



Gators Moving

FORWARD

GATOR BOOSTERS, INC. FINANCIAL STATEMENTS | JUNE 30, 2021



CONTENTS

4 INDEPENDENT AUDITORS' REPORT

**6 REQUIRED SUPPLEMENTARY INFORMATION -
MANAGEMENT'S DISCUSSION AND ANALYSIS**

14 BASIC FINANCIAL STATEMENTS

Statement of Net Position | 16

Statement of Revenues, Expenses, and Changes in Net Position | 17

Statement of Cash Flows | 18

Notes to Financial Statements | 20

26 ADDITIONAL INFORMATION

Schedule of Funds Held and Invested by the University of Florida
Foundation, Inc. on Behalf of Gator Boosters, Inc. | 27

**28 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**



INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Gator Boosters, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of Gator Boosters, Inc. (Gator Boosters), a direct support organization and component unit (for accounting purposes only) of the University of Florida, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Gator Boosters' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Gator Boosters' management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gator Boosters as of June 30, 2021, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386-257-4100

133 East Indiana Avenue
DeLand, FL 32724-4329
Telephone: 386-738-3300

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352-378-1331

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850-386-6184

Website: www.jmco.com | Email: info@jmco.com | Member of AGN International with offices in principal cities worldwide

Other Matters

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, 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 Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise Gator Boosters financial statements as a whole. The schedule of funds held and invested by the University of Florida Foundation, Inc. on behalf of Gator Boosters, Inc. (as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statements. This schedule has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2021, on our consideration of Gator Boosters' 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 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 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 Gator Boosters' internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large, looped initial 'J'.

Gainesville, Florida
September 23, 2021



MANAGEMENT'S DISCUSSION & ANALYSIS

JUNE 30, 2021



GATOR BOOSTERS, INC. (*Gator Boosters*), a not-for-profit corporation, is a Direct Support Organization of the University of Florida (the University). The mission of Gator Boosters is to strengthen the University's athletic program by encouraging private giving and volunteer leadership from Gators everywhere. Gator Boosters is the University's athletic fund-raising arm. Its goals are to fully fund the scholarship needs for the University's student-athletes and provide them with the resources necessary to compete at the highest level in athletics and academics. The success of Gator Boosters' fund-raising efforts is a testament to the accomplishments of our athletes, the generosity of our membership and the hard work of our fundraisers and support staff.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report is provided for your convenience and understanding of Gator Boosters' financial condition and operating activities as of and for the fiscal year ended June 30, 2021. This discussion and analysis is a narrative explanation of Gator Boosters' financial condition and operating activities for the year. The overview presented below highlights the significant financial activities that occurred during the past year 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 Gator Boosters' financial statements, which begin on Page 16.

USING THESE FINANCIAL STATEMENTS

This report consists of a series of financial statements, prepared in accordance with 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 Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows. The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position help to answer the question of whether Gator Boosters is better or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current

year's revenues and expenses are taken into account regardless of when cash is received or paid.

SUMMARY OF NET POSITION

The Statement of Net Position presents the assets, liabilities and net position of Gator Boosters as of the end of the last fiscal year. 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 Gator Boosters. The Statement of Net Position present end-of-the-year data concerning assets (what Gator Boosters owns and how much is owed by others), liabilities (what Gator Boosters 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 earned and expenses are recognized when they are incurred.

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of Gator Boosters. They are able to determine how much Gator Boosters owes vendors and other entities. Finally, the Statement of Net Position provides a picture of the net position and availability for expenditure by Gator Boosters.

Net Position is divided into three major categories. The first category is "unrestricted" net position. Unrestricted net position is available to Gator Boosters for any legal purpose. The next net position category, "net investment in capital assets", presents Gator Boosters' equity in property and equipment. The final category is "restricted" net position for permanent endowments. Gator Boosters' restricted net position includes the cash surrender value of life insurance policies, which are restricted by contributors for permanent endowments.

Condensed Summary of Net Position (thousands of dollars)

	2021	2020	2020-2021		2019	2019-2020	
			Increase (decrease)	Percent change		Increase (decrease)	Percent change
Assets							
Current assets	\$ 34,860,977	\$ 30,825,355	\$ 4,035,622	13.09%	\$ 5,461,013	\$ 25,364,342	464.46%
Capital assets, net	-	309	(309)	(100.00)%	773	(464)	(60.03)%
Other assets	584,381	566,455	17,926	3.16%	590,088	(23,633)	(4.00)%
Total assets	<u>35,445,358</u>	<u>31,392,119</u>	<u>4,053,239</u>	<u>12.91%</u>	<u>6,051,874</u>	<u>25,340,245</u>	<u>418.72%</u>
Liabilities							
	<u>35,894,115</u>	<u>31,866,416</u>	<u>4,027,699</u>	<u>12.64%</u>	<u>5,006,727</u>	<u>26,859,689</u>	<u>536.47%</u>
Net Position							
Unrestricted	(970,138)	(970,448)	310	0.03%	552,461	(1,522,909)	(275.66)%
Net investment in capital assets	-	309	(309)	(100.00)%	773	(464)	(60.03)%
Restricted for permanent endowments-nonexpendable	521,381	495,842	25,539	5.15%	491,913	3,929	0.80%
Total net position	<u>\$ (448,757)</u>	<u>\$ (474,297)</u>	<u>\$ 25,540</u>	<u>5.38%</u>	<u>\$ 1,045,147</u>	<u>\$ (1,519,444)</u>	<u>(145.38)%</u>

HIGHLIGHTS

- Gator Boosters transfers its earned operating income in the form of contributions to The University Athletic Association, Inc. (the Athletic Association) for scholarships, capital improvements, and also transfers non-operating income earned from endowment funds held at the University of Florida Foundation, Inc. (the Foundation). As a result, net position remains relatively unchanged from year to year, and this year Gator Boosters had no exceptions similar to the prior year.
- In 2021, total assets increased by \$4.1 million, as opposed to 2020, whereby current assets increased by \$25.4 million. This increase is due to a change in how Booster contributions are earned and recorded (See note 5).
- Liabilities increased by \$4.0 million in 2021 due to the timing of transfers to the UAA and increased by \$26.8 million in 2020 mainly due to a change in how Booster contributions are earned and recorded (See note 5).

SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues and expenses incurred during each year. Revenues and expenses are reported as operating and nonoperating. Operating

revenue consists of contributions from a 12,000 plus-person membership and major gifts. Operating expenses are related to the necessary administrative and personnel needs to manage and promote the membership program.

Nonoperating revenues are revenues received for which goods or services are not provided. Investment income generated on the endowment funds held at the Foundation and on Gator Boosters operating funds are classified as nonoperating revenues.

Nonoperating expenses are investment and gift fees related to the management of the endowment funds, and the transfers of contributions to the Athletic Association and the Foundation.



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

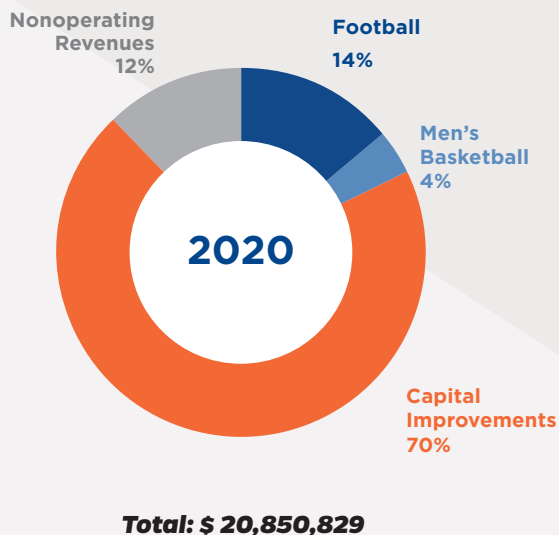
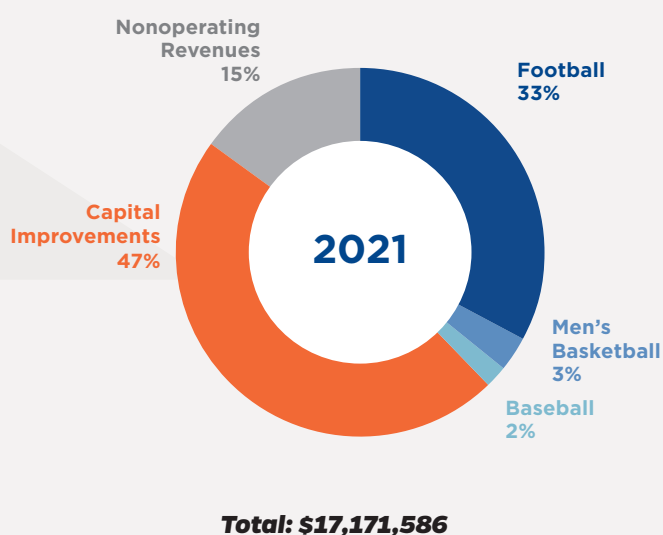
	2020-2021				2019-2020		
	2021	2020	Increase (decrease)	Percent change	2019	Increase (decrease)	Percent change
Operating revenues:							
Football-related contributions	\$ 5,582,327	\$ 2,981,862	\$ 2,600,465	87.21%	\$ 30,797,600	\$ (27,815,738)	(90.32)%
Basketball-related contributions	597,090	868,448	(271,358)	(31.25)%	2,886,562	(2,018,114)	(69.91)%
Baseball-related contributions	391,840	-	391,840	N/A	-	-	N/A
Capital improvement contributions	8,095,738	14,611,395	(6,515,657)	(44.59)%	6,366,163	8,245,232	129.52%
Special events and other	292,289	232,060	60,229	25.95%	183,896	48,164	26.19%
Total operating revenues	<u>14,959,284</u>	<u>18,693,765</u>	<u>(4,126,321)</u>	<u>(22.07)%</u>	<u>40,234,221</u>	<u>(21,540,456)</u>	<u>(53.54)%</u>
Nonoperating revenues:							
Allocation of earnings from endowments at the Foundation	2,214,362	2,046,000	168,362	8.23%	1,938,551	107,449	5.54%
Investment Income	(2,060)	111,064	(113,124)	(101.85)%	37,875	73,189	193.24%
Total nonoperating revenues	<u>2,212,302</u>	<u>2,157,064</u>	<u>55,238</u>	<u>2.56%</u>	<u>1,976,426</u>	<u>180,638</u>	<u>9.14%</u>
Total revenues	<u>17,171,586</u>	<u>20,850,829</u>	<u>(4,071,083)</u>	<u>(19.52)%</u>	<u>42,210,647</u>	<u>(21,359,818)</u>	<u>(50.60)%</u>
Operating expenses	<u>2,581,481</u>	<u>4,009,584</u>	<u>(1,428,102)</u>	<u>(35.62)%</u>	<u>3,904,749</u>	<u>104,835</u>	<u>2.68%</u>
Nonoperating expenses:							
Contributions to the Athletic Association	14,234,478	17,664,608	(3,430,130)	(19.42)%	38,027,149	(20,362,541)	(53.55)%
Contributions to the Foundation	17,700	64,166	(46,466)	(72.42)%	10,040	54,126	539.10%
Gift fees	318,859	634,789	(315,930)	(49.77)%	270,774	364,015	134.43%
Total nonoperating expenses	<u>14,571,037</u>	<u>18,363,563</u>	<u>(3,792,526)</u>	<u>(20.65)%</u>	<u>38,307,963</u>	<u>(19,944,400)</u>	<u>(52.06)%</u>
Total expenses	<u>17,152,519</u>	<u>22,373,147</u>	<u>(5,220,628)</u>	<u>(23.33)%</u>	<u>42,212,712</u>	<u>(19,839,565)</u>	<u>(47.00)%</u>
Contributions from donors for permanent endowment	<u>6,472</u>	<u>2,874</u>	<u>3,598</u>	<u>125.19%</u>	<u>5,004</u>	<u>(2,130)</u>	<u>(42.57)%</u>
Increase (decrease) in net assets	<u>25,539</u>	<u>(1,519,444)</u>	<u>1,153,143</u>	<u>(75.89)%</u>	<u>2,939</u>	<u>(1,522,383)</u>	<u>(51,799.35)%</u>
Net assets, end of year	<u>\$ (469,757)</u>	<u>\$ (495,297)</u>	<u>\$ 25,539</u>	<u>(5.16)%</u>	<u>\$ 1,024,147</u>	<u>\$ (1,519,444)</u>	<u>(148.36)%</u>

HIGHLIGHTS

- The increase in Football related contributions in 2021 by \$2.6 million and decrease in 2020 by \$27.8 million is mainly due to a change in how Booster contributions are earned and recorded (see note 5). Overall Football related contributions are down due to limited capacity seating during the 2020 season.
- Basketball related contributions for the 20-21 season decreased by \$271K mainly due to limited capacity during the 20-21 basketball season and decreased in 2020 by \$2.0 million due to a change in how Booster contributions are earned and recorded (see note 5).
- The 2021 Baseball season was the first year for ticket related contributions and the opening of the new Florida Ballpark. Revenues are low due to limited capacity seating during the season.
- Capital improvement contributions are major gifts designated by the donors for facility construction and renovation. In 2021, these contributions decreased by \$6.5 million and increased in 2020 by \$8.2 million due to the timing of pledge payments.
- Earnings from endowments at the Foundation remained relatively flat in both 2021 and 2020.
- In 2021, investment income decreased by approximately \$113K due to a present value adjustment to investments held in the State of Florida's Special Purpose Investment Account. In 2020, investment income increased by approximately \$73K due to realizing the proceeds from a life insurance policy owned by Gator Boosters.
- Contributions to the Athletic Association decreased in 2021 by \$3.4 million due to limited capacity seating in sports requiring a contribution and reduced capital improvement contributions. The decrease in 2020 by \$20.4 million is due to capital improvement contributions and a change in how Booster contributions are earned and recorded (see note 5)
- Gift fees paid to the Foundation fluctuate based on capital contributions received on a year-to-year basis.

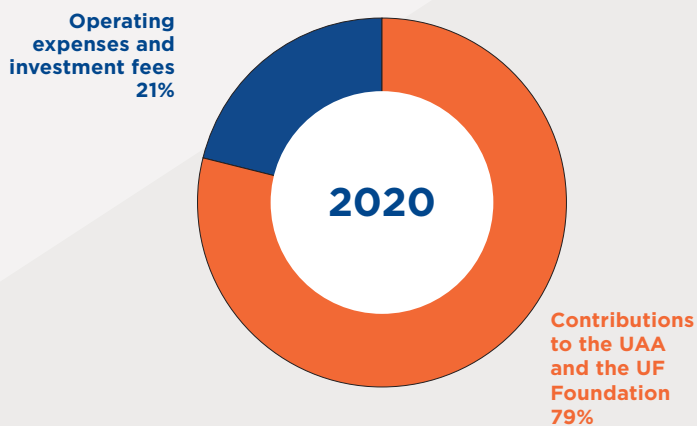
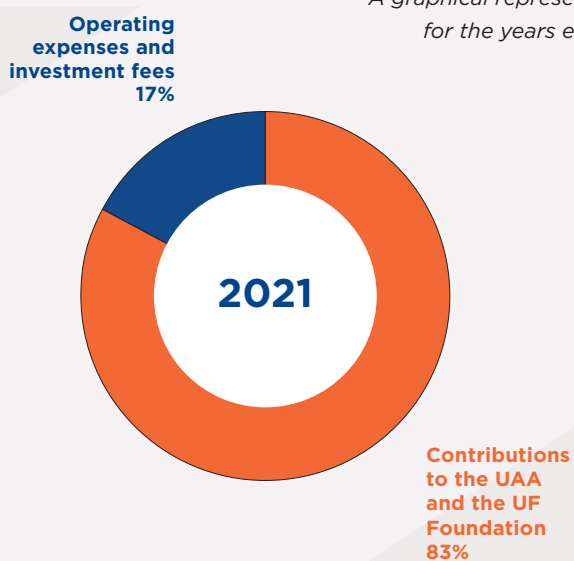
REVENUES

A graphical representation of the composition of our revenues for the years ended June 30, 2021 and 2020 follows:



EXPENSES

A graphical representation of the composition of our expenses for the years ended June 30, 2021 and 2020 follows:



SUMMARY OF THE STATEMENTS OF CASH FLOWS

The final statement presented is the Statement of Cash Flows. The primary purpose of the Statement of Cash Flows is to provide detailed information about the cash receipts and cash payments of Gator Boosters during the years shown. The statement classifies 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 Gator Boosters' operating income. The second section, cash flows from noncapital financing activities, shows the cash received and spent for nonoperating, noninvesting, and noncapital financing purposes and includes contributions to the Athletic Association and Foundation. The next section, cash flows from capital and related financing activities, provides information about cash used for the acquisition of capital assets and related items. The fourth section, cash flows from investing activities, details the proceeds and income received from investing activities. The final section reconciles the net cash provided (used) by operating activities to the operating income reflected on the Statement of Revenues, Expenses and Changes in Net Position.

Condensed Summary of Cash Flows (thousands of dollars)

			2020-2021		2019-2020		
	2021	2020	Increase (decrease)	Percent change	2019	Increase (decrease)	Percent change
Cash flows from:							
Operating activities	\$ 12,017,414	\$ 19,022,366	\$ (7,004,952)	(36.82)%	\$ 36,319,866	\$ (17,297,500)	(47.63)%
Noncapital financing activities	(12,779,192)	(21,817,839)	9,038,647	41.43%	(36,636,533)	14,818,694	40.45%
Investing activities	2,073,684	1,322,461	751,223	56.80%	1,816,707	(494,246)	(27.21)%
Net change in cash and cash equivalents	1,311,906	(1,473,012)	2,784,918	189.06%	1,500,040	(2,973,052)	(198.20)%
Cash and cash equivalents, end of year	\$ 1,788,694	\$ 476,788	\$ 1,311,906	275.15%	\$ 1,949,800	\$ (1,473,012)	(75.55)%

HIGHLIGHTS

- Cash provided by operating activities decreased by \$7.0 million in 2021 mainly due to reduced capacity in Football, Men's Basketball, and Baseball and decreased by \$17.3 million in 2020 due to a change in how Booster contributions are earned and recorded.
- Cash used for noncapital financing activities decreased by \$9.0 million in 2021 and decreased by \$14.8 million in 2020 due to fluctuations in the contributions made to the Athletic Association.
- Cash provided by investing activities increased

by \$751K in 2021 and decreased by \$494K in 2020 due to the timing of transfers from the Foundation to Gator Boosters.

NEXT YEAR

The main focus of Gator Boosters in 2021-2022 will be on soliciting major gifts for the new football training complex and the continual growth of the University's athletic facilities. Gator Boosters will also focus on building our donor pipeline and enhancing the current membership levels to promote revenue generation.



CONTACTING MANAGEMENT

This financial narrative is designed to provide the reader with a general overview of Gator Boosters' finances and to show Gator Boosters' accountability

for the contributions it receives. If you have questions about this report or need additional financial information, contact the Gator Boosters Office at Ben Hill Griffin Stadium, Gainesville, Florida: Gator Boosters, Inc., PO Box 13796, Gainesville, FL 32604, (352) 375-4683.