

Minutes of the Finance & Budget Committee Meeting of the  
University of Louisville Athletic Association, Inc.

In Open Session

Members of the Finance & Budget Committee of the University of Louisville Athletic Association, Inc. met at 1:23 p.m. on, June 9, 2014 in the Jefferson Room, Grawemeyer Hall, Belknap Campus, with members present and absent as follows:

Present: Mr. Sam Rechter, Chair  
Mr. Ron Butt  
Dr.. Pamela Feldhoff  
Mr. Ed Glasscock  
Ms. Monali Haldankar  
Prof. Mary Hums  
Prof. Bruce Kemelgor  
Dr. Kenneth Schikler  
Dr. Robert Staat  
Prof. Karen Turner  
Prof. Elaine Wise

Absent: Mr. Junior Bridgeman  
Prof. Carmine Esposito

Other Directors

Present: Dr. James Ramsey, Chair  
Mr. Tom Jurich  
Mr. William Armstrong  
Mr. Bruce Henderson  
Mr. Keith Inman  
Mr. Harry Jones  
Mr. Thomas Jurich  
Mr. Jim King (arrived at 1:50 p.m.)  
MS. Rebecca Maddock  
Ms. Cynthia McClellen  
Dr. Christopher Peters

From the  
University: Ms. Susan Howarth  
Ms. Dana Mayton  
Ms. Susan Howarth  
Mr. Kevin Miller  
Mr. Kenny Klein  
Ms. Anne Rademaker  
Mr. Jeff Spoelker  
Ms. Karen Wilkerson

Ms. Kathleen Smith  
Ms. Trisha Smith  
Mr. Jake Beamer

Guests: Jennifer Williams, BKD  
Mary McKinley, BKD

I. Call to Order

Having determined a quorum, Chair Rechter called the meeting to order at 1:27 p.m.

II. Approval of Minutes

Prof. Kemelgor made a motion, which Mr. Butt seconded, to approve the minutes of February 21, 2014

III. Action Item: Approval of 2014-15 Operating Budget

Mr. Miller presented the Athletic Association's budget for 2014-15, highlighting four major goals of the Athletic Department: 1) To continue monitoring the agreement with the Louisville Arena Authority that allows the University of Louisville to have priority dates for its Men's and Women's Basketball Programs; and to continue marketing the arena in 2014 for Volleyball opportunities; 2) To begin competition in the ACC on July 1, 2014 and implement new policies/procedures with the objective to have all programs prepared to be funded in same manner as other ACC members; 3) To continue fundraising efforts for construction of: (a) the new Soccer Stadium; (b) the expansion of Ulmer Stadium; (c) a new Academic Center; and (d) the expansion of the Schnellenberger Complex; and to evaluate feasibility of expanding Papa John's Cardinal Stadium; and 4) To maintain a financial plan with balanced annual budgets, expenditures sufficient to support athletic programs at the national level, and opportunities for new sources of revenue.

Mr. Miller also discussed the planning process and the financial planning goals, the comprehensive and balanced budget, a continued commitment to the gender equity plan, and programmatic support for each sport.

Mr. Miller then fielded questions from the committee.

Prof. Kemelgor made a motion, which Mr. Butt seconded, to approve the

**The Athletic Director's recommendation that the Board of Directors approve the 2014-15 Operating Budget for the University of Louisville Athletic Association, Inc. in the form attached.**

The motion passed.

IV. Action Item: Approval of Men's Basketball Ticket Prices

Mr. Miller provided a review of the 2012-13, 2013-14 and 2014-15 ticket prices, noting Men's Basketball will host the following for 2014-15: a) two exhibition games; b) four exempt game events; c) nine conference games; d) one game designated the Minardi Classic; e) one game designated for "Basketball Hall of Fame"; and f) four non-conference games.

Dr. Staat made a motion, which Mr. Glasscock seconded, to approve the

**The Athletic Director's recommendation that the Board of Directors approve for Men's Basketball the season ticket package, as attached.**

The motion passed.

V. Action Item: Approval of Capital Purchase for Mobile Television Production Unit

Mr. Miller explained the University of Louisville Athletic Department had a need to purchase a Mobile Television Production Unit capable of producing HD telecasts that met or exceeded requirements for an ESPN-level production. It would also serve as the production unit for home football in-stadium, game day production. The unit would be a cost efficient solution to provide local productions for multiple University of Louisville events to be aired live on ESPN3 or other outlets as part of the Atlantic Coast Conference agreement with ESPN. The unit would require a custom build from a reputable company that has produced similar production units in a mobile trailer, including high quality electronic components installed in a mobile solution. The custom built unit would take a minimum of three months to complete. Mr. Miller noted funding for this project would come from the general operating budget.

Mr. Butt made a motion, which Prof. Kemelgor seconded, to approve the

**The Athletic Director's recommendation that the ULAA Board approve a Capital Purchase for a Mobile Television Production Unit at an approximate cost of \$580,000.**

The motion passed.

VI. Action Item: Approval of Capital Purchase to Update Football Video Technology

Mr. Miller stated the existing technology needed an upgrade to utilize cloud-based capabilities for football staff and student athletes. Mr. Miller added the football staff wanted to expand the "Coach Solutions" software to give the staff and players a more streamlined work flow. Updated laptops would run the HD workflow quicker and more efficiently. Additionally, the expansion into the cloud would give coaches and players the ability to watch and evaluate game video remotely away from campus.


Dr. Staat made a motion, which Prof. Turner seconded, to approve the

**The Athletic Director's recommendation that the ULAA Board approves a Capital Purchase to update the video technology in Football with a total cost of \$392,360.**

The motion passed.

VII. Adjournment

Dr. Schikler made a motion, which Prof. Wise seconded, to adjourn the meeting at 1:59 p.m.

  
Assistant Secretary

**RECOMMENDATION THE BOARD OF DIRECTORS OF THE  
UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.  
REGARDING THE 2014-15 OPERATING BUDGET**

**Finance & Budget Committee – June 9, 2014  
Board of Directors – June 9, 2014**

**RECOMMENDATION:**

**The Athletic Director recommends that the Board of Directors  
approve the 2014-15 Operating Budget for the University of Louisville Athletic Association,  
Inc. in the form attached.**

**Committee Action:**

Passed   X    
Did Not Pass       
Other             
Date           

**Board Action:**

Passed   X    
Did Not Pass       
Other             
Date           

*Katalin M. Smith*  
Assistant Secretary

*Katalin M. Smith*  
Assistant Secretary

# University of Louisville Athletic Association, Inc.

2014-2015  
OPERATING BUDGET

**L**OUISVILLE FIRST  
CARDS FOREVER™

**University of Louisville Athletic Association, Inc.**  
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**University of Louisville Athletic Association, Inc.**  
**Athletic Department Goals**

**Goals for 2014-15:**

- (1) To maintain the highest level of ethics in the University's athletic program;
- (2) To exceed the national average graduation rates for all of the Division I institutions in the NCAA;
- (3) To provide quality intercollegiate athletic programs for student-athletes, students, alumni, faculty-staff and the public;
- (4) To continue implementing a comprehensive gender equity plan to assure the University's on-going compliance with Title IX. To meet annually with our Title IX consultant to assure compliance;
- (5) To continue monitoring the recommendations from the NCAA Steering Committee;
- (6) To continue marketing the Hickman Camp Fund as the Athletic Association's source of endowment for funding future athletic scholarships;
- (7) To continue funding model that allows all programs the opportunity to be successful in Conference and NCAA competition;
- (8) To continue monitoring the agreement with the Louisville Arena Authority that allows the University of Louisville to have priority dates for its Men's and Women's Basketball Programs; to continue marketing the arena in 2014 for Volleyball opportunities;
- (9) To begin competition in the ACC on July 1, 2014 and implement new policies/procedures. To have all programs prepared to be funded in same manner as other ACC members.
- (10) To continue fund raising efforts for construction on: (a) the new Soccer Stadium; (b) the expansion of Ulmer Stadium; (c) a new Academic Center; and (d) the expansion of the Schnellenberger Complex. To continue to evaluate feasibility of expanding Papa John's Cardinal Stadium.
- (11) To maintain a financial plan with balanced annual budgets, expenditures sufficient to support athletic programs at the national level, and to continue to pursue new sources of revenue;
- (12) To continue to grow merchandising and licensing program to become much more visible, both nationally and internationally; and
- (13) To continue to work with the University's administration to assure the Athletic Department is an integral and vital part of the University.



**University of Louisville Athletic Association, Inc.  
Planning Process**

**Financial Planning Goals**

Comprehensive budget  
Balanced budget  
Maintain commitment to financial plan as presented to Board of Trustees  
in May 2002  
Maintain commitment to gender equity plan  
Maintain programmatic goals for each sport  
Continue to integrate the athletic budget with the University budget

**Financial Planning Process**

Maintain budget initiatives implemented in 2001-02  
Revenue projections were used as planning base  
Developed expenditure projections with coaches and administrators  
Reviewed budget with senior staff to develop strategy  
Reviewed budget with University administration  
Final Review with Athletic Director

**Budget Assumptions**

**Source of Funds:**

- (1) Football ticket sales were projected at 2013 actual sales with adjustments made for ticket pricing and fee dedicated for stadium expansion. Current budget has six (6) games. Actual sales on east side for loge, suites and upper deck have been reflected in projections.
- (2) Conference television revenue for football and basketball is based on estimates received from ACC.
- (3) Revenue from concessions and parking for football and basketball is based on the number of events projected using 2013-14 actual revenue as basis for estimates.
- (4) Revenue for football and basketball guarantees represent contracted amounts.
- (5) Basketball ticket sales are projected as follows:
  - (a) Two Exhibition games at \$41 each
  - (b) Four exempt events at \$41 (Global Sports Showcase)
  - (c) Men's Basketball Hall of Fame @ \$46
  - (d) Nine conference games @ \$41
  - (e) Five non-conference games @ \$41 each.All MBB ticket pricing include a \$2 per ticket facility fee due to the Arena.
- (6) Annual donations reflect estimates based on continued growth of the Cardinal Athletic Fund due to new opportunities in the Arena.
- (7) Revenue from marketing continues to increase based on success of Nelligan Sports Marketing and University Licensing Program (now Learfield Sports).
- (8) Earnings from athletic accounts held in UL Foundation have been decreased during this transition year in changing conferences.

**University of Louisville Athletic Association, Inc.  
Planning Process**

**Application of Funds:**

- (1) Followed University salary proposal with exception of contractual obligations.
- (2) Fringe benefits were estimated at 30% of gross salary.
- (3) Coaches and managers were asked to prepare "zero-based budgets". Proposed expenses were reviewed in detail. Allocation of funds to various budgets was based on revenue availability. Recurring expense allocations were based on availability of recurring revenue.
- (4) Financial Aid for student athletes increased \$352K. This includes increased funding for tuition and housing.
- (5) New NCAA Legislation on meals is still being reviewed by Compliance with ACC.
- (6) Summer School/5th Year Aid was increased \$200,000.
- (7) Recruiting expenses are estimated at 917K, an increase of 47k
- (8) Team travel expenses for in-season travel are estimated at \$4.7M an increase of \$389K.
- (9) Academic counseling budget is estimated at \$1.921M, an increase of \$187K. The increase in 2013-14 was \$35K. academic counseling has increased \$905K over a 5 year period. This increase covers additional tutors, counselors and two research specialists. This office supports all teams, their support staff, and all spirit groups including the athletic pep band.
- (10) A \$2 per ticket "Facility Fee" for Papa Johns Cardinal Stadium will continue to be implemented. Estimated receipts total \$420K.
- (11) Game management expenses are estimated at \$2.8M, an increase of \$245K. This reflects additional cost associated with new soccer stadium.
- (12) Arena related expenses are estimated at \$4.324M, an increase of \$138K..
- (13) Debt Service has increased allocation from operating budget totaling \$4.210M.

**University of Louisville Athletic Association, Inc.**  
**Proposed Source of Funds Budget**  
**2014-15**

<u>Source</u>	<u>Original</u> <u>Budget</u> <u>2013-14</u>	<u>Adjusted</u> <u>Budget</u> <u>2013-14</u>	<u>Estimated</u> <u>2013-14</u> <u>(as of April 30)</u>	<u>Proposed</u> <u>Budget</u> <u>2014-15</u>
<b>Football Program</b>				
Ticket Sales	\$ 12,560,000	\$ 12,560,000	\$ 12,586,052	\$ 12,600,000
Facility Fee	490,000	490,000	490,000	420,000
Guarantees	900,000	300,000	300,318	300,000
Media	500,000	500,000	480,000	10,000,000
Concessions/Parking	1,440,000	1,440,000	1,582,566	1,400,000
Suite Rentals	2,250,000	2,250,000	2,343,338	2,300,000
Loge Seats	1,050,000	1,050,000	1,066,599	1,050,000
Other	3,900,000	3,900,000	3,300,000	3,200,000
<b>Total</b>	<b>\$ 23,090,000</b>	<b>\$ 22,490,000</b>	<b>\$ 22,148,873</b>	<b>\$ 31,270,000</b>
<b>Papa Johns Cardinal Stadium (Non UL Football)</b>				
Rental	\$ 90,000	\$ 90,000	\$ 52,103	\$ 90,000
Concessions/Parking	310,000	310,000	339,017	310,000
<b>Total</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ 391,120</b>	<b>\$ 400,000</b>
<b>Men's Basketball</b>				
Ticket Sales	\$ 13,647,000	\$ 13,647,000	\$ 12,668,691	\$ 13,600,000
Arena Facility Fee	760,000	760,000	683,368	750,000
Guarantees	60,000	60,000		225,000
Media	1,250,000	1,250,000	1,020,000	2,400,000
Concessions/Parking	700,000	700,000	1,053,670	700,000
Suite Rentals	5,600,000	5,600,000	5,996,263	5,800,000
Other	2,300,000	2,300,000	2,100,000	2,340,000
<b>Total</b>	<b>\$ 24,317,000</b>	<b>\$ 24,317,000</b>	<b>\$ 23,521,992</b>	<b>\$ 25,815,000</b>
Annual Seat Donations	\$ 17,170,000	\$ 17,170,000	\$ 17,426,395	\$ 17,000,000
NCAA/Conference Distribution	1,250,000	1,250,000	1,571,794	1,000,000
Marketing	4,715,000	4,715,000	5,642,078	5,045,000
Earnings from UL Foundation	1,000,000	1,000,000	-	500,000
Student Fee	1,700,000	1,700,000	1,801,000	1,700,000
Transfer from prior year	-	-	800,000	-
Gender Equity Commitment	1,323,000	1,323,000	1,323,000	1,320,000
Allocation from prior years	-	-	-	-
Other	2,255,000	2,255,000	2,398,075	2,200,000 (1)
<b>Total</b>	<b>\$ 77,220,000</b>	<b>\$ 76,620,000</b>	<b>\$ 77,024,327</b>	<b>\$ 86,250,000</b>
<b>(1) Other :</b>				
Natatorium	100,000	100,000	133,163	100,000
Tennis Center	210,000	210,000	179,256	210,000
Retention Commitment	830,000	830,000	830,000	830,000
Other Revenue from Other Sports	1,115,000	1,115,000	1,255,656	1,060,000
<b>Total Other Revenue</b>	<b>\$ 2,255,000</b>	<b>\$ 2,255,000</b>	<b>\$ 2,398,075</b>	<b>\$ 2,200,000</b>

Revenue distribution from AAC is still pending.  
(FB and MBB Media and NCAA Credits for MBB)

**University of Louisville Athletic Association, Inc.**  
**Proposed Application of Funds Budget**  
**2014-15**

<u>Source</u>	<u>Original Budget 2013-14</u>	<u>Adjusted Budget 2013-14</u>	<u>Estimated 2013-14 (as of April 30)</u>	<u>Proposed Budget 2014-15</u>
Football Program	\$ 15,087,850	14,783,612	14,597,452	\$ 14,928,947
Papa Johns Cardinal Stadium	1,827,063	1,831,063	1,871,490	1,860,211
Basketball Program	7,461,597	7,476,597	7,407,134	8,311,802
Other Varsity Sports	19,974,930	20,258,456	19,400,021	20,670,943
Administration	3,958,989	4,896,871	4,830,956	4,224,954
Marketing and Development	3,714,215	2,824,395	2,694,589	4,040,461
Support Services	6,988,542	8,243,078	8,208,913	7,771,184
Spirit Groups	314,934	352,769	330,158	362,398
Game Management/ Facilities Operations	2,524,933	2,671,318	2,627,597	2,769,903
Arena Related Expenses (MBB)	4,186,000	4,266,165	4,276,699	4,324,100
Debt Service from Operations	3,208,000	2,560,000	743,788	7,418,000
Other Expenses	6,522,947	6,484,126	5,896,555	7,017,097
Contingency	<u>1,450,000</u>	<u>67,190</u>	<u>-</u>	<u>2,550,000</u>
<b>Total Operating Expenditures</b>	<b>\$ 77,220,000</b>	<b>\$ 76,715,640</b>	<b>\$ 72,885,352</b>	<b>\$ 86,250,000</b>
<b>June 30 Encumbrances</b>	<b>-</b>	<b>(95,640)</b>	<b>-</b>	<b>-</b>
<b>2012-13 Income Adj</b>	<b>-</b>	<b>600,000</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b><u>\$ 77,220,000</u></b>	<b><u>\$ 77,220,000</u></b>	<b><u>\$ 72,885,352</u></b>	<b><u>\$ 86,250,000</u></b>

**University of Louisville Athletic Association, Inc.**  
**Proposed Expenditure Budget**  
**2014-15**

	<u>Salaries &amp; Wages</u>	<u>Fringe Benefits</u>	<u>Total Personal Service</u>	<u>Operating Expenses</u>	<u>Proposed Budget 2014-15</u>	<u>Original Budget 2013-14</u>	<u>Increase (Decrease)</u>
<b>Football Program</b>	<b>6,019,304</b>	<b>1,179,642</b>	<b>7,198,946</b>	<b>7,730,000</b>	<b>14,928,947</b>	<b>15,087,850</b>	<b>(158,903)</b>
<b>Papa Johns Cardinal Stadium:</b>							
Stadium Operations	224,773	66,314	291,087	918,424	1,209,511	1,115,663	93,848
Stadium Expansion Mktg	0	0	0	420,000	420,000	490,000	(70,000)
Non-Football Variable Expenses	0	0	0	0	0	0	0
	0	0	0	230,700	230,700	221,400	9,300
<b>Total Stadium</b>	<b>224,773</b>	<b>66,314</b>	<b>291,087</b>	<b>1,569,124</b>	<b>1,860,211</b>	<b>1,827,063</b>	<b>33,148</b>
<b>Basketball Program</b>	<b>3,792,100</b>	<b>630,702</b>	<b>4,422,802</b>	<b>3,889,000</b>	<b>8,311,802</b>	<b>7,461,597</b>	<b>850,205</b>
<b>Other Varsity Sports:</b>							
Men's Baseball	976,718	293,015	1,269,734	942,699	2,212,433	2,035,541	176,892
Men's Golf	184,527	55,358	239,885	305,384	545,269	520,286	24,983
Men's Tennis	109,498	32,849	142,347	313,627	455,974	450,225	5,749
Men's Track/CC	214,989	64,497	279,486	620,365	899,851	924,344	(24,493)
Men's Swimming	215,862	64,759	280,621	525,779	806,399	752,469	53,930
Men's Soccer	413,800	124,140	537,940	610,669	1,148,609	1,180,969	(32,360)
Women's Basketball	1,615,723	384,717	2,000,440	1,901,107	3,901,547	3,803,998	97,549
Women's Volleyball	332,460	99,738	432,198	948,278	1,380,476	1,323,595	56,881
Women's Tennis	94,056	28,217	122,273	436,492	558,765	520,620	38,145
Women's Track/CC	214,989	64,497	279,486	894,757	1,174,243	1,202,508	(28,265)
Women's Field Hockey	221,000	66,300	287,300	697,571	984,871	935,183	49,688
Women's Swimming	215,862	64,759	280,621	706,656	987,277	978,446	8,831
Women's Soccer	303,861	91,158	395,019	868,407	1,263,426	1,240,234	23,192
Women's Golf	161,000	48,300	209,300	382,341	591,641	576,821	14,820
Women's Softball	310,082	93,025	403,107	758,298	1,161,405	1,119,995	41,410
Women's Rowing	221,640	66,492	288,132	1,163,776	1,451,908	1,344,620	107,288
Women's Lacrosse	251,000	75,300	326,300	820,549	1,146,849	1,065,076	81,773
<b>Total Other Varsity Sports</b>	<b>6,057,067</b>	<b>1,717,120</b>	<b>7,774,188</b>	<b>12,896,755</b>	<b>20,670,943</b>	<b>19,974,930</b>	<b>696,013</b>
<b>Administration:</b>							
Central Administration	1,196,872	156,156	1,353,028	1,500,000	2,853,028	2,559,498	293,530
Varsity Sports Administration	200,681	56,405	257,086	45,000	302,086	275,273	26,813
SWA	310,670	93,201	403,871	59,300	463,171	545,237	(82,066)
Compliance	418,976	125,693	544,669	62,000	606,669	578,981	27,688
<b>Total Administration</b>	<b>2,127,199</b>	<b>431,455</b>	<b>2,558,654</b>	<b>1,666,300</b>	<b>4,224,954</b>	<b>3,958,989</b>	<b>265,965</b>
<b>Marketing and Development:</b>							
Promotions and Marketing	356,480	101,580	458,060	543,200	1,001,260	811,560	189,700
Creative Services	443,948	133,184	577,132	68,800	645,932	642,402	3,530
Outbound Ticket Sales	216,084	64,825	280,909	24,000	304,909	267,328	37,581
Cardinal Athletic Fund	441,723	132,517	574,240	536,700	1,110,940	1,171,531	(60,591)
NSM Tickets	0	0	0	400,000	400,000	400,000	0
Licensing/Merchandising	133,400	40,020	173,420	39,000	212,420	116,394	96,026
Special Events	0	0	0	323,000	323,000	263,000	60,000
Capital Projects Marketing	0	0	0	42,000	42,000	42,000	0
<b>Total Marketing and Development</b>	<b>1,591,635</b>	<b>472,126</b>	<b>2,063,761</b>	<b>1,976,700</b>	<b>4,040,461</b>	<b>3,714,215</b>	<b>326,246</b>

**University of Louisville Athletic Association, Inc.**  
**Proposed Expenditure Budget**  
**2014-15**

	<u>Salaries &amp; Wages</u>	<u>Fringe Benefits</u>	<u>Total Personal Service</u>	<u>Operating Expenses</u>	<u>Proposed Budget 2014-15</u>	<u>Original Budget 2013-14</u>	<u>Increase (Decrease)</u>
<b>Support Services:</b>							
Ticket Office	321,617	92,909	414,526	259,700	674,226	638,702	35,524
Business Office	460,000	135,318	595,318	163,000	758,318	671,239	87,079
Sports Medicine	1,150,259	343,039	1,493,298	462,500	1,955,798	1,754,325	201,473
Medical for s/a's	0	0	0	470,000	470,000	385,000	85,000
Equipment Services	263,360	67,250	330,610	66,000	396,610	370,373	26,237
Strength and Conditioning	417,535	124,143	541,678	124,700	666,378	599,463	66,915
Sports Nutrition	52,200	15,660	67,860	24,000	91,860	113,600	(21,740)
Football Video Operations	0	0	0	24,000	24,000	24,000	0
FB Strength and Conditioning	0	0	0	33,600	33,600	33,600	0
Sports Information	502,187	148,421	650,607	127,900	778,507	663,272	115,235
Counseling	1,245,775	343,113	1,588,888	333,000	1,921,888	1,734,968	186,920
<b>Total Support Services</b>	<b>4,412,931</b>	<b>1,269,853</b>	<b>5,682,784</b>	<b>2,088,400</b>	<b>7,771,184</b>	<b>6,988,542</b>	<b>782,642</b>
<b>Spirit Groups:</b>							
Cheer & Dance	102,651	30,795	133,446	90,000	223,446	178,374	45,072
Pep Band	53,040	15,912	68,952	70,000	138,952	136,560	2,392
<b>Total Spirit Groups</b>	<b>155,691</b>	<b>46,707</b>	<b>202,398</b>	<b>160,000</b>	<b>362,398</b>	<b>314,934</b>	<b>47,464</b>
<b>Game Management/ Facilities Operations:</b>							
Facilities	208,500	62,550	271,050	307,300	578,350	558,935	19,415
Groundskeeping	303,600	79,346	382,947	256,600	639,547	535,575	103,972
Technology/Infrastructure	130,000	39,000	169,000	408,400	577,400	518,032	59,368
Basketball Game Mgmt.	91,500	7,000	98,500	277,000	375,500	375,500	(0)
Football Game Mgmt.	112,500	8,606	121,106	228,000	349,106	411,891	(62,785)
Other Sports Game Mgmt.	0	0	0	250,000	250,000	125,000	125,000
<b>Total Game Management/ Facilities Operations</b>	<b>846,100</b>	<b>196,502</b>	<b>1,042,603</b>	<b>1,727,300</b>	<b>2,769,903</b>	<b>2,524,933</b>	<b>244,970</b>
<b>Arena Related Expenses (Men's Basketball):</b>							
Rental for Men's Basketball				1,285,000	1,285,000	1,245,000	40,000
Facility Fee				760,000	760,000	760,000	0
License Fee for Suites				725,000	725,000	725,000	0
License Fee for Club Seats				722,800	722,800	665,000	57,800
License Fee for Loge Seats				81,000	81,000	86,000	(5,000)
License Fee for Terrace Club				125,000	125,000	130,000	(5,000)
Parking for Premium Seats				625,300	625,300	575,000	50,300
<b>Total Arena Related Expens</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,324,100</b>	<b>4,324,100</b>	<b>4,186,000</b>	<b>138,100</b>
<b>Debt Service:</b>							
PJCS Bond Debt Service				6,010,000	6,010,000	2,000,000	4,010,000
Series A Debt Service				1,000,000	1,000,000	800,000	200,000
Republic Bank-Scoreboard System				408,000	408,000	408,000	0
<b>Total Debt Service</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,418,000</b>	<b>7,418,000</b>	<b>3,208,000</b>	<b>4,210,000</b>

**University of Louisville Athletic Association, Inc.  
Proposed Expenditure Budget  
2014-15**

	<u>Salaries &amp; Wages</u>	<u>Fringe Benefits</u>	<u>Total Personal Service</u>	<u>Operating Expenses</u>	<u>Proposed Budget 2014-15</u>	<u>Original Budget 2013-14</u>	<u>Increase (Decrease)</u>
<b>Other Expenses:</b>							
Athletic Insurance	0	0	0	700,000	700,000	490,000	210,000
Radio-TV Productions	3,450,000	235,000	3,685,000	0	3,685,000	4,239,000	(554,000)
Awards and Championships	0	0	0	40,000	40,000	40,000	0
Transportation	25,000	1,913	26,913	65,000	91,913	65,224	26,689
Summer/5th Year Aid	0	0	0	900,000	900,000	700,000	200,000
Tennis Center	181,058	37,555	218,613	50,000	268,613	252,122	16,491
Natorium	226,120	43,251	269,372	94,200	363,572	350,944	12,628
Baseball Stadium	0	0	0	113,000	113,000	113,000	0
Golf Facility	0	0	0	500,000	500,000	15,000	485,000
Boathouse Facility	0	0	0	15,000	15,000	15,000	0
Cardinal Park Operating	0	0	0	30,000	30,000	30,000	0
Life Skills	75,000	22,500	97,500	42,000	139,500	107,157	32,343
Internal Fees (credit card)	0	0	0	80,000	80,000	15,000	65,000
Varsity Sports Rental	0	0	0	60,500	60,500	60,500	0
YUM Center	0	0	0	30,000	30,000	30,000	0
<b>Total Other Expenses</b>	<b><u>3,957,179</u></b>	<b><u>340,219</u></b>	<b><u>4,297,397</u></b>	<b><u>2,719,700</u></b>	<b><u>7,017,097</u></b>	<b><u>6,522,947</u></b>	<b><u>494,150</u></b>
<b>Contingency</b>				<b>2,550,000</b>	<b>2,550,000</b>	<b>1,450,000</b>	<b>1,100,000</b>
<b>TOTAL EXPENDITURES</b>	<b><u>29,183,980</u></b>	<b><u>6,350,640</u></b>	<b><u>35,534,620</u></b>	<b><u>50,715,380</u></b>	<b><u>86,250,000</u></b>	<b><u>77,220,000</u></b>	<b><u>9,030,000</u></b>

**University of Louisville Athletic Association, Inc.**  
**Proposed Debt Service Schedule**  
**2014-15**

<b>Outstanding Debt</b>	<b>Funded from Pledges/ Cash</b>	<b>Funded from Student Fees</b>	<b>Funded from Operations</b>	<b>Total</b>
(1) Louisville Metro Govt. Revenue Bonds, Series 2008A (PJCS Expansion) and Series 2008B (PJCS Refinancing).  In July 2008, Louisville Metro Government issued \$39.8M of Mortgage Revenue Bonds 2008 Series A and \$43.5M of Mortgage Revenue Bonds 2008 Series B at a combined net interest cost of 4.2%. The bonds were used to retire existing debt on PJCS and the balance to be used for the expansion of PJCS. Series A has debt service for 10 years. Series B has a debt service for 20 years. Balance outstanding as of June 30, 2012 is \$65,760,000	\$ 1,879,100	\$ -	\$ 6,430,000	\$ 8,309,100
(2) Series 2012A (Originally Series O CEBRB) (Natatorium)  Original debt (November 2003) was \$11.235M. Payments will be made for 20 years from pledge receipts and student fees dedicated to the Natatorium. Balance outstanding as of June 30, 2012 is \$4,132,128.	67,725	550,000		617,725
(3) Series 2007A (Patterson Stadium, Trager FB Practice Facility, YUM, Center, Marshall Center and Musselman Center)  Original debt (Nov 2007) for the above projects totaled \$20.985M. Payments will be made for 20 years from pledge receipts and supplemented with Operating Revenue beginning in 2013-14. Balance outstanding as of June 30, 2012 is \$18,427,104	560,864	-	1,000,000	1,560,864
(4) Cardinal Park loan to UL Foundation  Original \$8.5M unsecured, non-interest bearing loan from the UL Foundation. Payments of \$500K have been adjusted to reflect payment schedule for next 3 years. Balance outstanding as of June 30, 2012 is \$394,327.	199,839	-		199,839
(5) PNC Construction Loan  Original \$15M secured loan to gap finance construction costs for Patterson Baseball Stadium, Ulmer Softball Stadium, Lynn Soccer Stadium and the sounds system upgrade at PJCS	1,579,000			1,579,000
(6) Republic Bank  Cost to acquire new video/scoreboard and ribbon boards for Papa John's Cardinal Stadium (PJCS); new message board for along Central Avenue (South of PJCS); and new video/scoreboard for track stadium totaled \$2.4M.			408,000	408,000
	-	-	-	-
<b>TOTAL</b>	<b>\$ 4,286,528</b>	<b>\$ 550,000</b>	<b>\$ 7,838,000</b>	<b>\$ 12,674,528</b>



**University of Louisville Athletic Association, Inc.**  
**Financial Aid Analysis**  
**2014-15**

<u>Sport</u>	<u>2013-14 Budget</u>	<u>% Increase</u>	<u>2014-15 Budget</u>
Football	\$ 2,889,961	1.36%	\$ 2,929,227
Men's Basketball	\$ 441,994	1.36%	\$ 447,999
Baseball	\$ 397,795	1.36%	\$ 403,200
Men's Golf	\$ 152,998	1.36%	\$ 155,077
Men's Tennis	\$ 152,998	1.36%	\$ 155,077
Men's Track/CC	\$ 428,394	1.36%	\$ 434,215
Men's Swimming	\$ 336,595	1.36%	\$ 341,169
Men's Soccer	\$ 336,595	1.36%	\$ 341,169
Women's Basketball	\$ 509,993	1.36%	\$ 516,922
Volleyball	\$ 407,994	1.36%	\$ 413,538
Women's Tennis	\$ 271,997	1.36%	\$ 275,692
Women's Track/CC	\$ 611,992	1.36%	\$ 620,307
Field Hockey	\$ 407,995	1.36%	\$ 413,538
Women's Swimming	\$ 475,993	1.36%	\$ 482,461
Women's Soccer	\$ 475,994	1.36%	\$ 482,461
Women's Golf	\$ 203,997	1.36%	\$ 206,769
Softball	\$ 407,995	1.36%	\$ 413,538
Rowing	\$ 679,990	1.36%	\$ 689,230
Lacrosse	\$ 407,995	1.36%	\$ 413,538
<b>Total Sports</b>	<b>\$ 9,999,265</b>	<b>1.36%</b>	<b>\$ 10,135,127</b>
<b>Summer &amp; 5th Year Aid</b>	<b>700,000</b>	<b>28.57%</b>	<b>900,000</b>
<b>Grand Total</b>	<b>\$ 10,699,265</b>	<b>3.14%</b>	<b>\$ 11,035,127</b>
<b>Full In-State Scholarship</b>	\$ 20,090	2.25%	\$ 20,543
<b>Full Out-of-State Scholarship</b>	\$ 34,000	1.36%	\$ 34,461

*Please note that the above figures do not include figures for scholarships for graduate assistants, trainers and managers.*

## Sources of Increase in Budget

<b>2013-14 Adjusted Budget</b>	<b>\$76,620,000</b>
Debt Service	\$4,210,000
Salaries/Fringe Benefits	\$1,109,000
Contingency	\$1,100,000
Increase benefits to 30% from 28%	\$551,900
Financial Aid	\$547,300
Capital Improvements	\$500,000
Team Travel	\$389,800
Equipment	\$367,000
Game Management/Arena Related	\$313,100
Insurance	\$210,000
Summer Aid	\$200,000
Other	\$131,900
<b>2014-15 Proposed Budget</b>	<b>\$86,250,000</b>

**RECOMMENDATION TO THE BOARD OF DIRECTORS OF THE  
UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION REGARDING  
MEN’S BASKETBALL TICKET PRICES**

**Finance and Budget Committee – June 9, 2014  
Board of Directors – June 9, 2014**

**Recommendation:**

The Athletic Director recommends:

That the ULAA Board approve for Men’s Basketball the following season ticket package:

Planning for the 2014-15 Budget considered several revenue alternatives. Men’s Basketball will host the following for 2014-15:

- a. Two Exhibition Games.
- b. Four exempt game events.
- c. Nine conference Games.
- d. One game designated the Minardi Classic.
- e. One game designated for “Basketball Hall of Fame”
- f. Four non-conference games.

	<u>2012-13</u> 18 games	<u>2013-14</u> 20 games	<u>2014-15</u> 21 games
Exhibition Games	\$74 (2 @ \$37)	\$78 (2 @ \$39)	\$82 (2 @ \$41)
Regular Games	\$481 (13 @ \$37)	\$585 (15 @ \$39)	\$533 (13 @ \$41)
Minardi Classic	\$37 (1 @ \$37)	\$40 (1 @ \$40)	\$41 (1 @ \$41)
NCAA Exempt Event	\$37 (1 @ \$37)	\$78 (2 @ \$39)	\$164 (4@ \$41)
Premium Game	\$40 (1 @ \$40)	N/A	\$46 (1 @ \$46)
Total	\$669	\$781	\$866

Please note that the above pricing for 2014-15 includes a \$2 per ticket Arena Facility Fee. This money is passed directly to the Arena. (Net ticket revenue to University is \$822 per package for 2014-15.)

The 2014-15 ULAA Annual Budget has been developed with the above rates projected in the Proposed Revenue Budget.

Committee Action:

Passed:   X    
Did Not Pass:         
Other:       

Katalin M. Smith

Board Action:

Passed:   X    
Did Not Pass:         
Other:       

Katalin M. Smith

**RECOMMENDATION TO THE BOARD OF DIRECTORS OF THE UNIVERSITY OF  
LOUISVILLE ATHLETIC ASSOCIATION REGARDING A CAPITAL PURCHASE  
FOR A MOBILE TELEVISION PRODUCTION UNIT**

**Finance and Budget Committee – June 9, 2014  
Board of Directors – June 9, 2014**

**Recommendation:**

The Athletic Director Recommends:

That the ULAA Board approve a Capital Purchase for a Mobile Television Production Unit at an approximate cost of \$580,000.

Committee Action:

Passed:   X    
Did Not Pass: \_\_\_\_\_  
Other: \_\_\_\_\_

Kathleen M. Smith  
Assistant Secretary

Board Action:

Passed:   X    
Did Not Pass: \_\_\_\_\_  
Other: \_\_\_\_\_

Kathleen M. Smith  
Assistant Secretary

**RECOMMENDATION TO THE BOARD OF DIRECTORS OF THE UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION REGARDING A CAPITAL PURCHASE TO UPDATE VIDEO TECHNOLOGY IN FOOTBALL**

**Finance and Budget Committee – June 9, 2014  
Board of Directors – June 9, 2014**

**Recommendation:**

The Athletic Director Recommends:

That the ULAA Board approves a Capital Purchase to update our video technology in Football.  
Total cost for upgrade is \$392,360.

Committee Action:

Passed:   X    
Did Not Pass: \_\_\_\_\_  
Other: \_\_\_\_\_

Kathleen M. Smith  
Assistant Secretary

Board Action:

Passed:   X    
Did Not Pass: \_\_\_\_\_  
Other: \_\_\_\_\_

Kathleen M. Smith  
Assistant Secretary