements have been met. Endowment pledges are not recognized as revenue until the gifts are received.

Accounts receivable consist of charges and reimbursements for services provided to students, faculty, staff and external entities. Accounts receivable are recorded net of uncollectible amounts.

d. Inventories

Inventories are valued at the lower of cost or market, under the first-in, first-out method. Inventories consist of equipment, clothing and supplies utilized in sporting activities.

e. Investments

Investments are stated at current fair value. Investments held with the University of Louisville Foundation, Inc. (Foundation) are invested under the policies and objectives established for the Foundation's general endowment pool. In an effort to mitigate market risk, the Foundation has adopted a policy of maintaining a diverse investment pool through the use of target asset allocation guidelines.

These guidelines require the Foundation's investment pool be made up of a mix of publicly traded fixed income and equity securities, private equities and other nonmarketable securities.

The market risk inherent in certain of the Foundation's investments is primarily the potential loss arising from adverse changes in quoted market prices on equity securities and in interest rates on fixed income securities.

The Foundation invests in various corporate debt, equity and mutual fund securities. Investment securities, in general, are exposed to various risks, such as interest rates, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment

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Notes to the Financial Statements
For the Years Ended June 30, 2023 and June 30, 2022

securities will occur in the near term and that such changes could materially affect the amounts reported in the Foundation's consolidated statements of financial position and the Association's statements of net position.

The Association's permanent endowment funds, held by the Foundation and invested in the Foundation's general endowment pool, are administered under the Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted by the Commonwealth of Kentucky (Commonwealth). The Foundation's board of directors has interpreted UPMIFA as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The investment objectives of the Foundation are to preserve the principal of the endowment funds in both absolute and real terms while maximizing, over the long-term, the total rate of return (yield and appreciation) within reasonable risk parameters.

The Foundation has a standing policy (the spending policy) of appropriating for expenditure each year a percentage of certain endowment funds' average market values over the prior three years through the calendar year-end preceding the year in which expenditure is planned. The Foundation will adjust the spending policy for a given year to mitigate adverse market performance on the level of support provided to the University.

The Association purchased insurance annuity policies to fund deferred compensation arrangements as stipulated by the arrangements. These are classified as other long-term investments in the summary of net position.

f. Capital Assets

Capital assets are stated principally at cost, if purchased, or at estimated acquisition value at date of receipt from donors. Capital assets are depreciated on the straight-line basis over the estimated useful lives of the assets, as follows: buildings - 40 years; land improvements - 40 years; equipment - 3-15 years; and leasehold improvements - 20 years.

The Association does not capitalize interest cost of borrowings related to capital construction.

g. Deferred Outflows and Inflows of Resources

The Association reports deferred outflows of resources, deferred inflows of resources and net position in its statements of net position and related disclosures.

Deferred outflows of resources of \$1.5 million and \$1.6 million for the years ended June 30, 2023 and 2022, respectively. Balances as of June 30, 2023 consist of loss on bond refinancing of \$413 thousand and future payments of other post-employment benefits of \$1.1 million. Balances as of June 30, 2022 consist of loss on bond refinancing of \$570 thousand and other post-employment benefits of \$1.0 million. Deferred outflows of resources related to the loss on bond refinancing will be amortized as a component of interest expense using the effective interest method over the remaining life of the refinanced debt. Deferred outflows of resources related to other post-employment benefits consist of payments to be made in future periods.

Deferred inflows of resources of \$3.0 million and \$1.4 million for the years ended June 30, 2023 and 2022, respectively. Balances as of June 30, 2023 consist of service concession arrangements of \$1.3 million, and changes in actuarial assumptions and differences between expected and actual experience in the other post-employment benefits liability of \$1.6 million. Deferred inflows of resources of \$1.4 million as of June 30, 2022 consist of service concession arrangements of \$143 thousand and changes in actuarial assumptions and differences between expected and active experience in the other post-employment benefits liability of \$1.3 million. Changes in the other post-employment benefits deferred inflows will be recognized in future periods. Deferred inflows from service concession arrangements will be recognized into revenue over the life of the contract.

h. Unearned Compensation Expenses

Unearned compensation expenses are recognized as earned over the term of the related employment agreements.

i. Compensated Absences

Association policies permit most employees to accumulate vacation and sick leave benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation or sick benefits when earned, whether the employee is expected to realize the benefit as time off or in

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Notes to the Financial Statements
For the Years Ended June 30, 2023 and June 30, 2022

cash. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as Social Security and Medicare taxes computed using rates in effect at that date.

j. Unearned Revenue

Unearned revenue consist primarily of amounts received from sponsorship contracts and individual season ticket holders for subsequent year intercollegiate athletic activities, suite rentals, and parking revenue. Unearned revenue is recognized in the period in which the athletic event occurs.

k. Net Position

The net position of the Association is summarized into four major categories as follows:

- a. Net investment in capital assets primarily represents capital assets and right-to-use assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets.
- b. Restricted nonexpendable net position consists of endowment gifts with specific restrictions. These endowments were made by donors to support scholarship expenses.
- c. Restricted expendable net position consists of noncapital assets that must be used for a particular purpose as specified by creditors, granters or donors external to the Association. The Association's most significant components in this category are amounts restricted for capital projects, debt service and quasi-endowment gifts with donor stipulations.
- d. Unrestricted net position represents those balances from operational activities that have not been restricted by parties external to the Association, such as donors. Although unrestricted net position is not subject to externally imposed stipulations, substantially all of the Association's unrestricted net position has been designated for various sport, academic programs, or capital projects.

The following table includes detail of the net position balances as of June 30, 2023 and 2022 (in thousands):

| | 2023 | 2022 |
|----------------------------------|-------------------|-------------------|
| Net investment in capital assets | \$ 123,927 | \$ 127,205 |
| Restricted - Nonexpendable | | |
| Scholarships and fellowships | 1,905 | 1,831 |
| Restricted - Expendable | | |
| Scholarships and fellowships | 1,632 | 1,568 |
| Institutional support | 3,447 | 3,838 |
| Capital projects | 157 | 155 |
| Debt Service | — | 2,074 |
| Unrestricted | (27,694) | (28,613) |
| Total net position | \$ 103,374 | \$ 108,058 |

i. Revenue and Expense Classifications

The Association has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues include activities that have the characteristics of exchange transactions, meaning revenues are received in exchange for goods and services, such as (1) tickets for athletic events, (2) concession sales, (3) parking and facility rentals, and (4) media contracts. With the exception of interest expense, loss on investments and contributions to related entities, all expense transactions are classified as operating expenses.

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A Component Unit of the University of Louisville
Notes to the Financial Statements
For the Years Ended June 30, 2023 and June 30, 2022

Certain significant revenues relied on for fundamental operational support of the Association are mandated by GASB requirements to be recorded as nonoperating revenues. Nonoperating revenues, meaning revenues received and the Association provided no goods or services, include gifts and investment income.

m. Tax Status

As an affiliate of a state institution of higher education, the income of the Association is generally exempt from federal and state income taxes under Section 115(a) of the Internal Revenue Code and a similar provision of state law. However, the Association is subject to federal and state income tax on any unrelated business taxable income.

n. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and deferred inflows and deferred outflows of resources at the date of the financial statements and the reported amounts of revenues, expenses, and other changes in net position during the reporting period. Actual results could differ from those estimates.

o. Reclassifications

Certain 2022 amounts have been reclassified to conform to the 2023 presentation. The reclassifications more accurately represent revenue and expense activities in the categories presented on the statement of revenues, expense and changes in net position. These reclassifications had no effect on the change in net position.

p. Recent Accounting Pronouncements

As of June 30, 2023 the following GASB Statements were implemented which had a financial or disclosure impact on the financial statements.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The pronouncement establishes definitions of public-private and public-public partnerships (P3) and availability payment arrangements (APA). The objective of the pronouncement is to provide guidance for the accounting and financial reporting for transactions that meet these definitions. The University has implemented GASB 94 for the period ending June 30, 2023. Changes adopted conform to the provisions of this statement and are effective from July 1, 2022 forward. A restatement of the financial statements for all prior periods presented was not practicable and the cumulative effect of applying this statement retroactively was not calculable to warrant a restatement of beginning net position.

GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. This pronouncement defines subscription-based information technology arrangements (SBITA) as a contract that conveys the control of the right to use a vendor's IT software. The objective of the pronouncement is to provide guidance for the accounting and financial reporting for the resulting capital and intangible assets and associated cost. The University has implemented GASB 96 for the period ending June 30, 2023. Changes adopted conform to the provisions of this statement and are effective from July 1, 2022 forward. A restatement of the financial statements for all prior periods presented was not practicable and the cumulative effect of applying this statement retroactively was not calculable to warrant a restatement of beginning net position.

The cumulative effect of the adoption of the accounting pronouncements on net position as of June 30, 2022 is show below (in thousands) :

| | |
|---|-------------------|
| Net position reported at June 30, 2022, as previously reported | \$ 108,058 |
| Adjustment for P3 arrangements change in accounting | (1,333) |
| Adjustment for subscription-based arrangements change in accounting | (110) |
| Net position as of June 30, 2022, as restated | <u>\$ 106,615</u> |

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For the Years Ended June 30, 2023 and June 30, 2022

The following statements will be implemented in future reporting periods:

GASB Statement No. 101, *Compensated Absences*. The statement updates the recognition and measurement guidance for compensated absences and amends certain previously required disclosures. The Association has not yet adopted the standard and is evaluating the impact it may have on its financial statements.

2. Cash, Cash Equivalents, and Investments

a. Summary of Carrying Values

The carrying value of deposits and investments are included in the statements of net position as shown below (in thousands):

| | 2023 | 2022 |
|--------------|------------------|------------------|
| Deposits | \$ 11,095 | \$ 24,323 |
| Investments | 3,908 | 3,961 |
| Total | \$ 15,003 | \$ 28,284 |

Included in the following statements of net position captions:

| | | |
|---|------------------|------------------|
| Cash and cash equivalents | 11,088 | 10,322 |
| Restricted cash and cash equivalents | 7 | 14,001 |
| Investments held with University of Louisville Foundation, Inc. | 3,537 | 3,400 |
| Annuities | 371 | 561 |
| Total | \$ 15,003 | \$ 28,284 |

b. Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Association's deposits or collateral securities may not be returned. For administrative convenience, cash balances of the Association are included in bank accounts maintained by the University. Details of accounting transactions affecting cash are maintained in such a manner as to ensure an appropriate segregation of amounts maintained by each entity.

The University currently uses commercial banks and the Commonwealth as its depositories. Deposits with commercial banks are covered up to the limits of federal depository insurance or collateral held by the bank in the University's name. At the Commonwealth, the University's accounts are pooled with other agencies of the Commonwealth. These Commonwealth-pooled deposits are substantially covered by federal depository insurance or by collateral held by the Commonwealth in the Commonwealth's name.

Other long-term investments are insurance annuity policies at June 30, 2023 and 2022. The Association's investment policy does not address the monitoring of the issuing party.

c. Interest Rate Risk

Interest rate risk is the risk the Association may face should interest rate variances affect the fair value of investments. The Association's policy is to invest in U.S. government and U.S. government agency securities, commercial paper, bankers' acceptances, and variable rate demand notes with a maturity not greater than one year.

As of June 30, 2023 and 2022, the Association had no investments subject to interest rate risk.

d. Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2023 and 2022, the \$3.5 million and \$3.4 million, respectively, in investments held by the Foundation are considered pooled investments and not rated as to credit risk.

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e. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer, excluding investments issued or explicitly guaranteed by the U.S government and investments in mutual funds, external investment pools and other pooled investments.

The asset allocation for investments held with the Foundation as of June 30, 2023 and 2022 is illustrated below:

| | 2023 | 2022 |
|----------------------------|--------------|--------------|
| Investment in partnerships | 53 % | 54 % |
| Marketable alternatives | 9 % | 10 % |
| Mutual funds | 24 % | 21 % |
| Fixed income | 10 % | 11 % |
| Preferred and common stock | 4 % | 4 % |
| Total | 100 % | 100 % |

The Foundation's investments do not have a significant concentration of credit risk within any industry or specific institution.

f. Foreign Currency Risk

This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The Association had no investments denominated in foreign currency at June 30, 2023 and 2022.

3. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The University categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following table presents the fair value measurements of assets recognized in the accompanying financial statements as of June 30, 2023 and 2022 (in thousands):

| | 2023 | | | | |
|--|-----------------|---|---|--|--------------------|
| | Total | Quoted Prices in Active Markets for Identical Assets Level 1 | Significant Other Observable Inputs Level 2 | Significant Unobservable Inputs Level 3 | Measured at NAV |
| Investments | | | | | |
| University of Louisville Foundation, Inc. investment fund | \$ 3,537 | \$ — | \$ — | \$ — | \$ 3,537 |
| Total investments measured at fair value | \$ 3,537 | \$ — | \$ — | \$ — | \$ 3,537 |

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| | 2022 | | | | |
|--|-----------------|---|---|--|--------------------|
| | Total | Quoted Prices in Active Markets for Identical Assets Level 1 | Significant Other Observable Inputs Level 2 | Significant Unobservable Inputs Level 3 | Measured at NAV |
| Investments | | | | | |
| University of Louisville Foundation, Inc. investment fund | \$ 3,400 | \$ — | \$ — | \$ — | \$ 3,400 |
| Total investments measured at fair value | \$ 3,400 | \$ — | \$ — | \$ — | \$ 3,400 |

a. Investments

Investments within the University of Louisville Foundation, Inc. pooled investment fund consist of money market mutual funds, common and preferred stock, corporate bonds, mutual funds, investments in partnerships, funds of funds, U.S. Government securities and U.S. agency obligations. The Foundation has adopted a policy of maintaining a diverse investment pool through the use of targeted asset allocation guidelines. The fair value of the investments in the fund have been determined using the NAV per share (or its equivalent) of the investments.

Investments measured at net asset value (NAV) (in thousands):

| | 2023 | | |
|---|------------|-------------------------------------|-------------------------------|
| | Fair Value | Redemption Frequency | Redemption Notice Period |
| University of Louisville Foundation, Inc. investment fund | \$ 3,537 | Various from monthly to illiquid | Various from 10 to 90 days |

| | 2022 | | |
|---|------------|-------------------------------------|--------------------------------|
| | Fair Value | Redemption Frequency | Redemption Notice Period |
| University of Louisville Foundation, Inc. investment fund | \$ 3,400 | Various from monthly to illiquid | Various from 30 to 180 days |

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4. Transactions with Related Organizations

a. University of Louisville

The Association has contracted with the University for certain administrative, operational, and maintenance services. During the years ended June 30, 2023 and 2022, the Association made no reimbursement per agreement with the University.

b. University of Louisville Foundation, Inc.

The Foundation is a separate corporation organized as a supporting organization of the University for the purpose of promoting the University's educational, scientific, literary and cultural interests through investment management. The Foundation serves in a fiduciary capacity and invests funds on behalf of the Association based on a formal trust agreement. As of June 30, 2023 and 2022, the Foundation held funds of the Association of approximately \$3.5 million and \$3.4 million, respectively, for investment purposes.

c. Debt with Related Entities

In April 2016, the Association received a \$15.0 million unsecured loan bearing interest at 2.5% from the University. The Association is obligated to repay the loan in equal semi-annual payments over 20 years. During the years ended June 30, 2023 and 2022, the Association repaid \$0.7 million in each respective year. The outstanding loan balance is \$10.2 million and \$10.9 million as of June 30, 2023 and 2022, respectively.

In December 2016, the University issued \$27.6 million of University of Louisville, General Receipts Bonds, 2016 Series F, which the proceeds along with debt service reserve funds and existing University funds were used to complete the current refunding of the Association's Louisville/Jefferson County Metro Government Mortgage Revenue Refunding and Improvement Bonds, 2008 Series A and B (mortgage revenue bonds). Additionally, the University issued \$50.7 million of University of Louisville, General Receipts Bonds, 2016 Series D and E to finance the expansion of Papa John's Cardinal Stadium and athletic training center. The proceeds of the Series D, E and F bonds were loaned to the Association. The Association entered into an agreement with the University for the Association to repay the bonds based on the bond repayment schedules. This liability is stated in current and noncurrent due to University of Louisville and deferred outflow of resources for related loss on refinancing. The outstanding loan balance and related cost due to the University is \$62.4 million and \$66.1 million as of June 30, 2023 and 2022, respectively.

Change in interest bearing debt from related entities as of June 30, 2023 and 2022 are summarized as shown below (in thousands):

| | 2023 | | | | | |
|---|-------------------|-----------|-------------|----------------|-----------------|--------------------|
| | Beginning Balance | Additions | Retirements | Ending Balance | Current Portion | Noncurrent Portion |
| Interest bearing debt due to University | \$ 77,050 | \$ — | \$ (4,460) | \$ 72,590 | \$ 4,636 | \$ 67,954 |

| | 2022 | | | | | |
|---|-------------------|-----------|-------------|----------------|-----------------|--------------------|
| | Beginning Balance | Additions | Retirements | Ending Balance | Current Portion | Noncurrent Portion |
| Interest bearing debt due to University | \$ 81,707 | \$ — | \$ (4,657) | \$ 77,050 | \$ 4,661 | \$ 72,389 |

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Principal maturities and interest on interest bearing debt from related entities fare as follows (in thousands):

| For the year ending June 30, | Principal | Interest | Total |
|------------------------------|------------------|------------------|------------------|
| 2024 | \$ 4,636 | \$ 3,019 | \$ 7,655 |
| 2025 | 4,244 | 2,834 | 7,078 |
| 2026 | 4,432 | 2,639 | 7,071 |
| 2027 | 4,636 | 2,437 | 7,073 |
| 2028 | 4,850 | 2,223 | 7,073 |
| 2029-2033 | 27,370 | 7,998 | 35,368 |
| 2034-2037 | 22,422 | 1,647 | 24,069 |
| Total | \$ 72,590 | \$ 22,797 | \$ 95,387 |

As of June 30, 2023 and 2022, the Association has noninterest bearing debt with no specific repayment terms of approximately \$8.6 million with the University. The debt relates to \$8.6 million of expenditures incurred in fiscal years 1999 and 2000 during the construction Cardinal Stadium.

In January 1999, the Association received an \$8.5 million unsecured, noninterest bearing loan from the Foundation for the construction of Cardinal Park. The Association is obligated to repay the loan upon redemption of a life insurance policy pledged by a donor. The outstanding balance was approximately \$1.0 million as of June 30, 2023 and 2022.

d. Contributions with Related Entities

The University, during its annual budgetary process, agrees to transfer funds to the Association to assist with expenses related to retention and gender equality. The University transferred \$940 thousand for the years ended June 30, 2023 and 2022 for this purpose. Additionally, the University collects certain fees from students designated for use by the Association. The University transferred \$900 thousand of student fees collected for the years ended June 30, 2023 and 2022.

The Association is the beneficiary of pledges related to certain capital projects, which are financed by the University, and as such, are recorded as assets of the University. The Association transfers cash received on these pledges, as well as other unrestricted funds to the University in order to fulfill the purpose of the gifts. The Association transferred \$7.6 million and \$9.3 million related to capital projects and debt service payments during each of the fiscal years ended June 30, 2023 and 2022, respectively.

Additionally, other transfers of support for projects or endeavors occur between the Association and the University. The University transferred \$3.9 million to the Association for the year ended June 30, 2023 and the Association transferred \$1.1 million to the University for the year ended June 30, 2022.

The Federal Government passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act on March 27, 2020 the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 on December 27, 2020 and the American Rescue Plan Act of 2021 on March 11, 2021 all of which included funding for the Higher Education Emergency Relief Fund (HEERF). The University transferred \$100 thousand in CARES and HEERF funding to the Association during the year ended June 30, 2023. These funds were used to reimburse additional expenses the Association incurred related to the COVID-19 pandemic. No funds were utilized during the year ending June 30, 2023.

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5. Accounts and Contributions Receivable, Net

Accounts and contributions receivable as of June 30, 2023 and 2022 are as follows (in thousands):

| | 2023 | | |
|--|------------------|-------------------|------------------|
| | Gross | Allowance | Net |
| Contributions receivable | \$ 67,169 | \$ (6,972) | \$ 60,197 |
| Trade receivables | 18,361 | — | 18,361 |
| Other receivables | 1,409 | — | 1,409 |
| Total | \$ 86,939 | \$ (6,972) | \$ 79,967 |
| Less discount | | | 778 |
| Total accounts and contributions receivable | | | \$ 79,189 |
| Current portion | | | \$ 22,848 |
| Noncurrent portion | | | \$ 56,341 |

| | 2022 | | |
|--|------------------|-------------------|------------------|
| | Gross | Allowance | Net |
| Contributions receivable | \$ 34,055 | \$ (5,109) | \$ 28,946 |
| Trade receivables | 15,354 | — | 15,354 |
| Total | \$ 49,409 | \$ (5,109) | \$ 44,300 |
| Less discount | | | 916 |
| Total accounts and contributions receivable | | | \$ 43,384 |
| Current portion | | | \$ 21,987 |
| Noncurrent portion | | | \$ 21,397 |

Contributions receivable consists primarily of charitable gifts from individual and corporate donors who are connected with the construction projects of the Association. Contributions receivable with payment schedules in excess of one year are stated at their discounted present value. The discount rates ranged from 0.0% to 5.11%.

Contributions receivable as of June 30, 2023 and 2022 are due to be received as follows (in thousands):

| | 2023 | 2022 |
|-------------------------------------|------------------|------------------|
| Less than one year | \$ 10,126 | \$ 11,195 |
| One to three years | 11,509 | 8,923 |
| Greater than three years | 45,534 | 13,937 |
| Subtotal | 67,169 | 34,055 |
| Less discount | (778) | (916) |
| Less allowance | (6,972) | (5,109) |
| Net contributions receivable | \$ 59,419 | \$ 28,030 |

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6. Capital and Intangible Assets, Net

Capital assets and intangible assets as of June 30, 2023 and 2022 are shown below and on the following page (in thousands):

| | 2023 | | | | |
|--|-------------------|-----------------|-----------------|-----------------|-------------------|
| | Beginning Balance | Additions | Retirements | Transfers | Ending Balance |
| Cost - Nondepreciable | | | | | |
| Land | \$ 5,151 | \$ — | \$ — | \$ — | \$ 5,151 |
| Construction in progress | 3,375 | 9,723 | — | (13,098) | — |
| Subtotal | 8,526 | 9,723 | — | (13,098) | 5,151 |
| Cost - Depreciable | | | | | |
| Buildings | 279,250 | 76 | — | 7,320 | 286,646 |
| Land improvements | 4,814 | 302 | — | 667 | 5,783 |
| Equipment | 7,751 | 1,343 | (50) | 5,111 | 14,155 |
| Leasehold improvements | 1,299 | — | (500) | — | 799 |
| Right-to-use asset - subscription-based arrangements | 1,247 | — | — | — | 1,247 |
| Right-to-use asset - leases | 47,999 | — | (189) | — | 47,810 |
| Subtotal | 342,360 | 1,721 | (739) | 13,098 | 356,440 |
| Total capital and intangible assets, cost | 350,886 | 11,444 | (739) | — | 361,591 |
| Accumulated depreciation and amortization | | | | | |
| Buildings | 86,524 | 7,326 | — | — | 93,850 |
| Land improvements | 1,381 | 178 | — | — | 1,559 |
| Equipment | 5,767 | 2,415 | — | — | 8,182 |
| Leasehold improvements | 1,130 | 39 | (493) | — | 676 |
| Right-to-use asset - subscription-based arrangements | 222 | 221 | — | — | 443 |
| Right-to-use asset - leases | 4,385 | 2,202 | — | — | 6,587 |
| Total accumulated depreciation and amortization | 99,409 | 12,381 | (493) | — | 111,297 |
| Capital and intangible assets, net | \$ 251,477 | \$ (937) | \$ (246) | \$ — | \$ 250,294 |

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| | 2022 | | | | |
|--|----------------------|-------------------|-----------------|----------------|-------------------|
| | Beginning Balance | Additions | Retirements | Transfers | Ending Balance |
| Cost - Nondepreciable | | | | | |
| Land | \$ 5,151 | \$ — | \$ — | \$ — | \$ 5,151 |
| Construction in progress | 1,303 | 3,205 | — | (1,133) | 3,375 |
| Subtotal | 6,454 | 3,205 | — | (1,133) | 8,526 |
| Cost - Depreciable | | | | | |
| Buildings | 278,087 | 30 | — | 1,133 | 279,250 |
| Land improvements | 4,977 | — | (163) | — | 4,814 |
| Equipment | 7,313 | 443 | (5) | — | 7,751 |
| Leasehold improvements | 1,299 | — | — | — | 1,299 |
| Right-to-use asset | 47,999 | — | — | — | 47,999 |
| Subtotal | 339,675 | 473 | (168) | 1,133 | 341,113 |
| Total capital and intangible assets, cost | 346,129 | 3,678 | (168) | — | 349,639 |
| Accumulated depreciation and amortization | | | | | |
| Buildings | 79,314 | 7,210 | — | — | 86,524 |
| Land improvements | 1,224 | 157 | — | — | 1,381 |
| Equipment | 4,843 | 928 | (4) | — | 5,767 |
| Leasehold improvements | 1,073 | 57 | — | — | 1,130 |
| Right-to-use asset | 2,161 | 2,224 | — | — | 4,385 |
| Total accumulated depreciation and amortization | 88,615 | 10,576 | (4) | — | 99,187 |
| Capital and intangible assets, net | \$ 257,514 | \$ (6,898) | \$ (164) | \$ — | \$ 250,452 |

7. Line of Credit

The Association entered into a \$20.0 million line of credit with a financial institution to fund the Association's working capital expenses. The line of credit is secured by collateral, including funding and revenues of the Association and third-party pledges to the Association. The balance drawn on the line converted to a 20-year note May 31, 2023 with principal and interest payments through April 30, 2043. The interest rate on the new loan is fixed at 2.93%. The balance of the term loan was \$8.8 million as of June 30, 2023.

8. Debt

Debt payable as of June 30, 2023 and 2022 are summarized as shown below (in thousands):

| | Interest Rate | Fiscal Year of Maturity | 2023 | 2022 |
|-----------------------------|---------------|----------------------------|------------------|------------------|
| Notes from direct placement | 2.93% | 2043 | \$ 22,929 | \$ 14,529 |
| Contracts payable | 2.39%-3.69% | 2027-2029 | 9,420 | 11,248 |
| Total long term debt | | | \$ 32,349 | \$ 25,777 |

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The change in notes from direct placement is summarized as follows (in thousands):

| | 2023 | | | | | | |
|-----------------------------|-------------------|-----------------|-------------------|------------------|-----------------|--------------------|--|
| | Beginning Balance | Additions | Retirements | Ending Balance | Current Portion | Noncurrent Portion | |
| Notes from direct placement | \$ 14,529 | \$ 9,000 | \$ (600) | \$ 22,929 | \$ 2,411 | \$ 20,518 | |
| Contracts payable | 11,248 | — | (1,828) | 9,420 | 1,467 | 7,953 | |
| Total long-term debt | \$ 25,777 | \$ 9,000 | \$ (2,428) | \$ 32,349 | \$ 3,878 | \$ 28,471 | |

| | 2022 | | | | | | |
|-----------------------------|-------------------|------------------|-------------------|------------------|-----------------|--------------------|--|
| | Beginning Balance | Additions | Retirements | Ending Balance | Current Portion | Noncurrent Portion | |
| Notes from direct placement | \$ 11,000 | \$ 4,625 | \$ (1,096) | \$ 14,529 | \$ 424 | \$ 14,105 | |
| Contracts payable | — | 11,248 | — | 11,248 | 1,485 | 9,763 | |
| Total long-term debt | \$ 11,000 | \$ 15,873 | \$ (1,096) | \$ 25,777 | \$ 1,909 | \$ 23,868 | |

Principal and interest payments on notes from direct placement due in the next five years and thereafter are as follows (in thousands):

| For the year ended June 30, | Notes from direct placement | | Contracts | | Total | |
|-----------------------------|-----------------------------|----------|-----------|----------|-----------|----------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 2,411 | \$ 680 | \$ 1,467 | 247 | \$ 3,878 | \$ 927 |
| 2025 | 2,092 | 606 | 1,507 | 207 | 3,599 | 813 |
| 2026 | 1,882 | 544 | 1,547 | 166 | 3,429 | 710 |
| 2027 | 1,910 | 484 | 1,589 | 124 | 3,499 | 608 |
| 2028 | 1,945 | 424 | 1,632 | 81 | 3,577 | 505 |
| 2029-2031 | 12,689 | 852 | 1,678 | 37 | 14,367 | 889 |
| Total | \$ 22,929 | \$ 3,590 | \$ 9,420 | \$ 862 | \$ 32,349 | \$ 4,452 |

Association revenue is pledged for the payment of the term loan. For the current year, principal and interest paid by the Association and the total pledged revenue recognized were \$3.2 million and \$128.9 million, respectively.

Direct Placement Notes

In April 2021, the Association entered into an \$11.0 million Term Note with a financial institution to refinance a prior note for the renovation of the baseball and softball stadiums and construction of a soccer stadium (the Project). The interest rate on the note is 2.93%. The balance of the term loan was \$10.9 million and \$11.0 million as of June 30, 2023 and June 30, 2022, respectively. The note is secured by collateral, including funds and revenues of the Association and third-party pledges to the Association.

The Association entered into a financing arrangement with vendors to finance certain fixtures and equipment. The notes are payable over 10 years. The balance of the notes is \$3.2 million as of June 30, 2023.

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9. Leases

The Association leases land, operating and office facilities for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2067 and provide for renewal options ranging from one year to fifty years. The Association records right-to-use assets and lease liabilities based on the present value of expected payments over the lease term of the respective leases. The expected payments are discounted using the interest rate charged on the lease, if available, or are otherwise discounted using the Association's incremental borrowing rate. Variable payments are excluded from the valuations unless they are fixed in substance. Those variable payments are recognized as outflows of resources in the periods in which the obligation for those payments is incurred. During the years ended June 30, 2023 and June 30, 2022, the Association made variable payments as required by lease agreements totaling \$2.6 million and \$1.6 million, respectively. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. The Association does not have any leases subject to a residual value guarantee.

a. Right-To-Use Assets

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

| | Net asset balance as of June 30, 2023 | Net asset balance as of June 30, 2022 |
|--------------|---|---|
| Building | \$ 40,653 | \$ 42,982 |
| Land | 570 | 632 |
| Total | \$ 41,223 | \$ 43,614 |

b. Future Minimum Lease Payments

Future minimum lease payments are as follows (in thousands), subject to change with the new leases (in thousands):

| For the year ending June 30, | Principal | Interest |
|--------------------------------------|------------------|------------------|
| 2024 | \$ 1,688 | \$ 1,228 |
| 2025 | 1,640 | 1,173 |
| 2026 | 1,646 | 1,124 |
| 2027 | 1,632 | 1,074 |
| 2028 | 1,658 | 1,026 |
| 2029-2033 | 8,683 | 4,343 |
| 2034-2038 | 9,586 | 2,943 |
| 2039-2043 | 10,457 | 1,402 |
| 2044-2048 | 4,665 | 109 |
| 2049-2053 | 44 | 30 |
| 2054-2058 | 51 | 23 |
| 2059-2063 | 59 | 14 |
| 2024-2068 | 68 | 4 |
| Future minimum lease payments | \$ 41,877 | \$ 14,493 |

See Note 6, Capital Assets, for balances of right-to-use assets and associated accumulated amortization. See Note 11, Other Liabilities, for balances of lease liabilities. Certain of the Association's leases for operating and office facilities are

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with an affiliated party. The leases provide for minimum annual lease payments totaling \$0.4 million expiring at various times through 2038, plus variable payments based on usage.

10. Subscription-Based Information Technology Arrangements (SBITA)

The Association contracts subscription-based information technology for operating activities for various terms under long-term, non-cancelable agreements. The agreements expire at various dates through 2027 and provide for renewal options ranging from one year to five years. The Association records right-of-use assets and current or noncurrent liabilities based on the present value of expected payments over the term of the respective agreements. The expected payments are discounted using the Association's incremental borrowing rate. Variable payments are excluded from the valuations unless they are fixed in substance. Those variable payments are recognized as outflows of resources in the periods in which the obligation for those payments is incurred. There were no variable payments expensed during the current year.

Right-to-use assets acquired through subscription-based information technology agreements as of June 30, 2023 are \$1.2 million with accumulated amortization of the assets of \$443 thousand, resulting in a net value of \$800 thousand.

The Association's total future minimum payments to be made under the agreements are as follows (in thousands), subject to change with new agreements:

| For the year ending June 30, | Principal | Interest |
|----------------------------------|---------------|--------------|
| 2024 | \$ 241 | \$ 23 |
| 2025 | 247 | 15 |
| 2026 | 230 | 8 |
| 2027 | 264 | — |
| Future agreement payments | \$ 982 | \$ 46 |

See Note 6, Capital Assets, for balances of right-to-use assets and associated accumulated amortization. See Note 11, Other Liabilities, for balances of lease liabilities.

11. Other Liabilities

Other liabilities as of June 30, 2023 and 2022 are summarized as shown below (in thousands):

| | 2023 | | | | | |
|---|-------------------|------------------|--------------------|-------------------|------------------|--------------------|
| | Beginning Balance | Additions | Reductions | Ending Balance | Current Portion | Noncurrent Portion |
| Unearned compensation and wages payable | \$ 3,264 | \$ 481 | \$ (1,214) | \$ 2,531 | \$ 1,145 | \$ 1,386 |
| Unearned revenue | 31,111 | 44,592 | (5,324) | 70,379 | 28,541 | 41,838 |
| Leases payable | 43,665 | — | (1,788) | 41,877 | 1,688 | 40,189 |
| Subscription-based arrangements | 1,103 | — | (121) | 982 | 241 | 741 |
| Other long-term liabilities | 2,045 | — | (2,045) | — | — | — |
| Total | \$ 81,188 | \$ 45,073 | \$ (10,492) | \$ 115,769 | \$ 31,615 | \$ 84,154 |

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| | 2022 | | | | | |
|---|-------------------|------------------|--------------------|------------------|------------------|--------------------|
| | Beginning Balance | Additions | Reductions | Ending Balance | Current Portion | Noncurrent Portion |
| Unearned compensation and wages payable | \$ 2,486 | \$ 5,387 | \$ (4,609) | \$ 3,264 | \$ 1,120 | \$ 2,144 |
| Unearned revenue | 36,555 | 27,959 | (33,403) | 31,111 | 25,607 | 5,504 |
| Leases payable | 45,234 | — | (1,570) | 43,664 | 1,621 | 42,043 |
| Other long-term liabilities | 5,045 | — | (3,000) | 2,045 | — | 2,045 |
| Total | \$ 89,320 | \$ 33,346 | \$ (42,582) | \$ 80,084 | \$ 28,348 | \$ 51,736 |

Other long-term liabilities as of June 30, 2022 consisted of future expenses required by certain pledge agreements.

12. Public-Private and Public-Public Arrangements

The Association has entered into contractual agreements with external parties to provide services to students, employees, and guest on behalf of the Association. The contracted services include food service arrangements providing meals and concessions. The third parties (operators) receive the right to utilize and control University or Association assets, such as infrastructure or other capital assets, to provide the services. In exchange for entering into the agreements, the Association has received upfront payments, capital assets, and/or payments throughout the agreement term. The operators receive payments for services from customers or the Association. The Association has recognized \$1.3 million in deferred inflows related to the agreements. Future installment payments were discounted using rates applicable at the time the agreement was commenced.

Under the agreements, the operator obtains the rights described in the table below:

| Nature of rights granted | |
|--------------------------|--|
| Dining Operations | Design and operations of dining facilities utilized by student athletes. |
| Event Concessions | Operation of food and merchandise concessions at athletic events. |

13. Natural Classification

Operating expenses by natural classification for the years ended June 30, 2023 and 2022 were approximately (in thousands):

| | 2023 | 2022 |
|-------------------------------|-------------------|-------------------|
| Salaries and wages | \$ 42,570 | \$ 45,604 |
| Employee benefits | 9,594 | 8,737 |
| Utilities | 1,114 | 958 |
| Scholarships and fellowships | 16,186 | 15,782 |
| Depreciation and amortization | 12,381 | 10,576 |
| Supplies and other services | 52,953 | 57,655 |
| Total | \$ 134,798 | \$ 139,312 |

14. Retirement Plan

Full and benefit eligible part-time employees can participate in the university of Louisville 403(b) Retirement Plan (Plan) immediately upon hire. The University contributes 7.5% of an eligible employee's base salary regardless of an employee's

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
A Component Unit of the University of Louisville
Notes to the Financial Statements
For the Years Ended June 30, 2023 and June 30, 2022

participation in the plan. Additionally, the University matches employee contributions up to 2.5% of base pay. Both the University contribution and match are subject to eligibility requirements of twelve-months of consecutive service and attainment age 21. The Plan requires three years of continuous service for employees to vest in the University contributions.

The Association recorded expenses related to the defined contribution plan of approximately \$2.4 million and \$2.2 million for the years ended June 30, 2023 and 2022, respectively. As of June 30, 2023 and 2022, the Association had no outstanding liability related to the Retirement Plan.

15. Postemployment Healthcare Benefits

a. Plan Description

University and Association personnel are eligible for postemployment healthcare benefits as described in The University of Louisville Group Health Plan (Plan), administered by the University. The Plan is a single-employer plan and the University's Board of Trustees determines the eligibility requirements related to the Plan. The Plan does not issue stand-alone financial reports and is not included in the report of any entity.

To be eligible for the Plan, a retired employee must be the earlier of the attainment of age 60 with seven years of service in eligible faculty or staff status, or the date that the sum of the employee's age and years of regular service of not less than 80% full-time equivalent at the University equals or exceeds 75.

The following employees were covered by the benefit terms as of July 1, 2023 and 2022:

| | 2023 | 2022 |
|----------------------------|--------------|--------------|
| Retirees and beneficiaries | 1,916 | 1,586 |
| Active plan members | 4,446 | 4,701 |
| Total | 6,362 | 6,287 |

b. Funding Policy

The Plan is funded on a pay-as-you-go basis. The contribution requirements of the contributing members are determined by the University's management on an annual basis. During the years ended June 30, 2023 and 2022, the University contributed approximately \$3.9 million and \$3.7 million to the Plan, approximately 80% of total premiums. Retired Plan members under age 65 receiving benefits contributed approximately \$958 thousand and \$924 thousand, approximately 20% of total premiums. Health plan rates remained unchanged for the year ended June 30, 2023. Retired Plan members made monthly contributions according to the rate schedule below.

| | PPO | | EPO | | PCA High | | PCA Low | |
|---------------------|-----|-------|-----|-------|----------|-----|---------|-----|
| Employee | \$ | 416 | \$ | 445 | \$ | 353 | \$ | 291 |
| Employee and Spouse | \$ | 1,000 | \$ | 1,069 | \$ | 847 | \$ | 698 |

Medicare-eligible retirees receive a monthly benefit of \$108 per individual covered. For the years ended June 30, 2023 and 2022, the University contributed \$2.5 million and \$2.2 million for Medicare-eligible retirees, respectively.

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For the Years Ended June 30, 2023 and June 30, 2022

c. Annual Other Postemployment Benefit (OPEB) Cost and Net OPEB Obligation

The University's total OPEB liability was measured by an actuarial valuation as of June 30, 2022. The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

| | |
|-----------------------------|---|
| Inflation | 2.25% |
| Salary Increases | 5.00%, average |
| Investment rate of return | NA |
| Healthcare cost trend rates | 7.0% for 2021, decreasing 0%-0.25% per year to an ultimate rate of 4.25% for 2038 and later years |

The investment rate of return is shown as not applicable (NA) since the University contributes only the amount necessary to pay current benefits. The discount rate is 3.69% as of the Measurement Date, 1.92% as of the beginning of the Measurement Period.

The following table shows the components of the University's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the University's net OPEB obligation (in thousands):

| | 2023 | | 2022 | |
|--|-----------|----------------|-----------|---------------|
| Balance, beginning year | \$ | 85,940 | \$ | 80,238 |
| Changes for the year: | | | | |
| Service cost | | 2,983 | | 2,795 |
| Interest | | 1,642 | | 1,956 |
| Differences between expected and actual experience | | 4,771 | | (458) |
| Changes of assumptions | | (12,131) | | 4,967 |
| Benefit payments | | (3,790) | | (3,558) |
| Net changes | | (6,525) | | 5,702 |
| Balance, end year | \$ | 79,415 | \$ | 85,940 |

The following reflects the sensitivity of the net OPEB liability if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current discount rate (in thousands):

| | 2023 | | | 2022 | | |
|--------------------|------------------------|--------------------------|------------------------|------------------------|--------------------------|------------------------|
| | 1% Decrease (2.69)% | Discount Rate (3.69)% | 1% Increase (4.69)% | 1% Decrease (0.92)% | Discount Rate (1.92)% | 1% Increase (2.92)% |
| Net OPEB liability | \$ 88,490 | \$ 79,415 | \$ 71,721 | \$ 96,719 | \$ 85,940 | \$ 76,935 |

The following reflects the sensitivity of the net OPEB liability if it were calculated using a healthcare cost trend rate that is one-percentage-point lower or one-percentage-point higher than current health care trend rate (in thousands):

| | 2023 | | | 2022 | | |
|--------------------|-----------------------|--|-----------------------|-----------------------|--|-----------------------|
| | 1% Decrease (6.0)% | Healthcare Cost Trend Rates (7.0)% | 1% Increase (8.0)% | 1% Decrease (6.0)% | Healthcare Cost Trend Rates (7.0)% | 1% Increase (8.0)% |
| Net OPEB liability | \$ 76,079 | \$ 79,415 | \$ 83,296 | \$ 82,316 | \$ 85,940 | \$ 90,197 |

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For the Years Ended June 30, 2023 and June 30, 2022

For the year ended June 30, 2023, the University recognized OPEB expense of \$1.5 million. At June 30, 2023, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 4,972 | \$ 2,858 |
| Changes of assumptions | 9,520 | 24,187 |
| Contributions made in fiscal year ending 6/30/2023 after the measurement date of 6/30/2022 | 3,936 | — |
| Total | \$ 18,428 | \$ 27,045 |

The amount reported as contributions after the measurement date included in deferred outflows will be recognized as benefit payments during the following fiscal year.

Amounts reported as differences between expected and actual experience and changes in assumptions included under deferred inflows of resources will be recognized in OPEB expense during the following years as presented below (in thousands):

| Year ended June 30: | |
|---------------------|--------------------|
| 2024 | \$ (3,100) |
| 2025 | (3,100) |
| 2026 | (2,683) |
| 2027 | (2,583) |
| 2028 | (334) |
| Thereafter | (753) |
| Total | \$ (12,553) |

d. Funded Status and Funding Progress

As of June 30, 2022, the most recent actuarial valuation date, the plan was 0% funded. The unfunded OPEB liability for benefits was \$79.4 million and \$85.9 million and there were no assets, resulting in an unfunded net OPEB liability of \$79.4 million and \$85.9 million as of June 30, 2023 and 2022, respectively. The covered payroll (annual payroll of active employees covered by the plan) was \$445.2 million and \$434.9 million, and the ratio of the unfunded net OPEB liability to the covered payroll was 18% and 20%, for the years ended June 30, 2023 and 2022, respectively.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

e. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

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A Component Unit of the University of Louisville
Notes to the Financial Statements
For the Years Ended June 30, 2023 and June 30, 2022

16. Commitments

At June 30, 2023 and 2022, the Association had approximately \$298 thousand and \$6.7 million, respectively, in encumbrances for future expenditures.

Litigation

While the Association is a party to various legal actions and other claims in the normal course of business, there are no legal actions against the Association at this time.

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in Total OPEB Liability and Related Ratios
For the Fiscal Year Ending
(in thousands)

| | 6/30/2023 | 6/30/2022 | 6/30/2021 | 6/30/2020 | 6/30/2019 | 6/30/2018 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Total OPEB liability | | | | | | |
| Service Cost | \$ 2,983 | \$ 2,795 | \$ 2,538 | \$ 2,437 | \$ 4,630 | \$ 5,203 |
| Interest | 1,642 | 1,956 | 2,318 | 2,497 | 3,296 | 2,728 |
| Difference between expected and actual experience | 4,771 | (458) | (1,687) | 1,923 | (1,718) | (2,608) |
| Changes of assumption | (12,131) | 4,967 | 5,757 | 5,488 | (27,504) | (5,495) |
| Benefit payments | (3,790) | (3,558) | (2,927) | (2,836) | (2,817) | (3,007) |
| Net change in OPEB Liability | \$ (6,525) | \$ 5,702 | \$ 5,999 | \$ 9,509 | \$ (24,113) | \$ (3,179) |
| OPEB liability - beginning of year | 85,940 | 80,238 | 74,239 | 64,730 | 88,843 | 92,022 |
| OPEB liability - end of year | \$ 79,415 | \$ 85,940 | \$ 80,238 | \$ 74,239 | \$ 64,730 | \$ 88,843 |
| Covered employee payroll | \$ 445,201 | \$ 434,864 | \$ 490,221 | \$ 493,893 | \$ 450,332 | \$ 445,356 |
| Total OPEB liability as a percentage of covered employee payroll | 17.84 % | 19.76 % | 16.37 % | 15.03 % | 14.37 % | 19.95 % |

This schedule is to be built prospectively. Until a full 10-year trend is compiled, the schedule will show information for those years for which data is available.



The University of Louisville is an equal opportunity institution and does not discriminate against persons on the basis of race, age, religion, sex, disability, color, sexual orientation, national origin or veteran status.

This publication was prepared by the University of Louisville and printed with state funds KRS 57.375.

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University of Louisville Athletic Association
 FY24 - Q2 Budget Update
 1.26.24

| | FY24 Budget | YTD Actuals | % Budget Realized |
|---------------------------|---------------|---------------|-------------------|
| RESOURCES | | | |
| Ticket Sales | \$ 28,358,000 | \$ 28,200,965 | ✓ 99% |
| Seat Licenses | \$ 16,034,600 | \$ 14,882,982 | ! 93% |
| Gifts / Endowments | \$ 1,000,000 | \$ 870,037 | ! 87% |
| Sponsorships | \$ 18,768,000 | \$ 7,578,000 | ✓ 40% |
| Suite Sales | \$ 6,389,000 | \$ 6,143,095 | ! 96% |
| Concession Sales | \$ 1,838,400 | \$ 1,649,549 | ↑ 90% |
| Parking Sales | \$ 1,491,400 | \$ 1,494,947 | ↑ 100% |
| NCAA / Conference Revenue | \$ 42,648,300 | \$ 6,582,995 | ✓ 15% |
| Facility Rentals | \$ 1,287,000 | \$ 915,156 | ✓ 71% |
| Other Income | \$ 1,554,000 | \$ 591,043 | ✓ 38% |
| Licensing Revenue | \$ 2,000,000 | \$ 529,712 | ✓ 26% |
| Campus Support | \$ 2,731,300 | \$ 2,855,525 | ✓ 105% |

| | | | |
|------------------------|-----------------------|-------------------|------------|
| Total Resources | \$ 124,100,000 | 72,294,006 | 58% |
|------------------------|-----------------------|-------------------|------------|

| | | | |
|---------------------------|---------------|------------|-------|
| EXPENDITURES | | | |
| Scholarships | \$ 17,545,294 | 8,854,876 | ✓ 50% |
| Salaries | \$ 41,961,389 | 22,971,157 | ! 55% |
| Benefits | \$ 8,700,469 | 4,150,463 | ! 48% |
| Recruiting | \$ 2,135,843 | 1,100,964 | ✓ 52% |
| Team Game Equipment | \$ 1,200,673 | 1,024,192 | ✓ 85% |
| Team Travel / Post Season | \$ 8,064,760 | 4,112,069 | ! 51% |
| Home Game Operations | \$ 10,170,917 | 1,916,676 | ! 19% |
| Game Guarantees | \$ 1,322,112 | 293,699 | ✓ 22% |
| Operating Expense | \$ 21,435,363 | 15,488,468 | ! 72% |
| Other Expenses | \$ 2,512,200 | 1,003,069 | ! 40% |
| Debt Service | \$ 9,050,980 | 2,211,744 | ✓ 24% |

| | | | |
|---------------------------|-----------------------|-------------------|------------|
| Total Expenditures | \$ 124,100,000 | 63,127,377 | 51% |
|---------------------------|-----------------------|-------------------|------------|

| | | |
|--|----------|------------------|
| Revenue Over / (Under) Expenditures | - | 9,166,629 |
|--|----------|------------------|

| Status Indicators | |
|----------------------|---|
| Better than Expected | ↑ |
| As Expected | ✓ |
| Worse than Expected | ! |

RECOMMENDATION TO THE UofL ATHLETIC ASSOCIATION BOARD OF DIRECTORS
REGARDING 2024 BASKETBALL TICKET PRICES

Board of Directors – January 26, 2024

RECOMMENDATION:

The Athletic Director recommends the Board of Directors approve the ticket prices for the 2024 basketball season, as listed in the [attached](#) document.

BOARD ACTION:

Passed X
Did Not Pass
Other

 ⁿSignature on file _____
Assistant Secretary

MBB PRICING: 2024 STRATEGIC SHIFT

GOAL

Similar to the shift made for football, move away from a per-game price model and create a season ticket package to alleviate price fluctuations for the fans and the department.

IMPLEMENTATION

Using the average number of home games for the past 5 years with the current sell-thru rates, the following adjustments are reflected in the 2024 proposed pricing:

- Premium, lower bowl and mezzanine season ticket costs decrease by \$55
- Upper bowl season ticket cost decreases range from \$15-\$45
- No price adjustments made to CardsPass

MBB PRICING: 2024 SEASON TICKET COSTS

| PREMIUM SEATING | | |
|--|----------------------------|----------------------------|
| Location/Ticket Price Point | 2023-24 Season Ticket Cost | 2024-25 Season Ticket Cost |
| Suites | \$ 1,110 | \$ 1,055 |
| Premium Boxes | \$ 1,110 | \$ 1,055 |
| Sideline Club (Sec. 105-107 & 115-117) | \$ 1,110 | \$ 1,055 |
| Terrace | \$ 1,110 | \$ 1,055 |
| LOWER BOWL & MEZZANINE | | |
| Location/Ticket Price Point | 2023-24 Season Ticket Cost | 2024-25 Season Ticket Cost |
| Corners & Baseline | \$ 1,110 | \$ 1,055 |
| Mezzanine | \$ 1,110 | \$ 1,055 |
| L-Club | \$ 1,079 | \$ 1,025 |
| Faculty & Staff | \$ 1,039 | \$ 985 |
| UPPER BOWL | | |
| Location/Ticket Price Point | 2023-24 Season Ticket Cost | 2024-25 Season Ticket Cost |
| Sideline | \$ 930 | \$ 885 |
| Faculty & Staff Sideline | \$ 848 | \$ 805 |
| Corners | \$ 560 | \$ 530 |
| Baseline | \$ 340 | \$ 325 |



U/LAA BOARD MEETING

LOUISVILLE ATHLETICS | JANUARY 2024

LOUISVILLE

Agenda

- Budget Update
- 2024 Basketball Ticket Pricing
- Report from the AD
 - Academic Achievements
 - Community Service
 - Team Successes
 - Other Notable Accomplishments





ACADEMIC ACHIEVEMENTS

HIGHEST EVER DEPARTMENT GPA AND GSR

3.364

DEPARTMENT GPA

93%

GRADUATION
SUCCESS RATE

96

WITH A 4.0 GPA

462

AD SCHOLAR (3.25+)

561

AD HONOR ROLL (3.0+)



COMMUNITY SERVICE

FALL SEMESTER - 2023

\$64,108

FINANCIAL IMPACT
TO COMMUNITY

2,016

SERVICE HOURS

100%

TEAM PARTICIPATION

340

STUDENT-ATHLETE
VOLUNTEERS

59

SERVICE EVENTS

38

ORGANIZATIONS
SUPPORTED



POSTSEASON CARDS

FIELD HOCKEY

- NCAA QUARTERFINALS
- ACC CHAMPIONSHIP SEMIFINALIST

MEN'S SOCCER

- NCAA SECOND ROUND
- ACC CHAMPIONSHIP SEMIFINALIST

VOLLEYBALL

- NCAA ELITE EIGHT
- FINISHED 3RD IN THE ACC

FOOTBALL

- BOWL APPEARANCE
- 10-Win Season
- 1ST ACC CHAMPIONSHIP APPEARANCE



FINAL RANKINGS

#10

COACHES POLL

#24

UNITED SOCCER

#6

AVCA

#18

COACHES POLL



KFC Yum! CENTER



12,760

VOLLEYBALL ATTENDANCE RECORD





59,225

FOOTBALL ATTENDANCE RECORD
2ND TIME IN 2023 SEASON



YOU
KNOW
WHAT
TIME
IT IS!

TELEVISION
STATION





150
CAREER WINS

Dr. Kelly Kelly



ALL TIME PROGRAM WINS





WOMEN'S SWIM AND DIVE

MEN'S SWIM AND DIVE

WOMEN'S BASKETBALL



#6

#13

#15

WINTER RANKINGS



PLAYER ACCOLADES | FOOTBALL



Third Team **Phil Steele** Honorable Mention
ALL-AMERICANS
Ashton Gillotte & Jawhar Jordan

SPORTS ILLUSTRATED USA TODAY THE ATHLETIC

LOUISVILLE

This poster features a collage of football action shots. In the foreground, two players in red Louisville jerseys are shown: Phil Steele (number 9) and Ashton Gillotte (number 25). The background is a grid of smaller action photos from various games.

2nd Team **ALL-AMERICAN**
Ashton Gillotte

SPORTS ILLUSTRATED USA TODAY THE ATHLETIC

LOUISVILLE

This poster features a collage of football action shots. In the foreground, Ashton Gillotte (number 9) is shown in a red Louisville jersey. The background is a grid of smaller action photos from various games.

ACC
JACOBS
Blocking Trophy
WINNER

6 **Bryan Hudson**

LOUISVILLE
61

LOUISVILLE

This poster features a large photo of Bryan Hudson (number 61) in a red Louisville jersey, kneeling on a green field with a football. The background is a solid red color with a subtle pattern. The ACC logo is at the top.



PLAYER ACCOLADES | FIELD HOCKEY



FOR THE VILLE 23 24

THE VILLE

nfhca

LOUISVILLE CARDINALS

FIRST TEAM

ALL-AMERICAN

JULIE KOUIJZER

FOR THE VILLE 23 24

THE VILLE

nfhca

LOUISVILLE CARDINALS

SECOND TEAM

ALL-AMERICAN

MIA DUCHARS



PLAYER ACCOLADES | MEN'S SOCCER



THIRD TEAM ALL-REGION

SANDER ROED | **DAMIEN BARKER JOHN**

UNITED SOCCER COACHES

DAMIEN BARKER JOHN

MLS

TEAM ROUND **2** PICK **8**

LOUISVILLE

GAGE GUERRA

MLS

TEAM ROUND **3** PICK **11**

LOUISVILLE

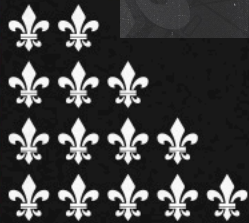
JOSH JONES

MLS

TEAM ROUND **2** PICK **18**

LOUISVILLE

THREE MLS DRAFT PICKS



PLAYER ACCOLADES | VOLLEYBALL



**Second Team
ALL-AMERICAN**
ELENA SCOTT
LIBERO/DEFENSIVE SPECIALIST

**Third Team
ALL-AMERICAN**
CARA CRESSE
MIDDLE BLOCKER

**Second Team
ALL-AMERICAN**
ANNA DeBEER
OUTSIDE HITTER

LOUISVILLE VOLLEYBALL

**ACADEMIC
ALL-AMERICAN**

ANNA DeBEER
SENIOR (OH)





DIVISION I WOMEN'S
VOLLEYBALL
CHAMPIONSHIP

2024 - LOUISVILLE





2023-2024
LEARFIELD DIRECTORS' CUP
FINAL FALL STANDINGS

13TH



X





THANK YOU

LOUISVILLE ATHLETICS | JANUARY 2024

LOUISVILLE