

**University Athletic Association, Inc.**  
**Five Year Historical and Projected Debt Service Coverage**

	Historical					Projected				
	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<b>Operating Revenues:</b>										
Football	\$ 44,414,059	\$ 49,625,829	\$ 54,121,437	\$ 61,345,356	\$ 63,951,571	\$ 63,624,267	\$ 64,035,173	\$ 67,585,815	\$ 72,606,940	\$ 79,386,438
Men's basketball	5,963,584	7,963,107	8,769,101	9,174,653	9,464,520	8,040,245	8,232,165	8,232,165	8,332,165	8,332,165
Other sports	655,146	695,637	699,028	781,123	1,017,493	497,208	497,458	497,458	497,458	497,458
Auxiliaries	11,609,096	15,703,451	13,351,788	8,389,740	4,279,326	3,620,700	4,070,700	4,070,700	4,070,700	4,070,700
Camps	2,176,014	2,898,878	3,128,399	2,986,470	2,724,587	2,527,285	2,600,000	2,600,000	2,600,000	2,600,000
Royalties and sponsorships	4,897,295	6,059,262	5,968,901	12,017,200	16,512,787	16,252,674	16,583,224	16,933,224	17,173,224	17,330,224
Other	2,431,431	4,476,153	3,872,665	4,150,531	4,037,816	3,483,600	3,487,604	3,612,518	3,743,637	3,881,268
Student fees	2,501,292	2,570,113	2,578,306	2,524,419	2,507,391	2,505,250	2,505,250	2,505,250	2,505,250	2,505,250
Total operating revenues	<u>74,647,917</u>	<u>89,992,430</u>	<u>92,489,625</u>	<u>101,369,492</u>	<u>104,495,491</u>	<u>100,551,229</u>	<u>102,011,574</u>	<u>106,037,130</u>	<u>111,529,374</u>	<u>118,603,503</u>
<b>Operating Expenses:</b>										
Football team expenses	12,037,217	15,755,848	14,910,758	18,294,113	19,707,442	6,677,296	7,211,480	7,788,399	8,411,471	9,084,389
Men's basketball team expenses	4,787,528	6,764,064	6,678,283	6,947,863	6,866,541	1,690,784	1,826,046	1,972,129	2,129,899	2,300,291
Other sports team expenses	10,144,190	12,339,851	11,761,299	12,517,599	13,555,225	6,320,070	6,825,675	7,371,731	7,961,469	8,598,384
Scholarships	6,913,881	7,298,944	7,705,076	8,649,186	9,625,012	10,479,329	11,317,675	12,223,089	13,200,937	14,257,012
Support services	8,259,190	10,356,950	10,356,950	10,763,034	11,146,085	4,231,748	4,570,288	4,935,910	5,330,784	5,757,248
General & administrative	17,629,280	18,635,714	20,457,295	23,809,329	21,691,416	10,256,195	11,076,690	11,962,825	12,919,852	13,953,443
Auxiliaries	4,413,983	4,147,597	4,831,730	3,748,645	3,034,628	2,886,429	3,117,344	3,365,594	3,633,704	3,923,263
Salaries						35,694,573	38,550,139	41,634,151	44,964,883	48,562,074
Camps	2,144,743	2,901,608	3,093,684	2,960,950	2,676,184	2,527,285	2,600,000	2,600,000	2,600,000	2,600,000
Total operating expenses	<u>66,330,012</u>	<u>78,796,436</u>	<u>79,795,075</u>	<u>87,690,719</u>	<u>88,302,533</u>	<u>80,763,709</u>	<u>87,095,337</u>	<u>93,853,828</u>	<u>101,152,999</u>	<u>109,036,104</u>
<b>Operating Income (loss)</b>	<u>8,317,905</u>	<u>11,195,994</u>	<u>12,694,550</u>	<u>13,678,773</u>	<u>16,192,958</u>	<u>19,787,520</u>	<u>14,916,237</u>	<u>12,183,302</u>	<u>10,376,375</u>	<u>9,567,399</u>
<b>Nonoperating Revenues (Expenses):</b>										
Investment income, net	1,829,105	3,447,900	4,466,422	1,795,966	1,411,071	505,000	505,000	505,000	505,000	505,000
Contribution to UFF	-	(714,454)	(116,378)	(85,300)	(78,715)	-	-	-	-	-
Other nonoperating revenues	1,454,066	1,685,957	1,852,881	1,831,343	1,903,510	1,840,462	1,953,360	2,024,638	2,167,402	2,422,696
Net nonoperating revenues (expenses)	<u>3,283,171</u>	<u>4,419,403</u>	<u>6,202,925</u>	<u>3,542,009</u>	<u>3,235,866</u>	<u>2,345,462</u>	<u>2,458,360</u>	<u>2,529,638</u>	<u>2,672,402</u>	<u>2,927,696</u>
Capital contributions	3,646,120	8,631,358	10,338,828	3,312,259	3,588,562	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
<b>Amount Available for Debt Service</b>	<u>\$ 15,247,196</u>	<u>\$ 24,246,755</u>	<u>\$ 29,236,303</u>	<u>\$ 20,533,041</u>	<u>\$ 23,017,386</u>	<u>\$ 25,632,982</u>	<u>\$ 20,874,597</u>	<u>\$ 18,212,940</u>	<u>\$ 16,548,777</u>	<u>\$ 15,995,095</u>
<b>Debt Service (est. at 6% for 30 years for new debt issue):</b>										
Current Debt	1,495,000.00	765,000.00	735,000.00	3,610,000.00	5,890,000.00	3,070,000.00	3,055,000.00	3,245,000.00	3,335,000.00	2,555,000.00
Proposed additional bond issue	2,583,111.00	2,961,858.00	2,937,858.00	2,825,197.00	2,709,450.00	2,717,410.00	2,549,329.00	2,371,167.00	2,367,785.00	2,376,338.00
							675,000.00	1,616,250.00	1,571,250.00	1,526,250.00
	<u>\$ 4,078,111.00</u>	<u>\$ 3,726,858.00</u>	<u>\$ 3,672,858.00</u>	<u>\$ 6,435,197.00</u>	<u>\$ 8,599,450.00</u>	<u>\$ 5,787,410.00</u>	<u>\$ 6,279,329.00</u>	<u>\$ 7,232,417.00</u>	<u>\$ 7,274,035.00</u>	<u>\$ 6,457,588.00</u>
<b>Debt Service Coverage</b>	<u>3.74</u>	<u>6.51</u>	<u>7.96</u>	<u>3.19</u>	<u>2.68</u>	<u>4.43</u>	<u>3.32</u>	<u>2.52</u>	<u>2.28</u>	<u>2.48</u>
<b>Note - Maximum Debt Service occurs in 2013-2014.</b>										
<b>Maximum Debt Service Coverage</b>						<u>3.52</u>	<u>2.87</u>	<u>2.50</u>	<u>2.28</u>	<u>2.20</u>

**Assumptions:**

Football ticket prices increase every two years for all levels  
No increase in basketball tickets  
Conference revenues assumed flat  
Modest increases in SEC TV contract revenues per agreement.  
No increases in golf course revenues or concession rights and sponsorships  
2010-11 rates used for sportshop revenues and licensing revenues  
5% increase for all expenses except CI reserve and debt service