

Minutes of the Regular Meeting of the Board of Directors of the
University of Louisville Athletic Association, Inc.

In Open Session

Members of the Board of Directors of the University of Louisville Athletic Association, Inc.
Board of Directors met at 1:59 p.m. on June 9, 2014, in the Jefferson Room, Grawemeyer Hall,
Belknap Campus with members present and absent as follows:

Present: Dr. James Ramsey, Chair
Mr. William Armstrong
Mr. Ron Butt
Ms. Pamela Feldhoff
Mr. Ed Glasscock
Ms. Monali Haldankar
Prof. Brenda Hart
Prof. Mary Hums
Mr. Keith Inman
Mr. Harry Jones
Mr. Thomas Jurich
Prof. Bruce Kemelgor
Mr. Jim King
Ms. Rebecca Maddock
Ms. Cynthia McClellan
Dr. Christopher Peters
Mr. Sam Rechter
Dr. Kenneth Schikler
Dr. Robert Staat
Prof. Karen Turner
Prof. Elaine Wise

Absent: Mr. Chip Blankenship
Mr. Junior Bridgeman
Dr. Carolyn Callahan
Prof. Carmine Esposito
Mr. Bruce Henderson
Ms. Angelika Uremovich
Dr. Shirley Willihnganz

From the
University: 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

I. Convene Meeting

Having determined a quorum present, Chair Ramsey called the meeting to order at 1:59 p.m.

Chair Ramsey welcomed new members Monali Haldankar and Rebecca Maddock. Ms. Haldankar and Ms. Maddock thanked the board for the honor and opportunity to serve.

II. Consent Agenda

Chair Ramsey read the consent agenda items.

- **Approval of Minutes, February 21, 2014**
From the Finance & Budget Committee
 - **Approval of the 2014-15 Operating Budget**
 - **Approval of Men's Basketball Season Ticket Prices, 2014-15**
 - **Approval of Capital Purchase for Mobile Television Production Unit**
 - **Approval of Capital Purchase to Update FB Video Technology**

Hearing no opposition, Dr. Peters made a motion, which Dr. Staat seconded, to approve the consent agenda. The motion passed.

III. Report of the Personnel Committee

Chair Staat reported the Personnel, Finance & Budget, and Academic Performance Committees praised Mr. Jurich and his team for their dedicated and sterling performance during the year. Below are highlights of Mr. Jurich's review:

- Continued support of Compliance staff and to maintain it exemplary record
 - Provided consistent and comprehensive NCAA rules education to coaches on a monthly basis, and to other athletic staff on a regular schedule to ensure each staff member has the necessary working knowledge to maintain compliance with NCAA rules
 - Continued to work closely with coaches and staff in establishing policies and procedures to address the NCAA deregulation in areas such as student-athlete benefits and awards, medical expenses, meals, and academic support
- Continued support of academic services unit to work toward ongoing improvement and excellence in the classroom
 - 44% (269/599) student-athletes maintained a 3.25 cumulative GPA or better
 - 2013-2014 All Teams Semester and Annual Grade Point Average: Fall Semester 3.104; Spring Semester 3.116
 - 2013-2014 School Year 3.116

- 62%- 371 student-athletes obtained a 3.0 GPA or higher for the Fall 2013
- 64%- 340 student-athletes obtained a 3.0 GPA or higher for the Spring 2014
- Continued collaboration between Athletics and the campus community to support the President's "One University."
- Continued cultivation of community business relationships while transitioning to the ACC
- Completion of construction of the Dr. Mark and Cyndi Lynn Soccer Stadium and Ulmer Softball Stadium expansion
- Continued fund-raising and development for academic center

Chairman Ramsey thanked Dr. Staat for his report.

IV. Report from the Committee on Academic Performance

Prof. Wise, Chair of the Committee on Academic Performance, briefed the Board on the end of year questionnaire, which, along with exit interviews, every student athlete is asked to complete. Prof. Hums and Prof. Hart developed the questionnaire which aids in academic advising, improves the excused absence policy, and assists compliance operations.

Prof. Wise commented on the warm reception from the leadership of the ACC, and thanked members of the Committee on Academic Performance for their support.

Chair Ramsey thanked Prof. Wise for her report.

V. Report of the Athletic Director

The Athletic Director updated the board on what he considered to be the program's most successful year in his 17-year tenure as AD. Highlights included: a national championship appearance by the Softball team; baseball winning 50 games and appearing at the College World Series; Lacrosse winning the Big East Conference Championship; the Rowing Team's first NCAA appearance, finishing 17th in the country; the Men's Basketball team advancing to the Sweet 16; and Women's Basketball advancing to the Elite 8 of the NCAA Basketball Championship.

AD Jurich concluded his report by thanking his leadership team and the board for their support as UofL transitions from the American Athletic Conference to the Atlantic Coast Conference, a move that positions the University of Louisville Athletics for the future, both academically and athletically.

Chair Ramsey thanked the Athletic Director for his report.

Mr. Armstrong departed the meeting at 2:15 p.m.

VI. Report of the Chairman

Chair Ramsey showed a presentation highlighting the major events of the University since

the Athletic Association met in February. Highlights included: new military partnerships and grants to support the Soldier Athlete in Training program; the reverse degree program with JCTC; surpassing the Capital Campaign goal of \$1 billion; the path of the state biennial budget; the announcement of GE partnership for FirstBuild, the beta site for a microfabrication lab; May commencement and the honorary degree conferred to Mr. Sam Swope; a \$5.5 million gift from the Helmsley Charitable Trust for a plant-based drug program in Owensboro; and the continued search for a Senior Vice President for Finance and Administration/Chief Operating Officer, and a Vice President for Strategy and General Counsel.

Chair Ramsey also reminded the board of the economic growth projects underway on the Belknap campus: the Belknap Engineering and Applied Sciences Research park; the Floyd Street safety project; the Ulmer Softball Stadium expansion; The Grove on 4th street; University Corridor; Lynn Soccer Stadium; The Village at Cardinal and Brook; Cardinal Housing on Crittenden Drive; the Speed Museum Expansion; and the Athletic Academic Center. The Chair presented photos and diagrams of each project.

Chair Ramsey then fielded questions from the Board.

The Chair noted the terms of Brenda Hart, Carrie Mattingly, and Angelika Uremovich's had ended. In recognition of their service on the board, he read the following resolution and asked the board's approval:

WHEREAS, Brenda Hart, Carrie Mattingly, and Angelika Uremovich have served the University of Louisville Athletic Association with distinction as members of the ULAA Board of Directors, and provided substantial service to the Board during their terms;

WHEREAS, in their capacity as members of the Board, they have served faithfully and well, including their assignments to the Executive, Academic Performance, Personnel, and Finance and Budget Committees;

WHEREAS, they represented the position of their constituencies with balance and conviction at all times, and served as advocates for the welfare of university students;

WHEREAS, they provided invaluable advice to the President, shared their insight and experience with the University of Louisville leadership team, and always gave their loyal support to the University thereby winning the deep respect of their fellow Board members;

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the University of Louisville Athletic Association, Inc. hereby expresses its sincere admiration and deep appreciation to Carrie Mattingly and Angelika Uremovich for their many contributions and able performance as Directors of the University of Louisville Athletic Association, Inc; and

BE IT FURTHER RESOLVED, that a personalized copy of this Resolution, appropriately signed, be presented to Ms. Hart, Ms. Mattingly, and Ms. Uremovich.

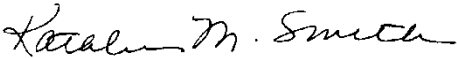
Mr. Rechter made a motion, which Mr. Glasscock seconded, to approve the resolution.

The motion passed.

VII. Adjournment

Prof. Wise made a motion, which Prof. Kemelgor seconded, to adjourn the meeting at 2:44 p.m.

Approved by:


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:

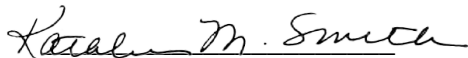
**The Athletic Director recommends that the Board of Directors
approve the 2014-15 Operating Budget for the University of Louisville Athletic Association,
Inc. in the form attached.**

Committee Action:

Passed X
Did Not Pass
Other
Date

Board Action:

Passed X
Did Not Pass
Other
Date


Assistant Secretary


Assistant Secretary

University of Louisville Athletic Association, Inc.

2014-2015
OPERATING BUDGET

LOUISVILLE FIRST
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University of Louisville Athletic Association, Inc.
Table of Contents

<u>Subject</u>	<u>Page Number</u>
Athletic Department Goals	1
Financial Planning Goals	2
Financial Planning Process	2
Budget Assumptions	2-3
Proposed Source of Funds	4
Proposed Application of Funds	5
Proposed Expenditure Budget	6-8
Proposed Debt Service Schedule	9
Financial Aid Analysis	10
Sources of Increase in Budget	11

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>
Football Program				
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
Total	\$ 23,090,000	\$ 22,490,000	\$ 22,148,873	\$ 31,270,000
Papa Johns Cardinal Stadium (Non UL Football)				
Rental	\$ 90,000	\$ 90,000	\$ 52,103	\$ 90,000
Concessions/Parking	310,000	310,000	339,017	310,000
Total	\$ 400,000	\$ 400,000	\$ 391,120	\$ 400,000
Men's Basketball				
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
Total	\$ 24,317,000	\$ 24,317,000	\$ 23,521,992	\$ 25,815,000
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)
Total	\$ 77,220,000	\$ 76,620,000	\$ 77,024,327	\$ 86,250,000
(1) Other :				
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
Total Other Revenue	\$ 2,255,000	\$ 2,255,000	\$ 2,398,075	\$ 2,200,000

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>
Total Operating Expenditures	\$ 77,220,000	\$ 76,715,640	\$ 72,885,352	\$ 86,250,000
June 30 Encumbrances	-	(95,640)	-	-
2012-13 Income Adj	-	600,000	-	-
Grand Total	<u>\$ 77,220,000</u>	<u>\$ 77,220,000</u>	<u>\$ 72,885,352</u>	<u>\$ 86,250,000</u>

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

	<u>Salaries & 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>
Football Program	6,019,304	1,179,642	7,198,946	7,730,000	14,928,947	15,087,850	(158,903)
Papa Johns Cardinal Stadium:							
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
Total Stadium	224,773	66,314	291,087	1,569,124	1,860,211	1,827,063	33,148
Basketball Program	3,792,100	630,702	4,422,802	3,889,000	8,311,802	7,461,597	850,205
Other Varsity Sports:							
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
Total Other Varsity Sports	6,057,067	1,717,120	7,774,188	12,896,755	20,670,943	19,974,930	696,013
Administration:							
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
Total Administration	2,127,199	431,455	2,558,654	1,666,300	4,224,954	3,958,989	265,965
Marketing and Development:							
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
Total Marketing and Development	1,591,635	472,126	2,063,761	1,976,700	4,040,461	3,714,215	326,246

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

	<u>Salaries & 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>
Support Services:							
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
Total Support Services	4,412,931	1,269,853	5,682,784	2,088,400	7,771,184	6,988,542	782,642
Spirit Groups:							
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
Total Spirit Groups	155,691	46,707	202,398	160,000	362,398	314,934	47,464
Game Management/ Facilities Operations:							
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
Total Game Management/ Facilities Operations	846,100	196,502	1,042,603	1,727,300	2,769,903	2,524,933	244,970
Arena Related Expenses (Men's Basketball):							
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
Total Arena Related Expens	0	0	0	4,324,100	4,324,100	4,186,000	138,100
Debt Service:							
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
Total Debt Service	0	0	0	7,418,000	7,418,000	3,208,000	4,210,000

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

	<u>Salaries & 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>
Other Expenses:							
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
Total Other Expenses	<u>3,957,179</u>	<u>340,219</u>	<u>4,297,397</u>	<u>2,719,700</u>	<u>7,017,097</u>	<u>6,522,947</u>	<u>494,150</u>
Contingency				2,550,000	2,550,000	1,450,000	1,100,000
TOTAL EXPENDITURES	<u>29,183,980</u>	<u>6,350,640</u>	<u>35,534,620</u>	<u>50,715,380</u>	<u>86,250,000</u>	<u>77,220,000</u>	<u>9,030,000</u>

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

Outstanding Debt	Funded from Pledges/ Cash	Funded from Student Fees	Funded from Operations	Total
(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 CEHRB) (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
	-	-	-	-
TOTAL	\$ 4,286,528	\$ 550,000	\$ 7,838,000	\$ 12,674,528

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
Total Sports	\$ 9,999,265	1.36%	\$ 10,135,127
Summer & 5th Year Aid	700,000	28.57%	900,000
Grand Total	\$ 10,699,265	3.14%	\$ 11,035,127
Full In-State Scholarship	\$ 20,090	2.25%	\$ 20,543
Full Out-of-State Scholarship	\$ 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

2013-14 Adjusted Budget	\$76,620,000
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
2014-15 Proposed Budget	\$86,250,000

**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