Let's

GO GATORS

University Athletic Association, Inc. Financial Statements 2022-2023

CONTENTS

Gators

VISION

BE THE MODEL collegiate athletics program, combining excellence and integrity in academics, athletics and fan engagement to elevate the UF brand.

Gators VALUES

TEAMWORK

- We promote cooperation by sharing information and working to understand each other's perspective.
- We display loyalty as we work together to create a successful experience for student-athletes, employees and fans.

PASSION

- We give everything we have for the people and the place we love.
- We love what we do and why we do it.

EXCELLENCE

- We strive to perform and achieve at the highest level in all that we do.
- We continuously improve and demand a higher level of performance than what is necessary.

INNOVATION

- We find creative solutions and embrace change.

RESPECT

- We treat each other with fairness, honesty, kindness and civility.

INTEGRITY

- We act in a fair, ethical and honest manner.
- We do things the right way every day.

JAMESMOORE

INDEPENDENT AUDITORS' REPORT

The Audit Committee,
The University Athletic Association, Inc.:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of The University Athletic Association, Inc. (the Association), a direct support organization and component unit (for accounting purposes only) of the University of Florida, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities and the aggregate remaining fund information of the Association as of and for the years ended June 30, 2023 and 2022, and the changes in its financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Association's 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.

Auditor's 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 auditor's 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, as listed in the table of contents, 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 auditing standards generally accepted in the United States of America, 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 audit 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2023, on our consideration of the Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Association’s internal control over financial reporting and compliance.

James Moore & Co., P.L.

Gainesville, Florida
September 21, 2023

Gators

TEAMWORK

For 39 consecutive years Florida achieved top-10 finishes in national all-sports standings. Florida is the only program to be among the top 10 in each all-sports ranking since 1983-84. Eighty-five Gators collected a total of 207 All-America honors in 2022-23. Six Gator teams won 2023 Southeastern Conference team titles. Florida's 261 Southeastern Conference team titles all-time leads the league.

Gators PASSION

Management's Discussion & Analysis:

INTRODUCTION

The University Athletic Association, Inc. (The Association), a not-for-profit corporation, is a direct support organization of the University of Florida (UF or University). The Association exists to advance UF's teaching, research and service missions through the intercollegiate athletics program.

The Association's strategic purpose focuses on providing a championship experience with integrity on and off the field for student-athletes and The Gator Nation. The Association's vision is to be the model collegiate athletics program, combining excellence and integrity in academics, athletics and fan engagement to elevate the UF brand. The Association recognizes its responsibility to UF to operate the Association in an efficient manner using sound business principles within an ethical decision-making process.

The success of the athletic program can be attributed to many factors: outstanding coaches and support staff, extremely talented student-athletes, a great academic institution, a strong recruiting base, University support, supportive alumni and friends and a commitment to each sport. The commitment to success in each sport, not just those with net revenue, brands the program as a national model for collegiate athletics. The Association's financial strength is also a key component in its success and is a major factor in maintaining or surpassing its current level of achievement in all the Association's endeavors. In 2023 revenues and expenses reflect a full return to normalized operations with a ramp up of both operating revenues and expenses across almost all categories when compared to 2022, while also lowering total liabilities by almost 9% and increasing net position.

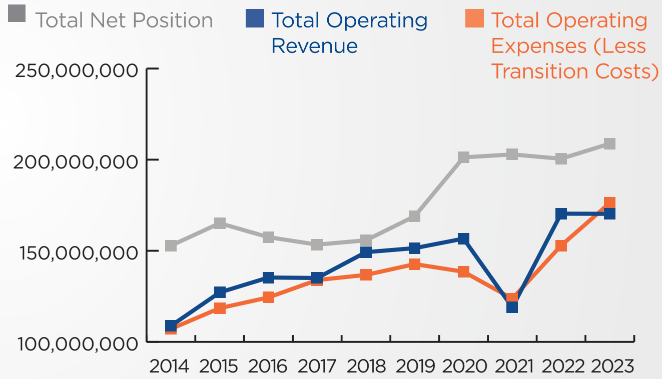
OVERVIEW OF THE FINANCIAL STATEMENTS AND FINANCIAL ANALYSIS

The Association is pleased to present its financial statements for the fiscal years ended June 30, 2023 and 2022. This discussion and analysis are a narrative explanation of the Association's financial condition and operating activities for these years. The overview presented to the right highlights the significant financial activities that occurred during the past two years and describes changes in financial activity from the prior year. Please read this overview in conjunction with the comparative summaries of net position and revenues, expenses and changes in net position and the Association's financial statements which begin on Page 24.

With support from reserves, The University and the Southeastern Conference (SEC), the Association continues to preserve its financial health. The cooperation among management, the Association Board of Directors and the University led to sound fiscal stewardship and efficient operations. Total net position is one indicator of the improvement or erosion of the Association's financial health. As displayed below and on the following page, over the last 10 years, the Association has managed to steadily grow its net position by 37% from $152.8 million in 2014 to $208.7 million in 2023. This growth in net position is evidence of the Association's effort to maintain self-sufficiency.

The Association has also experienced steady rates of growth in its operating revenues and expenses each of the last 10 years except for fiscal year 2021, due to the pandemic. As shown below and on the following page, operating revenues have grown by 56% from $109 million to $170.3 million and operating expenses have grown by 65% from $107 million to $176.4 million. In 2023 revenues remained at historic highs while expenses, primarily related to direct team, scholarship and personnel, were up year over year by 15%. To cover the additional expenses in 2023 compared to revenues, the Association realized long term reserve capital gains resulting from a deposit to reserves from additional SEC distributions.

10 Year History – Net Position, Revenues and Expenses
(in thousands)



USING THESE FINANCIAL STATEMENTS

This report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments and Statement No. 35, Basic Financial Statements – and Management's Discussion and Analysis – for Colleges and Universities.

There are three financial statements presented: The Statements of Net Position; the Statements of Revenues, Expenses and Changes in Net Position; and the Statements of Cash Flows. As well, the addition of the Statements of Fiduciary Net Position and Statements of Changes in Fiduciary Net Position for the University Athletic Association Employees' Money Purchase Pension Plan as required by GASB Statement No. 84, Fiduciary Activities.

Rankings

Gators in 2022-23 All-Sports Rankings

The Association proves, year after year, to be a national leader in total revenues generated by the athletics program. This financial success is only possible because of the overall academic and athletic success of the intercollegiate athletics program and the condition of its facilities. The success of the intercollegiate athletics program for the current year is evidenced by the information displayed on the following page.

NATIONAL – GATORS NO. 5

LEARFIELD SPORTS DIRECTORS' CUP

- A pair of NCAA titles led 12 top-10 team finishes as the University of Florida athletics program placed fifth in the 2022-23 LEARFIELD Directors' Cup. Florida's No. 5 standing is the program's 14th consecutive top-five national all-sports finish.
- Florida is the only program among top 10 in each of the last 39 national all-sports rankings.
- The LEARFIELD Directors' Cup, presented annually by the nation's athletics directors, recognizes the schools with the best overall sports performances in an academic year. The scoring system uses scores for finishes in NCAA Division I men's and women's basketball, baseball and women's volleyball championship action. Additionally, a program can receive points in up to 15 other sports toward its final score.

Total Revenues Ranking

NCAA Division 1 Institutions - Nationwide	**TOP 10** of 300+
Southeastern Conference	**TOP 5** of 14

LEARFIELD Sports Directors' Cup Standings 2022-23

Rank	School	Total
1.	Stanford	1412.00
2.	Texas	1370.00
3.	Ohio State	1170.75
4.	Virginia	1105.50
5.	**FLORIDA**	**1091.50**
6.	Tennessee	1078.75
7.	Georgia	1072.50
8.	North Carolina	1068.00
9.	LSU	1062.25
10.	Southern Cal	1048.00

Gators by the Numbers

2

Gators team celebrated a **pair of NCAA titles.** Men's golf won the program's **fifth NCAA title** and first since 2001. The men's outdoor track & field title is the program's **second consecutive and sixth overall.** Florida is one of two programs in the nation to win **at least one national title in each of the last 14 complete seasons.** Since 2008-09, Florida has won **26 national championships.**

14

Consecutive **top-five finishes** in Learfield Sports Directors' Cup standings. Only Florida and Stanford appear among the **top five of each of the last 14 national all-sports rankings.**

11

13 Gators claimed **11 NCAA individual event titles** in 2023. This is the second consecutive season Florida won **double-digit individual national titles.**

21

Consecutive complete seasons with Florida teams posting **10 or more top-10 national finishes.** In 2022-23, 12 UF teams placed among the **final top 10.**

CAPITAL ONE CUP

MEN – NO. 1 | WOMEN – NO. T14

- The University of Florida claimed its third men's athletic program Capital One Cup in 2023 while the Gator women tied for 14th overall. At the 2023 ESPYs, Florida received the Capital One Cup trophy and a $250,000 donation to fund student-athlete scholarships.
- In the 13-year history of the Capital One Cup, UF has four Capital One Cup wins: Men: 2010-11, 2011-12, 2022-23 | Women: 2013-14
- UF's men & women have been among the top-10 nine times each. UF and Stanford are the only schools to win both in the award's history. Three wins for each UF and Stanford lead the men's Capital One Cup all-time standings.

Florida's LEARFIELD Directors' Cup All-Sports Finishes Since 1983-84

Rank	Years
2nd	2013-14, 2012-13, 2011-12, 2009-10, 1997-98
3rd	2018-19, 2017-18, 2016-17, 2008-09, 2001-02, 1995-96
4th	2014-15, 2010-11, 1998-99, 1993-94, 1992-93, 1986-87, 1984-85
5th	**2022-23,** 2021-22, 2020-21, 2015-16, 2005-06, 1996-97, 1994-95, 1991-92, 1990-91, 1989-90, 1987-88, 1983-84
6th	2007-08, 2006-07, 2004-05, 2003-04
7th	2002-03, 2000-01, 1999-00
8th	1985-86
9th	1988-89

SOUTHEASTERN CONFERENCE

GATORS – NO. 2

Six SEC Titles for Florida in 2022-23

- Florida's six Southeastern Conference team titles led all league programs in 2022-23 – baseball, men's golf, gymnastics, men's and women's swimming & diving, and volleyball.
- Two Gator teams won 2023 conference tournament titles. Gymnastics swept SEC regular-season and championship meet titles in 2023. Lacrosse won its ninth consecutive conference tournament title and 10th overall after a come-from-behind victory against then No. 6 James Madison in the American Athletic Conference Tournament final.
- Florida was second in USA Today Network Southeastern Conference All-Sports overall, men's and women's standings. Tennessee took the SEC Overall, Men's and Women's All-Sports title. The Vols join Florida as the only programs to sweep the SEC All-Sports titles. Florida has 16 SEC All-Sports sweeps since the 1991-92 season.

2022-23 SEC All-Sports Overall Standings

Place	School	Total # of Part. teams	Points	Quotient
1	Tennessee	201	158	0.7861
2	**FLORIDA**	**209**	**141**	**0.6746**
3	Georgia	213	135	0.6315
4	Alabama	209	128	0.6101
5	Texas A&M	205	116	0.5634
6	LSU	209	118	0.5622
7	Arkansas	199	111	0.5578
8	Auburn	213	105	0.4906
9	South Carolina	205	99.5	0.4854
10	Kentucky	209	100	0.4785
11	Mississippi	179	81.5	0.4553
12	Vanderbilt	165	73.5	0.4455
13	Mississippi State	179	76.5	0.4274
14	Missouri	213	135	0.6315

39

Consecutive years of Florida top-10 finishes in national all-sports standings. Florida is the **only program among the top 10** in each all-sports ranking since 1983-84.

85

Gators collected **207 All-America honors** in 2022-23.

410

Earned Southeastern Conference **Academic Honor Roll accolades** in 2022-23 – an all-time program high.

261

Southeastern Conference team titles claimed by Florida leads the league. **Six Gator SEC titles** in 2022-23 led the league.

SUMMARY OF NET POSITION

The Statements of Net Position present the assets, liabilities and net position of the Association as of the end of the last two fiscal years. A Statement of Net Position is a point-in-time financial statement. Its purpose is to present to the readers of the financial statements a fiscal snapshot of the Association. The Statements of Net Position present end-of-the-year data concerning assets (what the Association owns and how much is owed to the Association by others), liabilities (what the Association owes to others and has collected from others before the service has been provided) and net position (assets minus liabilities). The statements are prepared using the economic resources measurement focus and the accrual basis of accounting, where revenues are recorded when they are earned and expenses are recognized when they are incurred.

From the data presented, readers of the Statements of Net Position are able to determine the assets available to continue the operations of the Association. They are able to determine how much the Association owes to vendors and lending institutions. Finally, the Statements of Net Position provide a picture of the net position and their availability for expenditure by the Association.

Statements of Net Position are divided into three major categories. Net investment in capital assets presents the Association's equity in property, plant and equipment. Restricted net position has constraints placed upon its use by independent donors. Unrestricted net position is available to the Association for any legal use.

Condensed Summary of Net Position *(thousands of dollars)*

	2023	2022	2023-2022 Increase (decrease)	2023-2022 Percent change	2021	2022-2021 Increase (decrease)	2022-2021 Percent change
Assets							
Current assets	$ 80,168	$ 105,690	$ (25,522)	(24%)	$ 140,742	$ (35,052)	(25%)
Capital assets, net of depreciation	309,880	296,324	13,556	5%	251,844	44,480	18%
Other assets	52,544	55,146	(2,602)	(5%)	66,009	(10,863)	(16%)
Total assets	442,592	457,160	(14,568)	(3%)	458,595	(1,435)	-
Liabilities							
Long-term debt outstanding	150,120	157,485	(7,365)	(5%)	164,260	(6,775)	(4%)
Other liabilities	83,816	99,163	(15,347)	(15%)	91,421	7,742	8%
Total liabilities	233,936	256,648	(22,712)	(9%)	255,681	967	-
Net Position							
Net investment in capital assets	159,816	138,924	20,892	15%	155,649	(16,725)	(11%)
Restricted	-	9,546	(9,546)	(100%)	18,061	(8,515)	(47%)
Unrestricted	48,840	52,042	(3,202)	(6%)	29,204	22,838	78%
Total net position	**$ 208,656**	**$ 200,512**	**$ 8,144**	**4%**	**$ 202,914**	**$ (2,402)**	**(1%)**

HIGHLIGHTS

The Association experienced a net decrease in total assets of $14.6 million in 2023. This included a decrease of $25.5 million in current assets due to spending down the Series 2021 bond and capital contributions which were awaiting construction of the Heavener Football Training Center. With the completion of the construction the Association saw an increase of $13.6 million in capital assets. Other assets declined by $2.6 million due to an allocation of long-term corporate investments for the purpose of operation.

Long-term and other liabilities saw a decrease of $22.7 million from both a reduction in payables and the pay down of long-term debt by $7.4 million with an increase to net position of $8.1 million driven primarily by the increase to capital assets with the completion of the $85 million Heavener Football Training Complex.

SUMMARY OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The Statements of Revenues, Expenses and Changes in Net Position present the revenues and expenses incurred during each year. Revenues and expenses are reported as operating and nonoperating. In general, operating revenues are received for providing goods and services to the Association's various customers and constituencies. Operating expenses are those expenses paid to acquire or produce goods and services provided in return for the operating revenues, and to carry out the mission of the Association. The utilization of long-lived assets, referred to as capital assets, is reflected in the financial statements as depreciation, which amortizes and reduces operating income, by the cost of an asset over its expected useful life.

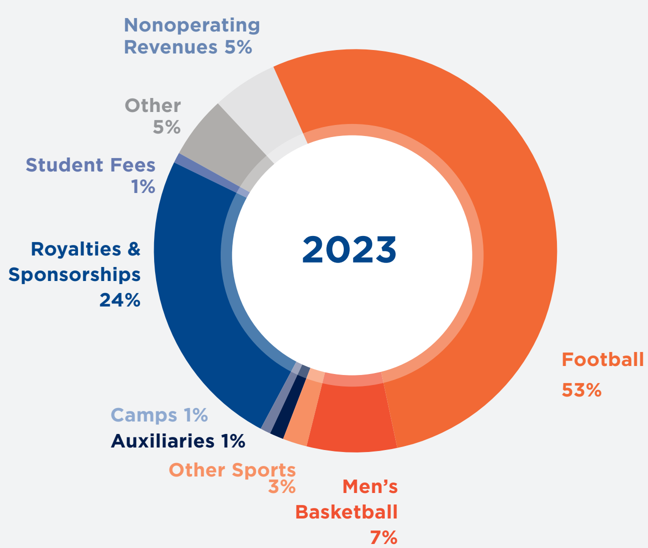
Nonoperating revenues (expenses) are revenues received for which goods or services are not provided, such as investment income and interest expense on capital asset related debt. Capital contributions are considered neither operating nor nonoperating and are reported after "Income before contributions."

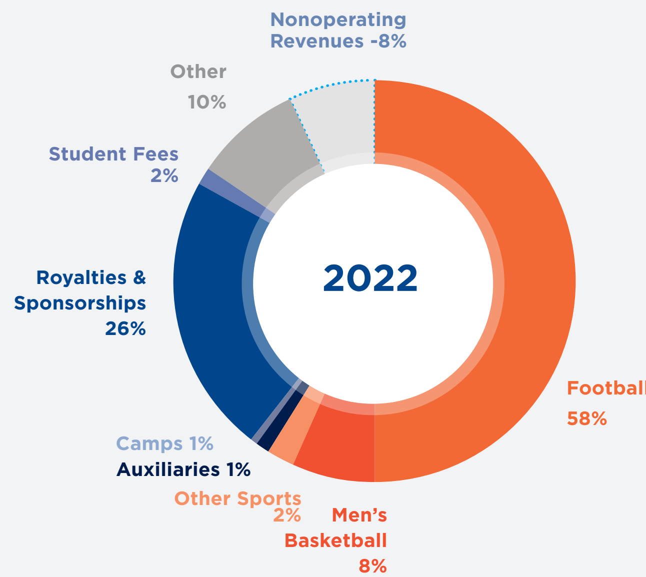
Changes in total net position as presented on the Statements of Net Position are based on the activity presented in the Statements of Revenues, Expenses and Changes in Net Position. The purpose of the Statements of Revenues, Expenses and Changes in Net Position is to present the operating and nonoperating revenues received by the Association and the operating and nonoperating expenses paid by the Association, and any other revenues, expenses, gains and losses received or spent by the Association.

Condensed Summary of Revenues, Expenses and Changes in Net Position *(thousands of dollars)*

	2023	2022	2023-2022 Increase (decrease)	2023-2022 Percent change	2021	2022 - 2021 Increase (decrease)	2022 - 2021 Percent change
Operating revenues							
Sales of goods and services	$ 42,273	$ 39,342	$ 2,931	7%	$ 12,786	$ 26,556	208%
SEC and NCAA distributions	51,756	52,579	(823)	(2%)	76,141	(23,562)	(31%)
Contributions	41,756	39,500	2,256	6%	8,038	31,462	391%
Royalties and sponsorships	25,299	23,288	2,011	9%	15,926	7,362	46%
Other	9,186	15,652	(6,466)	(41%)	6,063	9,589	158%
Total operating revenues	170,270	170,361	(91)	-	118,954	51,407	43%
Nonoperating revenues							
Investment income (loss), net	8,074	(12,534)	20,608	164%	12,117	(24,651)	(203%)
Total revenues	178,344	157,827	20,517	13%	131,071	26,756	20%
Operating expenses							
Salaries, wages and benefits	74,567	88,700	(14,133)	(16%)	58,101	30,599	53%
Direct team expenses	38,563	33,359	5,204	16%	21,982	11,377	52%
Scholarships and athlete support services	27,937	22,036	5,901	27%	18,736	3,300	18%
Administrative services and facilities	21,746	18,307	3,439	19%	14,767	3,540	24%
Camps and depreciation	13,558	11,174	2,384	21%	10,076	1,098	11%
Total operating expenses	176,371	173,576	2,795	2%	123,662	49,914	40%
Nonoperating expenses							
Interest on capital related debt	3,853	3,720	133	4%	3,255	465	14%
Loss on disposal of fixed assets	-	-	-	-	9,367	(9,367)	(100%)
Other nonoperating expenses	425	4,797	(4,372)	(91%)	1,227	3,570	291%
Total nonoperating expenses	4,278	8,517	(4,239)	(50%)	13,849	(5,332)	(39%)
Total expenses	180,649	182,093	(1,444)	(1%)	137,511	44,582	32%
Loss before capital contributions	(2,305)	(24,266)	21,961	91%	(6,440)	(17,826)	277%
Capital contributions from Gator Boosters, Inc. and others	10,449	21,865	(11,416)	(52%)	8,096	13,769	170%
Increase (decrease) in net position	8,144	(2,401)	10,545	439%	1,656	(4,057)	(245%)
Net position, beginning of year	200,512	202,913	(2,401)	(1%)	201,257	1,656	1%
Net position, end of year	**$ 208,656**	**$ 200,512**	**$ 8,144**	**4%**	**$ 202,913**	**$ (2,401)**	**(1%)**

REVENUES



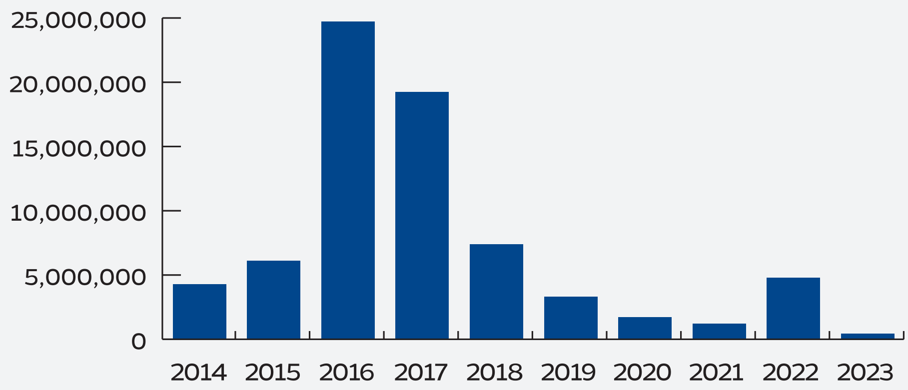


HIGHLIGHTS

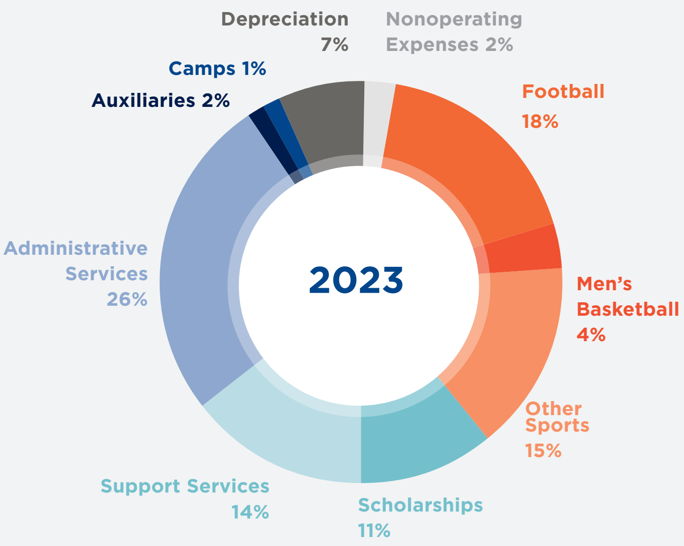
During fiscal year 2023, the Association experienced stabilization in operating revenues with an increase across all categories except other revenue when compared to 2022. Overall revenue was up 13% due to a $20.6 million swing in investment gains compared to 2022. Operating expenses were up year-over-year $2.8 million while non-operating was down $4.2 million. In 2022 the Association made changes to the head coaching positions for football, men's and women's basketball and experienced a significant one time expense of $20.7 million. In 2023 overall expenses were up in all categories. These increases to expenses included additional scholarship and athlete support services of $5.9 million as well as direct team expense increases of $5.2 million.

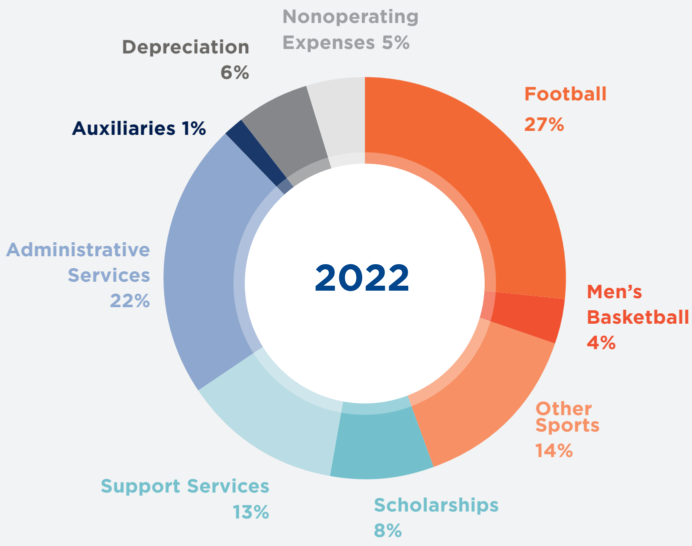
Gator Boosters, a related party entity and the fund-raising arm of the Association, realized capital gifts totaling $10.4 million in 2023. This was especially important in preserving the Association's net position.

ANNUAL CONTRIBUTIONS TO THE UNIVERSITY OF FLORIDA



EXPENSES





SUMMARY OF CASH FLOWS

The primary purpose of the Statements of Cash Flows is to provide relevant information about the Association's cash receipts and cash payments during the years shown. The statements classify cash receipts and cash payments as they result from operating, noncapital financing, capital and related financing, or investing activities. The first section, cash flows from operating activities, presents the cash effects of transactions and other events that enter into the determination of the Association's operating income. The second section, cash flows from noncapital financing activities, shows the cash received and spent for nonoperating, non-investing, and noncapital financing purposes and includes contributions to and from the University of Florida, the University of Florida Foundation and the State of Florida. The next section, cash flows from capital and related financing activities, provides information about cash used for the acquisition and construction of capital and related items and cash received from contributions specifically designated for capital purposes. The fourth section, cash flows from investing activities, details the purchases, proceeds and income received from investing activities. The final section reconciles the net cash provided by operating activities to the operating income reflected on the Statements of Revenues, Expenses and Changes in Net Position.

Condensed Summary of Cash Flows *(thousands of dollars)*

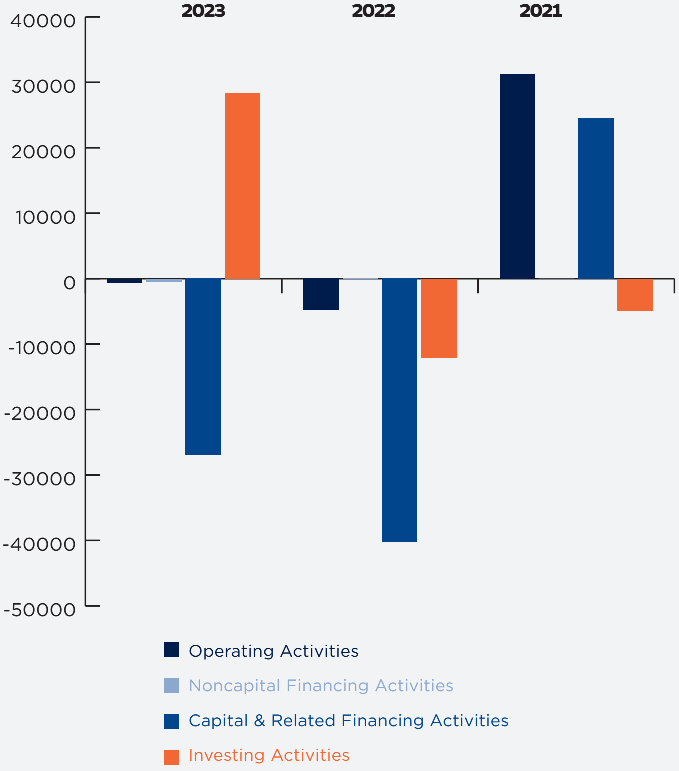
			2023 - 2022			2022 - 2021	
	2023	**2022**	**Increase (decrease)**	**Percent change**	**2021**	**Increase (decrease)**	**Percent change**
Cash flows from:							
Operating activities	$ (666)	$ (4,739)	$ 4,073	86%	$ 31,320	$ (36,059)	(115%)
Noncapital financing activities	(425)	(101)	(324)	(321%)	-	(101)	-
Capital & related financing activities	(26,922)	(40,214)	13,292	33%	24,463	(64,677)	(264%)
Investing activities	28,364	(12,043)	40,407	336%	(4,851)	(7,192)	148%
Net change in cash and cash equivalents	351	(57,097)	57,448	101%	50,932	(108,029)	(212%)
Cash and cash equivalents, beginning of year	4,415	61,512	(57,097)	(93%)	10,580	50,932	481%
Cash and cash equivalents, end of year	**$ 4,766**	**$ 4,415**	**$ 351**	**8%**	**$ 61,512**	**$ (57,097)**	**(93%)**

HIGHLIGHTS

Cash and cash equivalents were net positive $0.4 million. This is a result of the increase in investing activities and decrease in capital and related financing activities. Cash flows from investing activities will vary based on market conditions and the purchases or sales of securities. Cash flows from capital and related financing activities fluctuate based on capital projects and debt amortization schedules.

Net Cash Flow Activities

(in thousands)

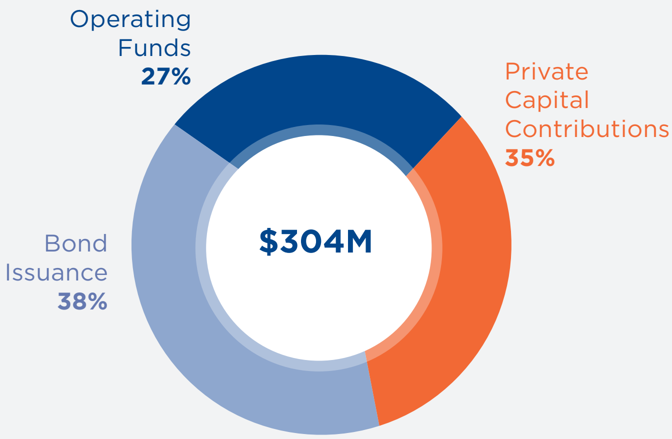


CAPITAL ASSET AND DEBT ADMINISTRATION

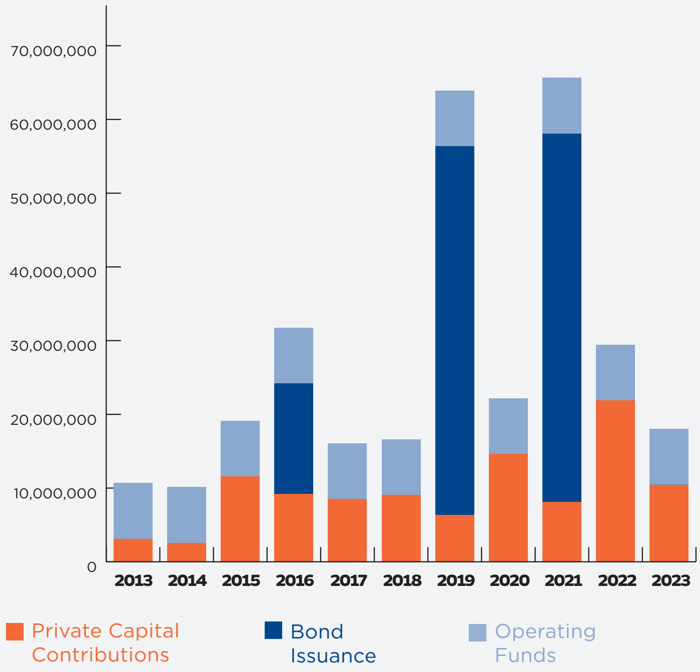
The Association is financially responsible for all major capital projects and improvements. The Association coordinates all capital projects under University construction guidelines and with University personnel, but has full financial responsibility for the cost of the projects.

The Association has a rich history of financing these projects through a combination of major capital gifts, Association operating funds, and tax-exempt debt. Operating funds do not include bond principal payments, which total $83 million from the years ended June 30, 2013 through 2023. See exhibits below:

Annual Capitalized Projects – 2013 through 2023



(in thousands)

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Gators

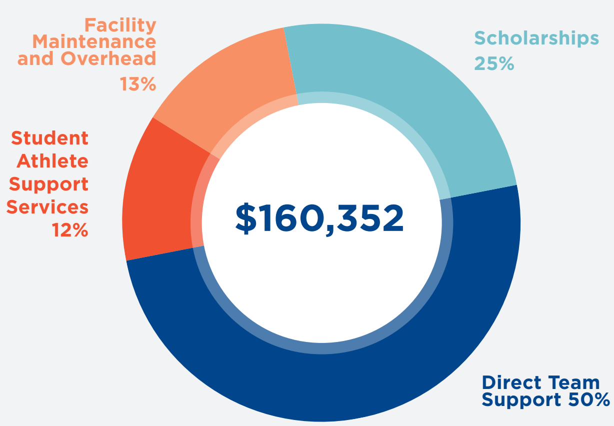
As of June 30, 2023, the Association had a total of $150 million in long-term outstanding debt. This debt was used to finance a number of different athletic facilities, including a 2001 expansion of the Ben Hill Griffin Stadium Skybox and press box complex, a 2007 expansion and renovation of the football offices and student-athlete strength and conditioning center, a 2011 expansion of the west concourse of Ben Hill Griffin Stadium, an expansion and renovation of the gymnastics practice facility and an expansion and renovation of the Charles R. and Nancy V. Perry Indoor Tennis Facility. Other projects included the 2016 construction of the Gary Condron Family Football Indoor Practice Facility and renovation and expansion of the Hawkins Center at Farrior Hall. The series 2018 bond funded the construction of the Condron Ballpark and renovation and expansion of the Katie Seashole Pressly Softball Stadium. The series 2021 bond for $50 million supported the expansion and renovation of the Soccer and Lacrosse support facility and the Heavener Football Training Center. For further details regarding the Association's debt structure please reference note 6A.

ECONOMIC OUTLOOK

The Association maintains a strong financial position amongst its peers. Within the SEC and the NCAA, the Association is uniquely prepared for the changing landscape of college athletics, which provides the opportunity to continue to grow and move forward as an organization

Operations have returned to normalized levels with revenues and expenses both up accordingly. NCAA legislative changes over the past year have been a factor in increased scholarship and direct sport team expenses of $10 million year over year. The ability of the Association to fund the maximum permissible NCAA

Average Annual Cost of the UF Experience per Scholarship Student-Athlete (478)



benefits as well as ensuring the equity and quality of the student athlete experience takes tremendous resources and will continue to put fiscal pressure on the UAA.

Fiscal highlights for the year include completion of $304 million in capital projects over the last 10 years with support from operational revenue and capital gifts from Gator Boosters. The ability for the Association to issue debt, amortize the debt and keep the commitment to the facilities master plan represents the solid foundation and management of finances over time. The support the University has provided for these initiatives will position the Association for future growth and financial stability.

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We are fortunate enough to boast some of the brightest and most talented student-athletes in the nation. The Association is dedicated to providing them with the resources they need to be successful on and off the field. Legislation around benefits has allowed us to provide our student-athletes with the maximum amount of support permitted.

CONTACTING MANAGEMENT

This financial narrative is designed to provide the reader with a general overview of the University Athletic Association, Inc.'s finances and to show the Association's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Association's Business Office at Ben Hill Griffin Stadium, Gainesville, Fla.:

The University Athletic Association, Inc., Attn: Associate Athletics Director – CFO, PO Box 14485, Gainesville, FL 32604-2485; (352) 375-4683.

Gators EXCELLENCE

Student-athletes are committed not only to excellence on the field but also in the classroom. The Association is privileged to offer its student-athletes a preeminent education by investing in people and programs to help UF help the world. The true might of The Gator Nation is in our ability to come together around a challenge. UF Preeminence began in 2013 with UF's designation by the Florida Legislature as the state's preeminent institution. This grew into an opportunity to achieve national and international recognition for our work in serving students and the world. We're taking what we are good at and making it great. We're taking what we're great at and making it world-class. We're extending the reach of our efforts, so we can help even more people in even more places. And by transforming the state's flagship university into a truly global university, we're showing the world that the Gator Good is the greater good.

BASIC FINANCIAL STATEMENTS

Statements of Net Position

(As Of June 30, 2023 and 2022)

	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents	$ 4,765,883	$ 4,414,566
Short-term investments	61,902,642	79,524,303
Accounts and other receivables, net	7,966,854	11,489,190
Due from Gator Boosters, Inc.	4,363,164	8,639,736
Inventories	98,955	50,143
Prepaid expenses and other current assets	1,070,291	1,572,011
Total current assets	80,167,789	105,689,949
Noncurrent Assets		
Investments	52,102,330	54,748,913
Due from Gator Boosters, Inc., less current portion	1,050	50,400
Right to use lease asset, net	440,809	347,052
Capital assets not being depreciated	3,764,158	72,698,555
Capital assets being depreciated, net of accumulated depreciation	306,116,166	223,625,741
Total noncurrent assets	362,424,513	351,470,661
TOTAL ASSETS	**$ 442,592,302**	**$ 457,160,610**
LIABILITIES		
Current Liabilities		
Accounts payable and accrued expenses	$ 15,355,321	$ 26,009,167
Accrued compensated absences, current	391,000	578,000
Contracts payable, current	1,313,555	3,136,727
Long-term debt, current	7,530,000	7,365,000
Long-term lease payable, current	124,073	195,614
Unearned revenues, current	30,502,080	30,252,075
Due to Gator Boosters, Inc., current	28,760,553	29,135,396
Total current liabilities	83,976,582	96,671,979
Noncurrent Liabilities		
Accrued compensated absences, less current portion	1,248,054	1,432,151
Contracts payable, less current portion	4,591,077	5,817,868
Unearned revenues, less current portion	1,270,000	2,540,000
Long-term debt, less current portion	142,590,000	150,120,000
Long-term lease payable, noncurrent	260,703	66,289
Total noncurrent liabilities	149,959,834	159,976,308
TOTAL LIABILITIES	**$ 233,936,416**	**$ 256,648,287**
NET POSITION		
Net investment in capital assets	$ 159,816,357	$ 138,924,445
Restricted for capital projects	-	9,545,633
Unrestricted	48,839,529	52,042,245
TOTAL NET POSITION	**$ 208,655,886**	**$ 200,512,323**

The accompanying notes are an integral part of these financial statements.

Statements of Revenues, Expenses and Changes In Net Position

(for the years ended June 30, 2023 and 2022)

	2023	2022
Operating Revenues		
Ticket sales	$ 37,311,580	$ 35,956,612
SEC and NCAA distributions	51,755,634	52,578,699
Contributions	41,755,966	39,499,772
Royalties and sponsorships	25,299,414	23,287,920
Student fees	2,495,294	2,559,134
Direct state support	2,798,976	2,706,111
Camps	2,148,505	1,094,839
Other sports revenue	2,812,650	2,290,058
Other revenue	3,891,452	10,388,628
Total operating revenues	170,269,471	170,361,773
Operating Expenses		
Salaries, wages and benefits	74,567,324	67,978,310
Transition expenses	-	20,721,537
Direct sports team expenses	38,563,070	33,358,877
Scholarships	19,102,179	14,747,422
Student-athlete support services	8,834,740	7,288,757
Administrative services	11,598,003	10,034,631
Facility maintenance and overhead	10,148,118	8,272,646
Camps	931,957	717,972
Depreciation and amortization	12,625,166	10,456,471
Total operating expenses	176,370,557	173,576,623
Operating Loss	(6,101,086)	(3,214,850)
Nonoperating revenues (expenses)		
Investment income (loss), net	8,074,428	(12,533,766)
Interest on capital asset related debt	(3,853,058)	(3,719,919)
Other nonoperating expenses	(425,323)	(4,796,736)
Net nonoperating revenues (expenses)	3,796,047	(21,050,421)
Loss before capital contributions	(2,305,039)	(24,265,271)
Capital contributions from Gator Boosters, Inc.	10,448,602	21,864,501
Increase (decrease) in net position	8,143,563	(2,400,770)
Net position, beginning of year	200,512,323	202,913,093
Net position, end of year	**$ 208,655,886**	**$ 200,512,323**

The accompanying notes are an integral part of these financial statements.

BASIC FINANCIAL STATEMENTS

Statements of Cash Flows

(for the years ended June 30, 2023 and 2022)

	2023	2022
Cash flows from operating activities		
Contributions from Gator Boosters, Inc.	$ 42,699,133	$ 29,629,046
Receipts from ticket holders and others	47,552,709	37,184,982
Receipts from the Southeastern Conference and NCAA	51,908,884	52,110,199
Receipts from rights, royalties, and sponsors	24,583,608	21,155,015
Receipts from the University of Florida and the State of Florida	5,294,270	5,366,578
Other receipts	1,687,628	8,430,252
Payments to suppliers and others	(80,510,682)	(49,321,012)
Payments to employees	(74,348,041)	(88,459,287)
Payments for scholarships	(19,533,475)	(20,834,736)
Net cash used in operating activities	(665,966)	(4,738,963)
Cash flows from noncapital financing activities		
Payments of other nonoperating expenses	(425,323)	(101,333)
Net cash used in noncapital financing activities	(425,323)	(101,333)
Cash flows from capital and related financing activities		
Purchase of capital assets	(25,833,805)	(51,169,221)
Capital contributions from Gator Boosters, Inc.	10,448,602	21,864,501
Principal paid on bonds	(7,365,000)	(6,775,000)
Interest paid on bonds	(3,847,734)	(3,777,497)
Payments for right to use lease assets	(323,778)	(356,854)
Net cash used in capital and related financing activities	(26,921,715)	(40,214,071)
Cash flows from investing activities		
Purchases of investment securities	(70,956,243)	(69,082,821)
Proceeds from sale and maturities of investment securities	97,920,678	56,000,000
Interest and dividends received	1,399,886	1,039,656
Net cash provided by (used in) investing activities	28,364,321	(12,043,165)
Net increase (decrease) in cash and cash equivalents	351,317	(57,097,532)
Cash and cash equivalents, beginning of year	4,414,566	61,512,098
Cash and cash equivalents, end of year	**$ 4,765,883**	**$ 4,414,566**

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

(for the years ended June 30, 2023 and 2022)

	2023	2022
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	$ (6,101,086)	$ (3,214,850)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	12,625,166	10,456,471
Changes in assets and liabilities:		
Accounts and other receivables	3,497,689	(4,193,410)
Due from/to Gator Boosters, Inc.	3,951,079	(7,099,104)
Inventories	(48,812)	4,686
Prepaid expenses and other assets	501,720	(1,049,121)
Accounts payable and accrued expenses	(10,650,667)	(5,326,153)
Accrued compensated absences	(371,097)	92,598
Contracts payable	(3,049,963)	8,131,069
Unearned revenues	(1,019,995)	(2,541,149)
Net cash used in operating activities	**$ (665,966)**	**$ (4,738,963)**

The accompanying notes are an integral part of these financial statements.

BASIC FINANCIAL STATEMENTS

Statements of Fiduciary Net Position – Fiduciary Funds - Pension Trust Fund

(as of December 31, 2022 and 2021)

	2022	2021
Assets		
Non-interest bearing cash	$ 2,904,184	$ -
Receivables		
Employer contributions receivable	$ 2,610,988	$ 731,500
Accrued income and other receivables	32,801	24,709
Total receivables	2,643,789	756,209
Total investments, at fair value	49,643,800	72,267,270
Total assets	**$ 55,191,773**	**$ 73,023,479**
Liabilities		
Accrued expenses	$ 19,890	$ 81,101
Total liabilities	**19,890**	**81,101**
Net position		
Held in trust for pension benefits	**$ 55,171,883**	**$ 72,942,378**

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Fiduciary Net Position – Fiduciary Funds - Pension Trust Fund

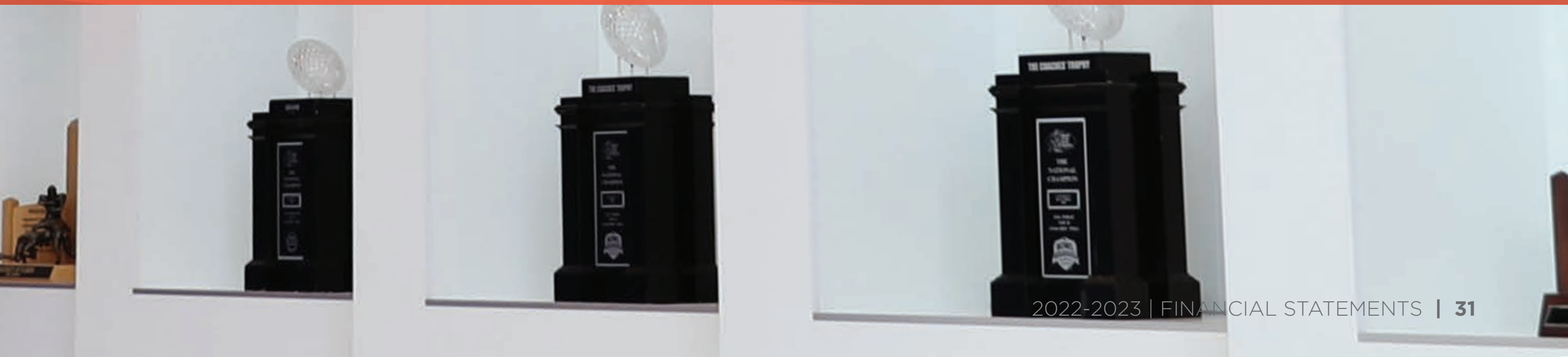
(for the years ended December 31, 2022 and 2021)

	2022	2021
Additions		
Contributions:		
Employer	$ 2,860,988	$ 981,500
Investment earnings:		
Interest and dividends	1,067,408	1,790,714
Net appreciation (depreciation) in fair value of investments	(14,404,948)	6,150,875
Total investment earnings	(13,337,540)	7,941,589
Total additions	(10,476,552)	8,923,089
Deductions		
Benefit payments	7,289,490	5,599,487
Investment management fees	4,453	43,713
Total deductions	7,293,943	5,643,200
Net increase (decrease) in fiduciary net position	(17,770,495)	3,279,889
Net position held in trust for pension benefits, beginning of year	72,942,378	69,662,489
Net position held in trust for pension benefits, end of year	**$ 55,171,883**	**$ 72,942,378**

The accompanying notes are an integral part of these financial statements.

Gators INNOVATION

Leading a Brighter Tomorrow: The Gator Good isn't about any one university taking on a single cause. It's about bringing in the brightest minds to solve our toughest challenges, together. The problems facing our planet are bigger than any one person. One organization. One university. But together, we're solving them — because positive change goes further when we work as a team. The Association is committed to playing its part to contribute back to the University in its mission to move the whole world forward.



Gators

RESPECT

Notes to Financial Statements:

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following is a summary of the more significant accounting policies of The University Athletic Association, Inc. (the Association), which affect significant elements of the accompanying basic financial statements.

(a) **Reporting entity—**The Association is a not-for-profit entity organized in 1929 for the purpose of conducting various intercollegiate athletic programs for and on behalf of the University of Florida. The Association operates for the service and convenience of the University of Florida and is a direct support organization and component unit (for accounting purposes only) of the University of Florida.

(b) **Measurement focus, basis of accounting and financial statement presentation—**For financial reporting purposes, the Association is considered a special-purpose government engaged only in business type activities. Accordingly, the Association prepares its financial statements using the economic resources measurement focus and the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP) in the United States of America for proprietary funds, which is similar to those for private business enterprises. All assets and liabilities (whether current or noncurrent) are included on the Statements of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

The Association distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses for the Association are those that result from the operation of the University of Florida's intercollegiate athletic programs. It also includes all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities. Governmental Accounting Standards Board (GASB) standards require that capital contributions from Gator Boosters, Inc. and contributions to the University of Florida and University of Florida Foundation, Inc. are not considered operating revenues or expenses. They are reported after nonoperating revenues and expenses in the accompanying Statements of Changes in Revenues, Expenses and Changes in Net Position. In addition to the business-type activities noted above, the Association reports the net position held in trust for the University Athletic Association, Inc. Employees' Money Purchase Pension Plan and Trust (the Pension Plan), which is reported separately from the business-type activities as a fiduciary fund.

(c) **Cash and cash equivalents—**Cash and cash equivalents include cash in banks and money market funds available for immediate use.

(d) **Accounts receivable—**Accounts receivable are stated at the amount management expects to collect from balances at year-end. Based on management's assessment of the credit history with organizations and individuals having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial. The Association has no policy requiring collateral or other security to support its accounts receivable.

(e) **Inventories—**Inventories consist of items held for sale at the golf course pro shop and snack bar. Inventory items at the golf course pro shop are recorded at the lower of cost or market using the average cost method. All other inventory items are recorded at the lower of cost or market, as determined by using the first-in, first-out (FIFO) method.

(f) **Fair value measurement—**The Association categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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.

(g) **Capital and right to use lease assets—**Capital assets purchased with an original cost of $5,000 or more are recorded at cost and depreciated utilizing the straight-line method over the estimated useful lives of assets (generally 5 years for furniture, fixtures and equipment and 10 to 15 years for capital improvements, except for improvements to buildings which range from 20 to 50 years). Costs to maintain or repair these assets are expensed as incurred. Leases with noncancelable terms greater than 12 months, and annual payments exceeding $5,000 for equipment and $100,000 for real estate, are capitalized as right to use lease assets and amortized over the shorter of the lease term or the useful life of the asset. Leases with noncancelable terms of less than 12 months are considered short-term leases and expensed as incurred. Subscription-

based information technology arrangements (SBITAs) with noncancelable terms greater than 12 months and payments exceeding $4,000,000 over the life of the agreement are capitalized as right to use subscription assets and amortized over the shorter of the subscription term or the useful life of the asset. SBITAs with noncancelable terms of less than 12 months are considered short-term SBITAs and are expensed as incurred.

(h) **Accrued compensated absences—**Eligible employees are entitled to annual vacation and sick leave with pay. The Association accrues accumulated unpaid annual vacation leave and associated employee-related costs. These amounts are included in the accompanying Statements of Net Position. Vacation pay is expensed when earned by the employee up to the maximum payout. Sick leave payments are expensed when used as sick leave is not eligible for payout.

(i) **Unearned revenues—**Current unearned revenues consist of advance sales of tickets for sport seasons in the next fiscal year, and miscellaneous other unearned fees received. The unearned items are recognized as revenue when the related games are played and when the service is performed or event occurs for which miscellaneous fees were received.

Additionally, unearned revenues included in other liabilities consist of advance sponsorship and royalty payments. The sponsorship and royalty amounts are recognized over the life of the agreements.

(j) **Net position—**Net position is classified and displayed in three components:

- Net investment in capital assets – consists of capital assets, net of accumulated depreciation and right to use lease assets, net of accumulated amortization, reduced by the outstanding balances of any debt or lease liability that is attributable to those assets.
- Restricted – consists of assets that have constraints placed upon their use either by external donors or creditors or through laws, regulations or constraints imposed by law through constitutional provisions or enabling legislation, reduced by any liabilities to be paid from these assets. Restricted net position consists of capital contributions received for specific future capital projects
- Unrestricted – consists of assets that are available to the Association for any legal use.

When both restricted and unrestricted net position is available for use, it is the Association's policy to use restricted resources first, then unrestricted resources as they are needed.

(k) **Sales taxes retained—**In accordance with Chapter 1006, Section 71 of the Florida Statutes, the Association retains an amount equal to the sales taxes collected from ticket sales to athletic events for use in the support of women's athletic programs. Sales taxes retained totaled $2,422,203 and $2,329,338 for the years ended June 30, 2023 and 2022, respectively, and are included in other operating revenues in the Statements of Revenues, Expenses, and Changes in Net Position.

(l) **Income taxes—**The Association is exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. However, the Association is subject to income tax on unrelated business income. The Association's primary source of unrelated business income is from certain investments in a limited liability company. Income taxes incurred during the year, if any, are estimated to be immaterial to the financial statements.

The Association files tax returns in the U.S. federal jurisdiction and in the state of Florida. Management of the Association considers the likelihood of changes by taxing authorities in its filed income tax returns and recognizes a liability for or discloses potential significant changes that management believes are more likely than not to occur upon examination by tax authorities, including changes to the Association's status as a not-for-profit entity. Management believes the Association met the requirements to maintain its tax-exempt status and has not identified any uncertain tax positions subject to the unrelated business income tax that require recognition or disclosure in the accompanying financial statements. The Association's income tax returns for the past three years are subject to examination by tax authorities, and may change upon examination.

(m) **In-kind contributions—**Donations of materials and services are recorded at their fair market value at the date of donation.

(n) **Reclassification—**Certain prior year amounts have been reclassified to conform to the current year presentation.

(2) CASH AND CASH EQUIVALENTS:

The amounts reported as cash and cash equivalents include cash on hand, cash in bank demand accounts, cash held at the University of Florida and money market funds. Cash and cash equivalents at June 30, 2023 and 2022 were as follows:

Table 1. Cash and Cash Equivalents *(Note 2)*

	2023	2022
Money market funds	$ 1,502,588	$ 1,878
Cash in bank demand accounts	2,910,741	4,084,380
Cash held at the University of Florida	241,300	217,054
Cash on hand	111,254	111,254
Total cash and cash equivalents	**$ 4,765,883**	**$ 4,414,566**

Cash in bank demand accounts are held in regional banks. Bank account balances for these bank demand accounts were $4,518,558 and $8,599,822, as of June 30, 2023 and 2022, respectively. Deposits are uncollateralized and are insured up to $250,000 per institution by the Federal Deposit Insurance Corporation (FDIC). Uninsured bank balances totaled $3,551,730 and $7,963,497 as of June 30, 2023 and 2022, respectively. Money market funds are uninsured and collateralized by securities held by the institution, not in the Association's name. For deposits, custodial credit risk is the risk that in the event of a bank failure, the Association's deposits may not be returned to it. The Association does not have a policy for custodial credit risk.

(3) INVESTMENTS:

A. University Athletic Association:

The Association reports investments at fair value, except those money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are defined as short-term, highly liquid debt instruments including commercial paper, banker's acceptances, and U.S. Treasury and agency obligations.

Short-term investments are comprised of investments in external investment pools with the State of Florida Division of Treasury and the State Board of Administration (SBA), and a separately managed investment account managed by Buckhead Capital Management, and are reported at fair value. Short-term investments typically are funds accumulated from Southeastern Conference (SEC) distributions, advance ticket sales and booster contributions and will be used to fund operations in the upcoming fiscal year. Other investments include mutual funds, commingled funds, multi-strategy hedge funds and separately managed investment accounts with Garcia Hamilton & Associates that are reported at fair value as determined by their net asset values at year end. The classification of investments between short-term and long-term is based on management's anticipated cash flow needs. However, the needs of the Association may require the sale or retention of investment balances that differ from the classifications reflected in the accompanying Statements of Net Position.

The Association's corporate investment policy divides the Association's assets into two portfolios, the long-term portfolio and the short-term portfolio. The policy states that the short-term portfolio invests in cash and cash equivalents and the long-term portfolio invests in a diversified portfolio of commingled and/or mutual funds in the following classes: domestic large cap equity, domestic small cap equity, international equity, hedged strategies and fixed income. The hedged strategies investment represents the Association's interest in the Florida Hedged Strategies Fund, LLC, a limited liability company that is managed by the University of Florida Investment Corporation (UFICO).

All of the Association's recurring fair value measurements as of June 30, 2023 and 2022 are valued using quoted market prices (Level 1 inputs), with the exception of bonds and notes which are valued using a matrix pricing model (Level 2 inputs), investments with the State Treasury and GQG Partners LLC which are valued based on the Association's share of the pool (Level 3 inputs) and hedge funds which are valued using net asset valuations.

The Association's investments at June 30, 2023 are reported as follows:

Table 2. Investments - June 30, 2023 *(Note 3A)*

		Fair Value Measurements Using		
Investments by fair value level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
External Investment Pool:				
State Treasury Special Purpose Investment Account	$ 958,128	$ -	$ -	$ 958,128
Cash Equivalents Classified as Short-term Investments:				
Certificate of Deposit	446,565	446,565	-	-
Commercial Paper	15,921,560	-	15,921,560	-
Non-Proprietary Cash Sweep	8,839,518	8,839,518	-	-
US Treasury Bills	8,872,370	8,872,370	-	-
Bonds and Notes:				
Corporate Backed Obligations	13,038,739	-	13,038,739	-
Corporate Bonds	6,838,538	-	6,838,538	-
Government Bonds	718,947	718,947	-	-
Mortgage Backed Securities	7,961,977	-	7,961,977	-
Private Placement	293,937	-	293,937	-
Mutual Funds:				
Corporate Bonds	6,230,396	4,147,628	2,082,768	-
Equity	43,872,751	38,705,061	-	5,167,690
Total investments by fair value level	$ 113,993,426	$ 61,730,089	$ 46,137,519	$ 6,125,818
Investments measured at the net asset value (NAV)				
Multi-Strategy Hedge Funds	$ -			
Total investments measured at fair value	$ 113,993,426			
Investments measured at amortized cost				
SBA Florida PRIME	$ 11,546			
Total investments	**$ 114,004,972**			

The Association's investments at June 30, 2022 are reported as follows:

Table 3. Investments - June 30, 2022 *(Note 3A)*

		Fair Value Measurements Using		
Investments by fair value level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
External Investment Pool:				
State Treasury Special Purpose Investment Account	$ 39,218,022	$ -	$ -	$ 39,218,022
Cash Equivalents Classified as Short-term Investments:				
Commercial Paper	2,128,953	-	2,128,953	-
Non-Proprietary Cash Sweep	31,392,793	31,392,793	-	-
US Government Short-Term	-	-	-	-
Bonds and Notes:				
Corporate Backed Obligations	2,710,587	-	2,710,587	-
Corporate Bonds	967,668	-	967,668	-
Government Bonds	3,036,269	2,472,210	564,059	-
Mortgage Backed Securities	4,354,941	-	4,354,941	-
Mutual Funds:				
Corporate Bonds	12,278,919	8,659,027	3,619,892	-
Equity	31,694,591	27,007,318	-	4,687,273
Total investments by fair value level	$ 127,782,743	$ 69,531,348	$ 14,346,100	$ 43,905,295
Investments measured at the net asset value (NAV)				
Multi-Strategy Hedge Funds	$ 6,479,377			
Total investments measured at fair value	$ 134,262,120			
Investments measured at amortized cost				
SBA Florida PRIME	$ 11,096			
Total investments	**$ 134,273,216**			

Multi-Strategy Hedge Funds—The Association's investment in multi-strategy hedge funds of $0 and $6,479,377 at June 30, 2023 and 2022, respectively, represents an interest in the Florida Hedged Strategies Fund, LLC (the Fund), a limited liability company that is managed by the UFICO. The underlying investments in the Fund are valued, as a practical expedient, utilizing the net asset valuations provided by the underlying investee funds without adjustment, when the net asset valuations of the investments are calculated (or adjusted by the Fund if necessary) in a manner consistent with GAAP for investment companies. The Fund applies the practical expedient to its investments in investee funds on an investment-by-investment basis, and consistently with the Fund's entire position in a particular investment, unless it is probable that the Fund will sell a portion of an investment at an amount different from the net asset valuation. If it is probable that the Fund will sell an investment at an amount different from the net asset valuation or in other situations where practical expedient is not available, the Fund considers other factors in addition to the net asset valuation, such as features of the investment, including subscription and redemption rights, expected discounted cash flows, transactions in secondary market, bids received from potential buyers, and overall market conditions in its determination of fair value.

The underlying investee funds value securities and other financial instruments on a mark-to-market or other estimated fair value basis. The estimated fair values of substantially all of the investments of the underlying investee funds, which may include securities for which prices are not readily available, are determined by the general partner or management of the respective underlying investee funds and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments.

External Investment Pools—The Association reported investments at fair value totaling $958,128 and $39,218,022 at June 30, 2023 and 2022, respectively, in

the State Treasury Special Purpose Investment Account (SPIA) investment pool, representing ownership of a share of the pool, not the underlying securities. Pooled investments with the State Treasury are not registered with the Securities and Exchange Commission. Oversight of the pooled investments with the State Treasury is provided by the Treasury Investment Committee per Section 17.575, Florida Statutes. The authorized investment types are set forth in Section 17.57, Florida Statutes. The SPIA carried a credit rating of AA-f by Standard & Poor's (S&P), had an effective duration of 3.02 years and 2.66 years and fair value factor of 0.9667 and 0.9479 at June 30, 2023 and 2022, respectively. Participants contribute to the Treasury Pool on a dollar basis. These funds are commingled and a fair value of the pool is determined from the individual values of the securities. The fair value of the securities is summed and a total pool fair value is determined. A fair value factor is calculated by dividing the pool's total fair value by the pool participant's total cash balances. The fair value factor is the ratio used to determine the fair value of an individual participant's pool balance. The Association relies on policies developed by the State Treasury for managing interest rate risk or credit risk for this investment pool. Disclosures for the State Treasury investment pool are included in the notes to financial statements of the State's Annual Comprehensive Financial Report.

The Association reported investments totaling $11,546 and $11,096 at June 30, 2023 and 2022, respectively, in the Florida PRIME investment pool administered by the SBA pursuant to Section 218.405, Florida Statutes. The Association's investments in the Florida PRIME investment pool, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool are similar to money market funds in which shares are owned in the fund rather than the underlying investments. The Florida PRIME investment pool carried a credit rating of AAAm by S&P's and had a weighted-average days to maturity (WAM) of 37 days and 28 days as of June 30, 2023 and 2022, respectively. A portfolio's WAM reflects the average maturity in days, based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the Florida PRIME investment pool to interest rate changes. The investments in the FloridaPRIME investment pool are reported at amortized cost. Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days." As of June 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Bonds and Notes—The Association reported investments totaling $28,852,138 and $11,069,465 as of June 30, 2023 and 2022, respectively, in bonds and notes held in separately managed investment accounts. The investment managers of these accounts use an investment philosophy that is based on a multifaceted, total return methodology which focuses on the four key components of fixed income portfolio construction: duration management, yield curve positioning, sector rotation, and security selection. The managers seek to add value and control risk in each component of the portfolio construction process to deliver superior risk-adjusted returns through all phases of the economic and interest rate cycles. The bonds and notes are priced on a frequent basis using valuation methodologies and techniques available through independent third parties. The Association's bonds and notes are subject to credit and interest rate risk as outlined in the sections below.

Custodial Credit Risk—For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Association will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are subject to custodial credit risk if the securities are uninsured, not registered in the Association's name, and are held by the party that either sells to or buys for the Association. The Association does not have a policy regarding custodial credit risk. Custodial credit risk for the Association's bonds, notes and bond mutual funds as of June 30, 2023 and 2022 is categorized in the following schedule using S&P nationally recognized statistical ratings quality organizations:

Table 4. Investments - Custodial Credit Risk *(Note 3A)*

	Quality Rating	2023 Fair Value	2022 Fair Value
Corporate Backed Obligation	S&P AAA	$ 9,282,259	$ 1,961,144
Corporate Backed Obligation	Unrated	3,759,400	684,686
Corporate Bonds	S&P A	438,268	-
Corporate Bonds	S&P A-	1,499,054	462,180
Corporate Bonds	S&P A+	907,175	-
Corporate Bonds	S&P BBB	2,322,643	-
Corporate Bonds	S&P BBB+	1,701,986	505,380
Government Bonds	S&P AA+	718,898	1,926,802
Government Bonds	Unrated	-	545,252
Mortgage Backed Securities	AA+	6,930,649	3,343,927
Mortgage Backed Securities	AAA	17,528	-
Mortgage Backed Securities	Unrated	1,013,725	1,448,409
Private Placement	S&P BBB+	293,937	-
Subtotal		**28,885,522**	**10,877,780**
Bond Mutual Funds	Unrated	6,218,878	12,278,919
Total		**$ 35,104,400**	**$ 23,156,699**

Interest Rate Risk— For an investment, interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. The Association does not have a policy for interest rate risk associated with its investments. Interest rate risk associated with average duration for the Association's bonds, notes and bond mutual funds as of June 30, 2023 and 2022 is as follows:

Table 5. Investments - Interest Rate Risk *(Note 3A)*

	Average Duration	2023 Fair Value	2022 Fair Value
Corporate Backed Obligation	Less than one year	$ 13,041,659	$ 2,645,830
Corporate Bonds	Greater than five years	164,298	725,825
Corporate Bonds	One to five years	110,026	241,735
Corporate Bonds	Less than one year	6,594,802	-
Government Bonds	Greater than five years	718,898	2,241,288
Government Bonds	One to five years	-	230,766
Mortgage Backed Securities	Greater than five years	829,936	-
Mortgage Backed Securities	One to five years	183,788	1,250,516
Mortgage Backed Securities	Less than one year	6,948,178	3,541,820
Private Placement	Less than one year	293,937	-
Subtotal		**28,885,522**	**10,877,780**
Bond Mutual Funds	Less than one year	6,218,878	12,278,919
Total		**$ 35,104,400**	**$ 23,156,699**

Concentration of Credit Risk—Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. At June 30, 2023 and 2022, less than five percent of the Association's investments were held in the Florida Hedged Strategies

Fund, LLC. Such concentrations are permitted by the Association's investment policy.

Credit Risk—Credit risk is the risk that a debt issuer or other counter-party to an investment will not fulfill its obligations. The Association utilizes portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. All are rated within the investment policy guidelines at June 30, 2023 and 2022.

Foreign Currency Risk—Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Association's investment policy allows for foreign securities to be limited to 20% of a manager's portfolio. At June 30, 2023 and 2022, the investment portfolio met the foreign securities limitations.

B. University Athletic Association, Inc. Employees' Money Purchase Pension Plan and Trust – Fiduciary Funds – Pension Trust Fund

The fund's investments at December 31, 2022 are reported as follows:

Table 6. Investments - December 31, 2022 *(Note 3B)*

		Fair Value Measurements Using		
Investments by fair value level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Interest bearing cash	$ 775,021	$ 775,021	$ -	$ -
U.S. Government securities	2,477,224	-	2,477,224	-
Preferred corporate bonds	719,134	-	719,134	-
Registered investment companies	30,097,355	30,097,355	-	-
Common/collective trusts:				
Equity funds	3,524,405	3,524,405	-	-
Limited partnership interests	3,979,505	3,979,505	-	-
Total investments by fair value level	$ 41,572,644	$ 38,376,286	$ 3,196,358	$ -
Investments measured at NAV				
Common/collective trusts:				
Fixed income funds	5,166,933			
Limited partnership interests	2,904,223			
Total investments measured at NAV	8,071,156			
Total investments measured at fair value	**$ 49,643,800**			

The fund's investments at December 31, 2021 are reported as follows:

Table 7. Investments - December 31, 2021 *(Note 3B)*

		Fair Value Measurements Using		
Investments by fair value level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Interest bearing cash	$ 534,951	$ 534,951	$ -	$ -
U.S. Government securities	3,506,320	-	3,506,320	-
Preferred corporate bonds	1,459,777	-	1,459,777	-
Registered investment companies	42,121,062	42,121,062	-	-
Common/collective trusts				
Equity funds	5,785,363	5,785,363	-	-
Limited partnership interest	5,573,805	5,573,805	-	-
Total investments by fair value level	$ 58,981,278	$ 54,015,181	$ 4,966,097	$ -
Investments measured at NAV				
Common/collective trusts:				
Fixed income funds	6,228,052			
Limited partnership interests	7,057,940			
Total investments measured at NAV	13,285,992			
Total investments measured at fair value	**$ 72,267,270**			

Interest Rate Risk—For an investment, interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. The established performance objectives of the Pension Plan require investment maturities to provide sufficient liquidity to pay obligations as they become due.

Credit Risk—Credit risk is the risk that a debt issuer or other counter-party to an investment will not fulfill its obligations. The Pension Plan utilizes portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. All are rated within the investment policy guidelines at December 31, 2022 and 2021.

Concentration of Credit Risk—Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The Pension Plan policy does not allow more than five (5) percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company, exceed five (5) percent of the outstanding stock of that company, nor shall the aggregate of its investments at market in common stock, capital stock and convertible securities exceed seventy (70) percent of the fund's total assets. The Pension Plan policy also does not allow for the aggregate investment in any one issuing company to exceed twelve and one-half (12.5) percent of the outstanding stock of that company. At December 31, 2022 and 2021, the investment portfolios met the single issuer limitations.

Custodial Credit Risk—Custodial credit risk is the risk that the Association may not recover cash and investments held by another party in the event of financial failure. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts or mutual funds.

Foreign Currency Risk—Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Pension Plan policies allow for up to twenty-five (25) percent of its investments in common stock, capital stock and convertible securities at market value in foreign securities. At December 31, 2022 and 2021, the investment portfolios met the foreign securities limitations.

(4) PENSION PLAN

In 1979, the Association established The University Athletic Association, Inc. Employees' Money Purchase Pension Plan and Trust, a defined contribution pension plan covering substantially all full-time employees. Total pension expense for the plan was $2,704,722 and $2,234,663, and pension plan forfeitures were $900,000 and $671,893 for the years ended June 30, 2023 and 2022, respectively. Contributions are made by the Association to the pension plan based on 10% of an eligible employee's earnings. The Internal Revenue Code Section 401(a)(17) set the annual compensation limit applicable to retirement plans at $330,000 for 2023 and $305,000 for 2022. During the years ended June 30, 2023 and 2022, total pension applicable payroll for employees covered under the plan was $27,047,223 and $23,132,872, which represented approximately 38% and 34% of total payroll for the years ended June 30, 2023 and 2022, respectively. Pension applicable payroll for the year ended June 30, 2022 includes October 1, 2021 – June 30, 2022 only, as the employer contribution was paused and resumed on October 1, 2021.

(5) CAPITAL AND RIGHT TO USE LEASE ASSETS:

Capital and right to use lease asset activity for the year ended June 30, 2023 was as follows:

Table 8. Capital and Right To Use Lease Assets - June 30, 2023 *(Note 5)*

	Beginning Balance	Additions	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	$ 2,430,236	$ -	$ -	$ 2,430,236
Construction in progress	70,268,319	23,927,052	(92,861,449)	1,333,922
Total capital assets not being depreciated	72,698,555	23,927,052	(92,861,449)	3,764,158
Capital assets being depreciated:				
Buildings and improvements	6,641,755	-	-	6,641,755
Furniture and equipment	28,240,332	5,778,928	-	34,019,260
Leasehold improvements	330,756,342	89,005,029	-	419,761,371
Total capital assets being depreciated	365,638,429	94,783,957	-	460,422,386
Less accumulated depreciation for:				
Buildings and improvements	5,028,665	106,578	-	5,135,243
Furniture and equipment	17,625,697	2,388,600	-	20,014,297
Leasehold improvements	119,358,326	9,798,354	-	129,156,680
Total accumulated depreciation	142,012,688	12,293,532	-	154,306,220
Total capital assets being depreciated, net	223,625,741	82,490,425	-	306,116,166
Right to use lease assets being amortized:				
Leased equipment	919,280	425,390	(337,296)	1,007,374
Less accumulated amortization for:				
Leased equipment	572,228	331,633	(337,296)	566,565
Total right to use lease assets being amortized, net	347,052	93,757	-	440,809
Total capital and right to use lease assets, net	**$ 296,671,348**	**$ 106,511,234**	**$ (92,861,449)**	**$ 310,321,133**

Capital and right to use lease asset activity for the year ended June 30, 2022 was as follows:

Table 9. Capital and Right To Use Lease Assets - June 30, 2022 *(Note 5)*

	Beginning Balance	Additions	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and land improvements	$ 2,430,236	$ -	$ -	$ 2,430,236
Construction in progress	19,312,091	52,585,039	(1,628,811)	70,268,319
Total capital assets not being depreciated	21,742,327	52,585,039	(1,628,811)	72,698,555
Capital assets being depreciated:				
Buildings and improvements	6,641,755	-	-	6,641,755
Furniture and equipment	26,322,085	2,029,354	(111,107)	28,240,332
Leasehold improvements	329,127,531	1,628,811	-	330,756,342
Total capital assets being depreciated	362,091,371	3,658,165	(111,107)	365,638,429
Less accumulated depreciation for:				
Buildings and improvements	4,895,662	133,003	-	5,028,665
Furniture and equipment	16,194,281	1,542,523	(111,107)	17,625,697
Leasehold improvements	110,900,037	8,458,289	-	119,358,326
Total accumulated depreciation	131,989,980	10,133,815	(111,107)	142,012,688
Total capital assets being depreciated, net	230,101,391	(6,475,650)	-	223,625,741
Right to use lease assets being amortized:				
Leased equipment	826,440	102,966	(10,126)	919,280
Less accumulated amortization for:				
Leased equipment	259,698	322,656	(10,126)	572,228
Total right to use lease assets being amortized, net	566,742	(219,690)	-.	347,052
Total capital and right to use lease assets, net	**$ 252,410,460**	**$ 45,889,699**	**$ (1,628,811)**	**$ 296,671,348**

Depreciation and amortization expense were $12,625,166 and $10,456,471 for the years ended June 30, 2023 and 2022, respectively.

(6) LONG-TERM OBLIGATIONS:

The change in long-term obligations for the year ended June 30, 2023 was as follows:

Table 10. Long-term Obligations - June 30, 2023 *(Note 6)*

Type of Long-term Liabilities	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Contracts payable	$ 8,954,595	$ 4,348,651	$ (7,398,614)	$ 5,904,632	$ 1,313,555
Accrued compensated absences	2,010,151	147,954	(519,051)	1,639,054	391,000
Unearned revenues	32,792,075	29,219,631	(30,239,626)	31,772,080	30,502,080
Long-term debt	157,485,000	-	(7,365,000)	150,120,000	7,530,000
Long-term lease payable	261,903	425,391	(302,518)	384,776	124,073
Total long-term liabilities	**$ 201,503,724**	**$ 34,141,627**	**$ (45,824,809)**	**$ 189,820,542**	**$ 39,860,708**

The change in long-term obligations for the year ended June 30, 2022 was as follows:

Table 11. Long-term Obligations - June 30, 2022 *(Note 6)*

Type of Long-term Liabilities	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Contracts payable	$ 823,526	$ 12,091,323	$ (3,960,254)	$ 8,954,595	$ 3,136,727
Accrued compensated absences	1,917,553	337,697	(245,099)	2,010,151	578,000
Unearned revenues	35,333,224	30,252,075	(32,793,224)	32,792,075	30,252,075
Long-term debt	164,260,000	-	(6,775,000)	157,485,000	7,365,000
Long-term lease payable	512,327	92,965	(343,389)	261,903	195,614
Total long-term liabilities	**$ 202,846,630**	**$ 42,774,060**	**$ (44,116,966)**	**$ 201,503,724**	**$ 41,527,416**

A. Long-term Debt:

At June 30, 2023 and 2022, the Association's Bonds outstanding bear interest based upon the following schedule:

Table 12. Long-term Debt *(Note 6A)*

	June 30, 2023			June 30, 2022		
Series	**Outstanding Amount**	**Term**	**Interest Rate**	**Outstanding Amount**	**Term**	**Interest Rate**
2001	$ 14,235,000	Daily Rate	Weekly	$ 14,235,000	Daily Rate	Weekly
2001	15,950,000	10/01/17 - 10/01/23	1.91%	15,950,000	10/01/17 - 10/01/23	1.91%
*2001	7,130,000	11/27/13 – 10/01/24	1.78%	10,480,000	11/27/13 – 10/01/24	1.78%
2007	2,500,000	10/01/16 - 10/01/26	2.08%	3,000,000	10/01/16 - 10/01/26	2.08%
2011	6,750,000	10/01/16 - 10/01/26	2.08%	7,500,000	10/01/16 - 10/01/26	2.08%
2015	9,750,000	10/01/20 – 10/01/30	1.94%	10,500,000	10/01/20 – 10/01/30	1.94%
2018	44,585,000	7/24/18 - 10/01/38	3.43%	46,010,000	7/24/18 - 10/01/38	3.43%
2021	49,220,000	03/19/21 - 10/01/41	1.97%	49,810,000	03/19/21 - 10/01/41	1.97%
	$ 150,120,000			**$ 157,485,000**		

**In December 2019, the Association re-marketed the bonds for the purpose of a lower interest rate and debt service savings.*

Debt service requirements at June 30, 2023 were as follows:

Table 13. Debt Service Requirements *(Note 6A)*

Year Ended June 30,	Principal	Interest	Total Principal and Interest
2024	$ 7,530,000	$ 4,198,787	$ 11,728,787
2025	7,695,000	4,154,856	11,849,856
2026	7,870,000	3,898,883	11,768,883
2027	8,070,000	3,699,826	11,769,826
2028	8,280,000	3,401,833	11,681,833
2029-2033	39,190,000	12,248,074	51,438,074
2034-2038	20,970,000	7,571,003	28,541,003
2039-2043	24,320,000	6,300,486	30,620,486
2044-2048	16,890,000	3,998,375	20,888,375
2049-2051	9,305,000	587,813	9,892,813
	$ 150,120,000	**$ 50,059,936**	**$ 200,179,936**

The Association is subject to certain general and financial covenants related to the Bond agreements (the Agreements). The first financial covenant requires the Association to maintain a Net Revenues to Principal and Interest Requirements due on the bonds, as defined in the Agreements, of greater than 1.10:1.00, tested annually at the end of each fiscal year. The Association's ratio of net revenues to required principal and interest was 0.59 and 0.64 in 2023 and 2022, respectively. Each of the banks included in the Agreements waived the requirement for the Association to comply with the financial covenant for the fiscal years ended June 30, 2023 and 2022, and waived any Event of Default that may arise under the Indenture and the respective Credit Agreements from the Association's failure to comply with the Financial Covenant for the fiscal years ended June 30, 2023 and 2022. The second financial covenant requires the Association to maintain unrestricted cash, marketable securities and investments in an amount greater than twenty-five percent (25%) of its total indebtedness measured at the end of the fiscal year. At June 30, 2023, the required amount of liquidity was $37,530,000 and the actual amount was $118,770,855. At June 30, 2022, the required amount of liquidity was $39,371,250 and the actual amount was $138,687,782.

B. Unearned Revenues:

Changes in current unearned revenues for June 30, 2023 and 2022 are as follows:

Table 14. Changes in Current Unearned Revenues *(Note 6B)*

	2023	2022
Balance, beginning of year	$ 30,252,075	$ 31,523,224
Additions:		
Advance ticket sales and related handling	27,028,855	27,314,863
Unearned camp fees	2,002,738	1,653,063
Unearned other income	188,038	1,284,149
Total additions	29,219,631	30,252,075
Deductions:		
Earned ticket sales and related handling	(27,314,863)	(29,655,865)
Earned camp fees	(1,653,063)	(531,073)
Earned other income	(1,700)	(1,336,286)
Total deductions	(28,969,626)	(31,523,224)
Balance, end of year	**$ 30,502,080**	**$ 30,252,075**

Changes in long-term unearned revenues for June 30, 2023 and 2022 are as follows:

Table 15. Changes in Long-term Unearned Revenues *(Note 6B)*

	2023	2022
Balance, beginning of year	$ 2,540,000	$ 3,810,000
Additions:		
Unearned royalties	-	-
Total additions	-	-
Deductions:		
Royalties reclassified to current	(1,270,000)	(1,270,000)
Total deductions	(1,270,000)	(1,270,000)
Balance, end of year	**$ 1,270,000**	**$ 2,540,000**

C. Long-term Lease Payable:

As of June 30, 2023, and 2022, the Association had assets recorded under leases (see Note 5) discounted at an implicit rate of 1.1%. Future maturities of lease payments as of June 30, 2023 are as follows:

Table 16. Lease Requirements *(Note 6C)*

Year Ended June 30,	Principal	Interest	Total Principal and Interest
2024	$ 144,199	$ 5,130	$ 149,329
2025	117,827	3,252	121,079
2026	88,490	973	89,463
2027	31,398	623	32,021
2028	2,862	44	2,906
	$ 384,776	**$ 10,022**	**$ 394,798**

(7) RELATED-PARTY TRANSACTIONS:

Gator Boosters, Inc. (Gator Boosters) receives contributions from the public and remits the majority of these funds (less their operating expenses) to the Association. Contributions of $49,196,656 and $58,542,640 were recognized from Gator Boosters, for the years ended June 30, 2023 and 2022, respectively, and have been included in the accompanying Statements of Revenues, Expenses and Changes in Net Position. Additionally, the Association provides accounting and other support services to Gator Boosters. The Association recognized contract revenue in the amount of $190,000 for the years ended June 30, 2023 and 2022.

Contributions and operating expenses are paid to the University throughout the year. Included in accounts payable at June 30, 2023 and 2022 is $7,602,143 and $13,131,551, respectively, due to the University of Florida. The Association actively sells personalized Gator Walk bricks as a fundraising initiative. For the fiscal years ended June 30, 2023 and 2022, profits from the sale of these bricks totaling $0 and $2,166, respectively, were contributed to the University of Florida Foundation, Inc. and included in the athletic scholarship endowment.

(8) COMMITMENTS:

The Association has entered into employment contracts with certain employees expiring in years through 2032 that provide for a minimum annual salary. At June 30, 2023, the total commitment for all contracts for each of the next five years and thereafter in the aggregate is as follows:

Table 17. Commitments *(Note 8)*

Year Ending June 30,		Amount
2024	$	33,245,011
2025		24,864,305
2026		20,486,705
2027		18,353,548
2028		16,096,127
Thereafter		11,348,635
	$	**124,394,331**

At June 30, 2023, the Association has commitments to provide funding for additional capital improvement projects of approximately $6,000,000.

(9) INCOME TAXES:

The Association did not incur any income tax expense for the years ended June 30, 2023 and 2022. The Association did however, pay an excise tax of $4,351,770 and $1,714,325 on highly compensated employees for calendar years 2022 and 2021.

(10) RISK MANAGEMENT:

The Association purchased conventional commercial insurance coverage for potential exposures in the areas of property, workers' compensation, automobile liability and physical damage, and other general liability exposures. This insurance was purchased from various independent carriers and is designed to insure against such risks and minimize the Association's financial exposure. The Association also participates with the employees in the purchase of group health, dental and life insurance for its employees and their families.

The Association has also purchased commercial excess insurance to cover injuries to student-athletes sustained during practice or play. This policy requires a $10,000 deductible per athlete per incident. Any amounts paid by the athletes' private insurance carriers can be applied to the Association's deductible.

The Association is not involved in any risk pools with other governmental entities.


GATORS
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GATORS
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Gators

INTEGRITY

The mission of the University Athletic Association's **Goodwill Gators Community Outreach Program** is to foster citizenship between staff, coaches, student-athletes and the greater Gainesville community. Through volunteerism, Goodwill Gators will:

- **enhance** the personal development of student-athletes.
- **strengthen** our commitment to the greater Gainesville and surrounding communities.
- **encourage** citizenship, civic virtues and how one should behave as part of a community.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Audit Committee,
The University Athletic Association, Inc.:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and aggregate remaining fund information of The University Athletic Association, Inc. (the Association) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements, and have issued our report thereon dated September 21, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Association's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James Moore & Co., P.L.

Gainesville, Florida
September 21, 2023

Gators CELEBRATE

Only Florida has ranked among **top 10 in national all-sports** standings in each of the last 39 seasons.

UNIVERSITY ATHLETIC ASSOCIATION, INC.

Fiscal Year 2022-2023 Board of Directors

Dr. Ben Sasse
University President and
Chairman of the Board

Scott Stricklin
Athletics Director and
Chief Executive Officer

Chris Corr
Board President

Joelen K. Merkel
Audit Committee Chair

Doug Davidson
Finance Committee Chair, Pension &
Investment Committee Chair

Dr. Andrew McCollough
Intercollegiate Athletic
Committee Chair

Dr. Joseph Glover
University Provost and Senior Vice
President for Academic Affairs

Dr. Charles E. Lane
University Senior Vice President and
Chief Operating Officer

Chris Cowan
University Senior Vice President and
Chief Financial Officer

Lynda Tealer
Executive Associate
Athletics Director

Bill Heavener
Board of Trustees Representative

Robert Buckner
Gator Boosters President

Lou Oberndorf
Past Gator Boosters President

Dr. Chris Janelle
Faculty Athletic Representative

Dr. Doug DeMichele
Faculty Representative

Lauren Lemasters
Student Body President

Kinsey Goelz
Student-Athlete Representative

Brian Levine
Alumni Representative

Kim Barton
Board Member

Brian Beach
Board Member

Alvin Cowans
Board Member

Katrina Rolle
Board Member

Curtis Taylor
Board Member

Principal Accounting Officials

Melissa Stuckey
Associate Athletics Director and Chief Financial Officer
melissas@gators.ufl.edu

Raquhel Alexander
Senior Director, Athletics Business & Finance
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