



Game-Day Expenses							--	--	--	1,350,000	1,390,500	1,432,215	1,475,181	1,519,437
Sales Commissions							--	--	--	203,770	203,770	210,000	216,300	222,460
Capital Reserve							--	--	--	1,250,000	1,287,500	1,326,125	1,365,909	1,406,886
Total Stadium Operating Expenses							\$0	\$0	\$0	\$5,303,770	\$5,456,770	\$5,620,340	\$5,789,390	\$5,962,783
<b>Non-Stadium Operating Expenses (1)</b>														
Compensation & Benefits (2)	18,605,688	19,842,938	24,923,878	21,928,751	23,824,002	27,346,000	28,166,380	29,011,371	29,881,713	30,778,164	31,701,509	32,652,554	33,632,131	34,641,095
Athletic Student Aid (10)	6,328,125	6,877,910	6,547,091	7,315,427	8,857,013	5,600,000	5,600,000	5,600,000	5,600,000	5,600,000	5,600,000	5,600,000	5,600,000	5,600,000
Game Guarantees (2)	1,142,009	1,262,967	1,696,780	396,794	1,126,590	1,500,000	1,545,000	1,591,350	1,639,091	1,688,263	1,738,911	1,791,078	1,844,811	1,900,155
Team Travel & Recruiting (2)(11)	5,642,317	5,550,217	4,979,449	3,499,884	6,741,615	6,995,000	7,204,850	7,420,996	7,643,625	7,872,934	8,109,122	8,352,396	8,602,968	8,861,057
Sports Equipment, Uniforms and Supplies (2)	2,140,521	4,060,953	3,721,779	3,414,822	3,729,547	3,650,000	3,759,500	3,872,285	3,988,454	4,108,107	4,231,350	4,358,291	4,489,040	4,623,711
Game Expenses (12)	1,656,872	2,376,031	1,730,705	2,605,243	2,645,203	3,585,000	3,692,550	3,803,327	3,917,426	4,034,949	4,155,998	4,280,677	4,409,098	4,541,371
Fundraising, Marketing and Promotion (2)	1,203,863	747,745	1,284,054	187,141	866,659	1,150,000	1,184,500	1,220,035	1,256,636	1,294,335	1,333,165	1,373,160	1,414,355	1,456,786
Other Athletic Facilities Leases and Rental Fees (2)	2,434,472	2,272,992	2,959,187	421,418	2,872,736	2,531,787	2,607,741	2,685,973	2,766,552	2,849,549	2,935,035	3,023,086	3,113,779	3,207,192
Direct Overhead and Administrative Expenses (13)	2,672,606	3,009,984	3,059,531	4,733,481	3,864,941	2,800,000	2,884,000	2,970,520	3,059,636	3,151,425	3,245,967	3,343,346	3,443,647	3,546,956
Medical Expenses and Medical Insurance (13)	821,813	789,488	945,881	1,198,145	882,787	1,000,000	1,030,000	1,060,900	1,092,727	1,125,509	1,159,274	1,194,052	1,229,874	1,266,770
Student Athlete Meals (non travel)	768,003	1,047,162	565,599	836,411	1,332,710	1,500,000	1,545,000	1,591,350	1,639,091	1,688,263	1,738,911	1,791,078	1,844,811	1,900,155
Bowl Expenses (including coaches comp/bonuses)	827,838	508,675	0	0	0	600,000	0	0	0	0	0	0	0	0
Other Operating Expenses (2)	3,727,211	2,624,567	2,971,851	1,880,320	3,006,697	4,280,000	4,408,400	4,540,652	4,676,872	4,817,178	4,961,693	5,110,544	5,263,860	5,421,776
Total Non-Stadium Operating Expenses	47,971,338	50,971,629	55,385,785	48,417,837	59,750,500	62,537,787	63,627,921	65,368,758	67,161,821	69,008,676	70,910,936	72,870,264	74,888,372	76,967,023
<b>Total Operating Expenses</b>	<b>\$47,971,338</b>	<b>\$50,971,629</b>	<b>\$55,385,785</b>	<b>\$48,417,837</b>	<b>\$59,750,500</b>	<b>\$62,537,787</b>	<b>\$63,627,921</b>	<b>\$65,368,758</b>	<b>\$67,161,821</b>	<b>\$74,312,446</b>	<b>\$76,367,706</b>	<b>\$78,490,604</b>	<b>\$80,677,762</b>	<b>\$82,929,806</b>
Add: Interest Income	180,662	304,597	306,221	304,261	369,937	340,000	350,200	360,706	371,527	382,673	394,153	405,978	418,157	430,702
<b>Net Income (Loss) Before Debt Service</b>	<b>(\$2,415,225)</b>	<b>\$4,074,140</b>	<b>\$4,145,328</b>	<b>\$11,557,393</b>	<b>(\$3,639,670)</b>	<b>\$2,938,705</b>	<b>\$20,288,381</b>	<b>\$20,369,400</b>	<b>\$20,456,232</b>	<b>\$28,178,397</b>	<b>\$28,278,153</b>	<b>\$28,385,089</b>	<b>\$28,499,730</b>	<b>\$27,310,474</b>
<b>Total Annual Debt Service</b>			<b>\$2,635,296</b>	<b>\$2,514,351</b>	<b>\$2,538,097</b>	<b>\$2,598,213</b>	<b>\$15,606,447</b>	<b>\$15,668,769</b>	<b>\$15,735,563</b>	<b>\$21,675,690</b>	<b>\$21,752,426</b>	<b>\$21,834,684</b>	<b>\$21,922,869</b>	<b>\$21,008,057</b>
<b>Debt Service Coverage - Total Athletics Department</b>	<b>-0.89x</b>	<b>1.57x</b>	<b>1.57x</b>	<b>4.60x</b>	<b>-1.43x</b>	<b>1.13x</b>	<b>1.30x</b>	<b>1.30x</b>	<b>1.30x</b>	<b>1.30x</b>	<b>1.30x</b>	<b>1.30x</b>	<b>1.30x</b>	<b>1.30x</b>

#### Footnotes

(1) USF Athletics Department Pledged Revenues and Expenses for fiscal year 2022-23 are based on the FY 2023 Budget provided by USF Athletics. For the purpose of the projections for FY 2024 and beyond, revenues and expenses, other than student fees (3) and student aid (10) each increase annually by 3%. Stadium Operating Expenses reflect the estimates in the SL study pro forma.

(2) USF Athletics Department Revenues were adversely affected by the COVID-19 pandemic in FY 2020-21; however, the Athletics Department received \$9.1 million of federal stimulus funds to offset lost revenues. Simultaneously, the Athletics Department implemented cost-cutting measures to reduce expenses. Ticket Sales rebounded in FY22 and exhibit a spike from pent-up demand as well as increased Conference Distributions. Other Operating Expenses reflects miscellaneous expenses and is disclosed in the audited financial statement but not defined.

(3) Student athletic fees of approximately \$2.5 million related to FY19-20 were received in FY20-21. For the purpose of the projections, there are no assumed increases in fees to students.

(4) Revenue for media rights (\$200k) and royalties & licensing (\$800k) related to FY21-22 were received in FY22-23 due to the restructuring of the media rights agreement.

(5) USF pledged a comprehensive set of Stadium Revenues (part of overall 'Athletic Pledged Revenues') to secure the Debt, including, but not limited to, ticket sales, concession and merchandise revenues, club and event rentals, and advertising revenues. To that extent, the CSL study projected first year total Stadium Revenues of over \$20.5M, including \$7.6M in ticket sales, with roughly 3% annual growth. For the purpose of the above projections, CSL's projected revenues are utilized.

(6) The Series 2003A Certificates of Participation were issued in 2003 to finance the construction of the Lee Roy Selmon Athletics Center. The Certificates were privately placed in 2011, most recently at a fixed interest rate of 3.82%, and matured October 2022.

(7) The Series 2018A and 2018B Notes were initially issued in 2010 to finance various Athletics District facilities. The Notes are privately placed (Trust), currently bear a fixed interest rate of 2.25%, and mature in 2030 and 2031, respectively. The combined amount outstanding as of January 1, 2023 was \$12.7 million.

(8) Projected debt service for the Proposed Debt is calculated based on the assumed par amount of \$200 million, financed over a period of 20 years at an assumed taxable fixed interest rate of 5.50%. The projected debt service also assumes interest only payment during the first three years (construction period). The proceeds of the Debt, plus cash equity contributions of \$140 million, will be used to finance the costs of construction of the Project and related cost of issuance.

(9) *Direct Institutional Support* and *Additional Direct Institutional Support* represent funds received by the Athletics Department from the USF Foundation. These are permanent contributions, not loans subject to repayment. The *Direct Institutional Support* represents funding from USF Foundation sufficient to achieve operational breakeven (i.e., \$0 net income). The *Additional Direct Institutional Support* represents USF's internal policy for the Foundation to contribute capital to Athletics in an amount sufficient to achieve a self-imposed 1.30x debt service coverage, thereby effectively providing a cushion/hedge for unplanned fluctuations in future Project revenues and expenses.

(10) For the purpose of the projections, there are no assumed increases in student aid; however, student aid may increase with increasing contributions or other sources of funds.

(11) Team travel and recruiting expenses increased in FY21-22 due to the increased cost of travel.

(12) Game expenses increased in FY 2021-22 due to increased costs for staffing, license fees and other costs, as well as costs associated with an additional spring game.

(13) In FY20-21, direct overhead and administrative expenses increased due to several renovation projects completed during the year. Also, medical expenses and insurance increased due to COVID-related expenditures for PPE, testing, and isolation/quarantine needs.

(15) Stadium Operating Expenses are based on estimates from the CSL feasibility study, which includes a 3% annual escalator factor.

(16) The Athletics Department is allowed to carry forward all available cash at the end of each fiscal year to the next fiscal year. Deficits are funded by the Department to the extent there is sufficient cash available. In FY 2017-18 and in FY 2021-22, the Athletics Department utilized available cash to offset the operating deficit.