# UNIVERSITY OF KENTUCKY BOARD OF TRUSTEES

Craig Collins, CEO, Beyond Blue Corporation; Senior Vice President and Chief Financial Officer, UK HealthCare

AN EQUAL OPPORTUNITY UNIVERSITY

# CHAMPIONS BLUE

# Fiscal Year 2025 and Fiscal Year 2026 Comparison

| Budget Expense ($M) | FY25 Budget | FY25 Actual | FY26 Budget | FY26 Projection |
|---|---|---|---|---|
| **Revenue** | 170.9 | 184.0 | 194.8 | 197.0 |
| *Expenses* | | | | |
| Salaries and Benefits | 74.9 | 73.5 | 80.0 | 76.5 |
| Scholarships | 24.8 | 24.3 | 26.7 | 26.0 |
| Other Obligations | 37.0 | 38.3 | 53.9 | 55.0 |
| Other Operating Expenses | 49.2 | 55.7 | 49.9 | 57.3 |
| **Total Operating Expenses** | **185.9** | **191.8** | **210.5** | **214.8** |
| **Net Gain (Loss)** | ***(15.0)** | **(7.8)** | ***(15.7)** | **(17.8)** |

*June 2025 Board of Trustees approved FCR 8 for an operating internal loan for $31M.
Infrequent/Extraordinary expense of $38.2M has been expensed in FY26, an accounting requirement, paid out over the next 5 years.

CHAMPIONS BLUE

# Fiscal Year 2027 Budget

| | Budget Expense ($M) | FY26 | FY27 | Change |
|---|---|---|---|---|
| 1 | **Revenue**[1] | 194.8 | 218.3 | 23.5 |
| | *Expenses* | | | |
| 2 | Salaries and Benefits | 80.0 | 80.0 | 0.0 |
| 3 | Scholarships | 26.7 | 28.3 | 1.6 |
| 4 | Other Obligations | 53.9 | 56.3 | 2.4 |
| 5 | Other Operating Expenses | 49.9 | 53.7 | 3.8 |
| | **Total Operating Expenses** | **210.5** | **218.3** | **7.8** |
| | **Net Gain (Loss)**[2] | **(15.7)** | **-** | **15.7** |

[1] Camp expenses and revenues transitioned to outside entities and are not reflected in budget.

[2] Resolution of FCR 8 of operating loan to Athletics.

## KEY INSIGHTS

### 1 Revenue
Increase related to JMI Sports contract agreement, SEC revenue distribution and KFUND gift donations.

### 2 Salaries and Benefits
Reflected a 3% staff merit increase and change in historical benefits calculation with the addition of a budget pool for mid-year adjustments.

### 3 Scholarships
Increase due to new scholarships from roster limit assessment and FY27 tuition rates.

### 4 Other Obligations
Increase indicative of continued student-athlete revenue share model offset by decrease in football game guarantees. Other contributions include payments toward new property purchase and known commitment items.

### 5 Other Operating Expenses
Increase tied to spending for football, Men's Basketball and facilities.

University of Kentucky

**CHAMPIONS BLUE**

Distribution of Internal Loan for Athletics

## FCR 8 — June 13, 2025

*Internal Loan for Athletics*

**$141M**

### Operating Loan for FY 2024-25 and FY 2025-26

**$31M**

| | |
|---|---|
| FY 2024-25 ➡ | $7.8M |
| FY 2025-26 ➡ | Projected $17.8M |
| Total | $25.6M |

### Multi-year Capital Projects Initiatives

**$110M**

| FCR | Date | Initiative | Scope | Committed | Completion |
|---|---|---|---|---|---|
| 17 | 6/13/25 | Kroger Field Stadium Maintenance | $15M | $6.9M | 45% |
| 18 | 6/13/25 | Renovate Corner Suites and Elevators | $15M | 14.9M | 67% |
| 19 | 6/13/25 | Improve Soccer/Softball Facility | $5M | $4.9M | 99% |
| 20 | 6/13/25 | West End Zone Club Space / Wi-fi | $17.5M | $1.1M | 2027 |
| 17 | 4/23/26 | Improve Joe Craft Football Practice Facility | $3M | $3M | 98% |
| | | **Total** | **$55.5M** | **$30.8M** | |

University of Kentucky

# QUESTIONS

University of Kentucky

AN EQUAL OPPORTUNITY UNIVERSITY