

**UCF STADIUM CORPORATION  
(A COMPONENT UNIT OF THE UNIVERSITY  
OF CENTRAL FLORIDA)**

**FINANCIAL STATEMENT**

**JUNE 30, 2022**

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**UCF STADIUM CORPORATION**  
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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
UCF Stadium Corporation  
Orlando, Florida

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the financial statements of the UCF Stadium Corporation (the "Corporation"), a direct support organization and component unit of the University of Central Florida, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Corporation, as of June 30, 2022, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audit 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 (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 Corporation, 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 opinion.

#### **Emphasis of Matter**

As discussed in Note 1 to the financial statements, during the year ended June 30, 2022, the Corporation adopted new accounting guidance, GASB Statement No. 87, Leases. There was no impact to net position as of July 1, 2021 as a result of adoption. Our opinion is not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

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 Corporation'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.

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(Continued)

## ***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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 Corporation'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 Corporation'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 on pages 4-9 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.

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(Continued)

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2022 on our consideration of the Corporation'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 the Corporation's 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 Corporation's internal control over financial reporting and compliance.



Crowe LLP

Tampa, Florida  
December 15, 2022

**UCF STADIUM CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

The management discussion and analysis (MD&A) provides an overview of the financial position and activities of the UCF Stadium Corporation, (the Corporation), for the year ended June 30, 2022, and should be read in conjunction with the financial statement and notes thereto. The MD&A, and financial statement and notes thereto, are the responsibility of management. The MD&A contains financial activity of the Corporation for the fiscal year ended June 30, 2022.

The Corporation is presented as a discrete component unit of the University of Central Florida (the University) and was certified as a direct support organization in December 2005. The purpose of the Corporation is to finance, construct and operate a football stadium on behalf of the University and the UCF Athletics Association, Inc. (the Association).

Pursuant to GASB Statement No. 35, the Corporation's basic financial statement include: 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**

The statement of net position reflects the assets, deferred outflows of resources, and liabilities of the Corporation, and presents the net position of the Corporation at a specified time. Assets, plus deferred outflows of resources, less liabilities equals net position, which is one indicator of the Corporation's current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the Corporation's financial condition. Restricted net position 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. Unrestricted net position consists of net assets that do not meet the definition of either restricted or net investment in capital assets. The Corporation's liabilities exceeded assets and deferred outflow of resources creating a deficit net position of \$36 million at June 30, 2022, primarily due to the transfer of fixed assets to the University from the Corporation's debt refunding in fiscal year 2016. The deficit net position will continue to improve in future years as the Corporation continues to reduce its outstanding long-term debt obligations with pledged revenues from the Association.

**UCF STADIUM CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**  
(Continued)

The following summarizes the Corporation's total net position for fiscal years ended June 30:

	<u>2022</u>	<u>2021</u>	<u>Variance</u>	
			<u>Amount</u>	<u>Percentage</u>
<b>Assets</b>				
Current assets	\$ 5,630,829	\$ 3,826,942	\$ 1,803,887	47%
Noncurrent assets	24,084,186	-	24,084,186	
<b>Total Assets</b>	<u>29,715,015</u>	<u>3,826,942</u>	<u>25,888,073</u>	676%
<b>Deferred outflows</b>	<u>523,084</u>	<u>561,359</u>	<u>(38,275)</u>	-7%
<b>Liabilities</b>				
Current liabilities	5,222,683	4,819,239	403,444	8%
Noncurrent liabilities	35,507,249	37,736,438	(2,229,189)	-6%
<b>Total Liabilities</b>	<u>40,729,932</u>	<u>42,555,677</u>	<u>(1,825,745)</u>	-4%
<b>Deferred inflows</b>	<u>25,453,537</u>	<u>-</u>	<u>25,453,537</u>	
<b>Net Position</b>				
Unrestricted	<u>(35,945,370)</u>	<u>(38,167,376)</u>	<u>2,222,006</u>	-6%
<b>Total Net Position</b>	<u><u>\$ (35,945,370)</u></u>	<u><u>\$ (38,167,376)</u></u>	<u><u>\$ 2,222,006</u></u>	-6%

The Corporation's assets totaled \$29.7 million as of June 30, 2022. This balance reflects a \$25.9 million, or 676 percent increase from the prior fiscal year. This is primarily due to an increase of \$25.7 million in lease receivables in accordance with the adoption of GASB 87.

Liabilities totaled \$40.7 million at June 30, 2022. This balance reflects a \$1.8 million, or 4.3 percent decrease from the prior fiscal year primarily due to payments on the Corporation's long-term debt.

The Corporation has a deficit net position balance of \$36 million as of June 30, 2022. This balance reflects a \$2.2 million, or 5.8 percent decrease from the prior fiscal year primarily due to the payments on the Corporation's long-term debt. This deficit net position is expected to decrease over time as the Corporation continues to make annual debt repayments.

**UCF STADIUM CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**  
(Continued)

**THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

The statement of revenues, expenses and changes in net position presents the Corporation's revenue and expense activity, categorized as operating and non-operating. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid. GASB Statement No. 35 categorizes revenues and expenses as either operating or non-operating. Operating revenues generally result from exchange transactions where each of the parties to the transaction either give up or receive something of equal or similar value. The majority of the Corporation's revenues and expenses are non-operating revenues and expenses as defined by GASB.

Operating revenue consists primarily of revenues related to the rights granted to donors in connection with luxury suites and club seats located within the football stadium, as well as sponsorship revenues. During fiscal year 2020, the Corporation granted sponsorship and advertising rights to the stadium's footprint to the UCF Athletics Association in exchange for an annual guaranteed royalty payment. The term of this agreement is effective July 1, 2019, to June 30, 2024, thereby terminating the prior agreement with Spectrum, and is expected to yield \$9.5 million over the term of the agreement.

Operating expenditures reported for the Corporation include repairs and improvements to the Stadium and other financing related costs. Nonoperating activity consists primarily of interest payments on the Stadium's long-term debt obligations and distributions between the Corporation and the Association.

The following summarizes the Corporation's changes in net position for the fiscal years ended June 30:

	<b>Condensed Statement of Revenues, Expenses and Changes in Net Position (For Fiscal Years Ended June 30)</b>			
	<b>2022</b>	<b>2021</b>	<b>Variance</b>	
			<b>Amount</b>	<b>Percentage</b>
Operating revenues	\$ 3,453,092	\$ 1,735,086	\$ 1,718,006	99%
Operating expenses	910,301	1,174,035	(263,734)	-22%
<b>Operating income</b>	<u>2,542,791</u>	<u>561,051</u>	<u>1,981,740</u>	<u>353%</u>
<b>Net nonoperating revenues (expenses)</b>	(320,785)	692,027	(1,012,812)	-146%
<b>Increase (decrease) in net position</b>	2,222,006	1,253,078	968,928	77%
<b>Net position, beginning of year</b>	(38,167,376)	(39,420,454)	1,253,078	-3%
<b>Net position, end of year</b>	<u>\$ (35,945,370)</u>	<u>\$ (38,167,376)</u>	<u>\$ 2,222,006</u>	<u>-6%</u>

The Corporation's operating revenues totaled \$3.5 million at June 30, 2022. This balance reflects a \$1.7 million increase from the prior fiscal year primarily due to increases in premium seating revenues resulting from a full football game schedule, and the university campus returning to normal operations to allow full participation in athletic and social events across the campus community with multiple safety precautions.

Operating expenses totaled \$0.9 million at June 30, 2022. This balance reflects a \$0.3 million decrease from the prior fiscal year due to a decrease in repair expenses for the football stadium. Expenses prior year were funded by the settlement proceeds received in fiscal year 2020.

Net nonoperating expense totaled \$0.3 million at June 30, 2022. This balance reflects a \$1 million decrease from the prior fiscal year primarily due to an increase of \$2.6 million in net distributions from the



**UCF STADIUM CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**  
(Continued)

Association offset by an increase in revenue distributions after required debt payments and are consistent with pre-pandemic transfers.

The Corporation's Series 2015A, 2015B, and 2015C refunding revenue bonds are secured by a pledge from the Association of their gross ticket revenues for football, Association rent, away game guarantees, conference distributions, and guaranteed royalty revenue. The Corporation utilized these funds in meeting its annual debt service obligation and satisfying other debt covenant requirements as set forth related to the debt issuance. Once the covenants attached to the bonds are met, any excess unrestricted funds are distributed back to the Association. Pursuant to GASB No. 35, the Corporation records these receipts and payments with the Association as distributions from the Association and distributions to the Association and classifies them as non-operating revenues and non-operating expenses, respectively. The net activity from these distributions for the fiscal year ended June 30, 2022, was a \$0.3 million distribution from the Association to the Corporation.

The following table details net activity with the Association for the years ended June 30:

<b>Net Distributions with the UCF Athletic Association, Inc.</b>				
<b>(For the Fiscal Years Ended June 30)</b>				
	<b>2022</b>	<b>2021</b>	<b>Variance</b>	
			<b>Amount</b>	<b>Percentage</b>
Ticket sales	\$ 4,229,550	\$ 1,645,316	\$ 2,584,234	157%
Association rent	2,121,000	2,121,000	-	-
Guaranteed royalty payment	1,900,000	1,850,000	50,000	3%
<b>Distributions from the Association</b>	<u>6,129,550</u>	<u>5,616,316</u>	513,234	9%
<b>Distributions to the Association</b>	<u>(7,927,513)</u>	<u>(3,903,363)</u>	<u>(4,024,150)</u>	103%
<b>Net Distributions</b>	<u>\$ 323,037</u>	<u>\$ 1,712,953</u>	<u>\$ (1,389,916)</u>	-81%

Away game guarantees and conference distributions are pledged revenues of the Corporation's debt issuances. However, these revenues are not required to be distributed from the Association to the Corporation unless they are needed to meet the Corporation's annual debt service obligations. In the current fiscal year these revenues, totaling \$5.4 million, were not needed by the Corporation for debt service, or to meet the coverage ratio requirements on the debt.

**UCF STADIUM CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**  
(Continued)

**THE STATEMENT OF CASH FLOWS**

The statement of cash flows provides information about the Corporation's financial results by reporting the major sources and uses of cash and cash equivalents. This statement will assist in evaluating the Corporation's ability to generate net cash flows, its ability to meet its financial obligations as they come due, and its need for external financing. Cash flows from operating activities show the net cash used by the operating activities of the Corporation. Cash flows from noncapital financing activities include changes in the amounts due from related parties. Cash flows from capital and related financing activities include changes associated with long-term debt activities. Cash flows from investing activities show the net source and use of cash related to purchasing or selling investments and earning income on those investments.

The following summarizes cash flows for the fiscal years ended June 30:

	<b>Condensed Statements of Cash Flows</b>			
	<b>(For the Fiscal Years Ended June 30)</b>			
	<b>2022</b>	<b>2021</b>	<b>Variance</b>	
	<u>2022</u>	<u>2021</u>	<u>Amount</u>	<u>Percentage</u>
Cash flows provided by (used in)				
Operating activities	\$ 2,912,910	\$ 855,281	\$ 2,057,629	241%
Non-capital financing activities	105,277	2,627,857	(2,522,580)	-96%
Capital and related financing activities	(3,626,778)	(3,623,606)	(3,172)	0%
Investing activities	<u>625,239</u>	<u>46,942</u>	<u>578,297</u>	1232%
<b>Net increase (decrease) in cash</b>	<b>16,648</b>	<b>(93,526)</b>	<b>110,174</b>	<b>118%</b>
<b>Cash and cash equivalents</b>				
Beginning of year	<u>22,947</u>	<u>116,473</u>	<u>(93,526)</u>	-80%
End of year	<u>\$ 39,595</u>	<u>\$ 22,947</u>	<u>\$ 16,648</u>	773%

**DEBT ADMINISTRATION**

As of June 30, 2022, the Corporation had \$37.6 million in outstanding revenue bond. This represents a decrease of \$2.1 million, or 5.4 percent, from the prior fiscal year. Additional information about the Corporation's long-term debt is presented in Note 4 of the financial statement.

The following summarizes the outstanding revenue bonds for the fiscal years ended June 30:

	<b>Long-Term Debt</b>			
	<b>(For the Fiscal Years Ended June 30)</b>			
	<b>2022</b>	<b>2021</b>	<b>Variance</b>	
	<u>2022</u>	<u>2021</u>	<u>Amount</u>	<u>Percentage</u>
Revenue bonds	<u>\$ 37,621,249</u>	<u>\$ 39,763,438</u>	<u>\$ (2,142,189)</u>	-5%
<b>Total</b>	<u>\$ 37,621,249</u>	<u>\$ 39,763,438</u>	<u>\$ (2,142,189)</u>	-5%

**UCF STADIUM CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**  
(Continued)

**ECONOMIC OUTLOOK**

The Corporation's economic condition is closely tied to that of the Association. The Corporation has enhanced the University's footprint by aiding in the construction of an on-campus stadium, the stadium's east side club expansion, and the student leadership center, and with such, added great value to the University, the Association, and the community as a whole. Despite the impact to the Corporation's net position in fiscal year 2016 due to the transfer of capital assets to the University, the Corporation still maintains a strong ability to fulfill its annual debt service requirements since the debt is secured by pledge revenues from the Association. During the 2020 fiscal year, a novel strain of coronavirus surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. Based on guidance from the Board of Governors and in collaboration with other state universities the university have returned to normal operations to allow full participation in athletic and social events across the campus community. In keeping with these expectations, the pandemic is not expected to have an impact on the net results of the Corporation for fiscal year 2023. However, the extent to which the coronavirus will impact the Corporation's financial results will depend on future developments in the severity of and required response to the pandemic.

**REQUEST FOR INFORMATION**

The financial statement is designed to provide detailed information on the Corporation's operations to the Corporation's Board, management, investors, creditors, and all others with an interest in the Corporation's financial affairs and to demonstrate the Corporation's accountability for the assets it controls and funds it receives and expends. Questions concerning any of the information provided in this report or any requests for additional financial information should be addressed to Assistant Vice President for DSO Accounting and Financial Reporting, University of Central Florida, 12424 Research Parkway, Suite 300, Orlando, FL 32826-3249.

**UCF STADIUM CORPORATION**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

<u>ASSETS</u>	<u>2022</u>
<b>Current assets</b>	
Lease receivable	\$ 1,609,440
Due from the University of Central Florida	3,447,465
Due from the UCF Athletics Association, Inc.	534,329
Restricted cash and cash equivalents	<u>39,595</u>
Total current assets	5,630,829
<b>Noncurrent assets</b>	
Lease receivable	<u>24,084,186</u>
Total noncurrent assets	24,084,186
<b>Total Assets</b>	<u>29,715,015</u>
<b><u>DEFERRED OUTFLOW OF RESOURCES</u></b>	
Deferred loss on refunding of debt	<u>523,084</u>
<b><u>LIABILITIES</u></b>	
<b>Current liabilities</b>	
Current portion of long-term debt	2,114,000
Interest payable	503,679
Due to the UCF Athletics Association, Inc.	177,450
Unearned revenue	<u>2,427,554</u>
Total current liabilities	<u>5,222,683</u>
<b>Noncurrent liabilities</b>	
Long-term debt, less current portion	35,507,249
<b>Total Liabilities</b>	<u>40,729,932</u>
<b><u>DEFERRED INFLOW OF RESOURCES</u></b>	
Deferred lease inflow	<u>25,453,537</u>
<b><u>NET POSITION</u></b>	
Unrestricted	(35,945,370)
<b>Total Net Position</b>	<u>\$ (35,945,370)</u>

The accompanying notes to the financial statement  
are an integral part of the statement.

**UCF STADIUM CORPORATION**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	<b>2022</b>
<b>Operating revenues</b>	
Premium seating	\$ 2,595,281
Commissions	677,811
Sponsorships	180,000
Total operating revenues	3,453,092
<b>Operating expenses</b>	
Services and supplies	910,301
Total operating expenses	910,301
<b>Operating income</b>	2,542,791
<b>Nonoperating revenues (expenses)</b>	
Distributions from the UCF Athletics Association, Inc.	6,129,550
Distributions from the UCF Foundation, Inc.	255,080
Distributions to the UCF Athletics Association, Inc.	(7,927,513)
Investment income	625,239
Interest expense	(1,493,284)
Lease revenue	1,818,110
Loss claim proceeds	272,033
Total nonoperating revenues (expenses)	(320,785)
<b>Change in net position</b>	2,222,006
<b>Net position, beginning of year</b>	(38,167,376)
<b>Net position, end of year</b>	\$ (35,945,370)

The accompanying notes to the financial statement  
are an integral part of the statement.

**UCF STADIUM CORPORATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>2022</b>
<b>Cash flows from (to) operating activities</b>	
Receipts from premium seating	\$ 2,965,400
Receipts from commissions	677,811
Receipts from sponsorships	180,000
Payments to suppliers and others	(910,301)
Net cash provided by operating activities	2,912,910
<b>Cash flows from (to) noncapital financing activities</b>	
Net change in funds held by the University of Central Florida	(1,830,896)
Distributions from the UCF Athletics Association, Inc.	7,814,591
Distributions from the UCF Foundation, Inc.	255,080
Distributions to the UCF Athletics Association, Inc.	(7,951,608)
Lease revenue	1,818,110
Net cash provided by (used in) noncapital financing activities	105,277
<b>Cash flows from capital and related financing activities</b>	
Payments on long-term debt	(2,027,000)
Interest paid	(1,599,778)
Net cash used in capital and related financing activities	(3,626,778)
<b>Cash flows from investing activities</b>	
Investment income received	625,239
<b>Net increase (decrease) in cash and cash equivalents</b>	16,648
<b>Cash and cash equivalents, beginning of year</b>	22,947
<b>Cash and cash equivalents, end of year</b>	\$ 39,595
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 2,542,791
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
Unearned revenue	370,119
Net cash provided by operating activities	\$ 2,912,910

The accompanying notes to the financial statement  
are an integral part of the statement.

**UCF STADIUM CORPORATION**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2022**

**(1) Summary of Significant Accounting Policies:**

The following is a summary of the significant accounting policies and practices of the UCF Stadium Corporation (the Corporation), which affect significant elements of the accompanying financial statement:

(a) **Reporting entity**—The Corporation is a not-for-profit entity incorporated on October 26, 2005. The Corporation was created by the University of Central Florida (the University), as a direct support organization of the University whose purpose is to construct, operate and maintain the football stadium for and on behalf of the University and the UCF Athletics Association, Inc. (the Association). As a direct support organization and component unit of the University, the Corporation operates for the service and convenience of the University. The Corporation is presented as a discrete component unit of the University on the University's financial statement. The name of the Corporation was changed to UCF Stadium Corporation from Golden Knights Corporation during the year ended June 30, 2015.

(b) **Financial statement presentation**—The Corporation's financial statement is presented in accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements-and Management's Discussion and Analysis-for Public Colleges and Universities*, as amended, which requires the Corporation to present:

- ◆ Management's Discussion and Analysis
- ◆ Basic Financial Statement:
  - Statement of Net Position
  - Statement of Revenues, Expenses and Changes in Net Position
  - Statement of Cash Flows
  - Notes to Financial Statement

(c) **Basis of accounting**—Basis of accounting refers to when revenues, expenses, and related assets, deferred outflows of resources, and liabilities are recognized in the accounts and reported in the financial statement. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied. The Corporation's financial statement is presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, and liabilities resulting from nonexchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met. The Corporation follows GASB standards of accounting and financial reporting.

The statement of net position is presented in a classified format to distinguish between current and noncurrent assets and liabilities. The statement of revenues, expenses and changes in net position is presented in a format which distinguishes operating revenues and expenses from non-operating items. Operating revenues are defined as revenues generated from the primary mission of the Corporation; and include revenues generated from premium seating, commissions and sponsorships. Operating revenues normally, but not always, result from exchange transactions defined as revenues received in exchange for a good or service. Non-operating revenues are defined as revenues not derived from the basic mission operations of the Corporation.

**UCF STADIUM CORPORATION**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2022**

**(1) Summary of Significant Accounting Policies:** (Continued)

Nonoperating revenues normally, but not always, result from non-exchange transactions, defined as value received with no good or service exchanged. The statement of cash flows is presented using the direct method in compliance with GASB standards of accounting and financial reporting.

(d) **Cash and cash equivalents**—Amounts reported as cash and cash equivalents consist of cash on hand, cash held by a trust institution and invested in money market funds, and investments with original maturities of three months or less. Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other restricted assets, are classified as restricted.

(e) **Due From the University of Central Florida**—The amounts recorded as Due from the University of Central Florida include funds held by the University on behalf of the Corporation.

(f) **Capital assets**—The Corporation has no capital assets at June 30, 2022. The Corporation's capital assets previously consisted of furniture and equipment; and works of art and historical treasures. Those assets were capitalized and recorded at cost at the date of acquisition. Additions, improvements, and other outlays that significantly extend the useful life of an asset were capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The Corporation has a capitalization threshold of \$5,000 for furniture and equipment additions and a threshold of \$100,000 for new buildings and improvements. Depreciation is computed on the straight-line basis over estimated useful lives ranging from 5 to 39 years.

(g) **Revenue recognition**—Association rent and guaranteed royalty payments are recognized as earned. Premium seating, ticket sales, commission, and sponsorship revenues are recognized as revenue at the time the event takes place.

(h) **Unearned revenue**—Unearned revenue consists of advance payments related to luxury suites and club seats in the football stadium. Suite and premium seating revenue is recognized in the period the athletic event occurs.

(i) **Deferred outflows of resources**—The unrestricted net position includes the effect of recognizing a deferred outflow of resources from the loss on the Series 2006A, 2006B and 2014 debt refundings. The balance of the deferred outflow of resources was \$523,084 at June 30, 2022. The deferred loss on refunding will be amortized as a component of interest expense over the life of the remaining debt.

(j) **Net position**—The Corporation's net position is classified as follows:

- **Restricted net position** – This represents the Corporation's resources 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. According to authoritative discussions in the GASB 34 Implementation Guide exercise for calculating net position balances for governmental activities, if the liabilities relating to the restricted assets are greater than those assets, then no balance would be reported as restricted net position. The negative amount would be reported as a reduction to unrestricted net position. The Corporation does not have any restricted net position for 2022.
- **Unrestricted net position** – This represents Corporation resources which do not meet the definition of "restricted" or "net investment in capital assets."



**UCF STADIUM CORPORATION**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2022**

(1) **Summary of Significant Accounting Policies:** (Continued)

- Net investment in capital assets – This represents the net amount invested in capital assets (original cost, net of accumulated depreciation and net of capital related debt).

There was no net investment in capital assets at June 30, 2022. When both restricted and unrestricted net position is available for use, it is the Corporation's policy to use restricted resources first, then unrestricted resources as they are needed.

(k) **Income taxes**—The Corporation is generally exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statement.

When required, the Corporation files income tax returns in the U.S. federal jurisdiction and in the state of Florida. The Corporation's income tax returns for the past three years are subject to examination by the tax authorities, and may change upon examination.

The Corporation has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statement of the Corporation.

(l) **Use of estimates**—The preparation of financial statement in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities along with disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(m) **Adoption of New Accounting Standard – GASB Statement No. 87, Leases**—In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Corporation adopted the requirements of the guidance effective July 1, 2021. With the implementation of GASB Statement No. 87 a deferred inflow of resources \$27,271,647 was recorded at the beginning of the fiscal year. The implementation of GASB Statement No. 87 increased investment income, totaling \$625,239 as presented on the statement of revenues, expenses and changes in net position. Total interest recorded was \$542,978 and is included in the total \$625,239 investment income.

(2) **Cash and Cash Equivalents:**

The Corporation's restricted cash shown on the statement of net position represents cash held by the Corporation's trustee in the Corporation's name. These funds consist of funds held for debt service payments and funds held for construction as required in the trust indenture. For the year ended June 30, 2022 the cash was invested in a government money market fund. The value of cash and cash equivalents held at the institution on June 30, 2022, was \$39,595.

**UCF STADIUM CORPORATION**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2022**

The Corporation has cash invested by the University of \$3,447,465 at June 30, 2022. The amounts are included in Due From the University of Central Florida on the accompanying statement of net position. Investment income shown on the statement of revenues, expenses

(2) **Cash and Cash Equivalents:** (Continued)

and changes in net position includes interest earned on the cash held by a trust institution, as well as realized gains/losses allocated from the University on funds held and invested on behalf of the Corporation.

Section 1011.42(5), *Florida Statutes*, authorizes universities and their component units to invest funds with the State Treasury and State Board of Administration, and requires that these entities comply with the statutory requirements governing investment of public funds by local governments. Accordingly, universities and their component units are subject to the requirements of Chapter 218, Part IV, *Florida Statutes*. The University's Board of Trustees has adopted a written investment policy establishing investment parameters within applicable Florida Statutes and the University investment manual. Pursuant to Section 218.415(16), *Florida Statutes*, the Corporation is authorized to invest in the Florida PRIME investment pool administered by the State Board of Administration (SBA); interest-bearing time deposits and savings accounts in qualified public depositories, as defined in Section 280.02, *Florida Statutes*; direct obligations of the United States Treasury; obligations of Federal agencies and instrumentalities; securities of, or interests in, certain open-end or closed-end management type investment companies; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and other investments approved by the University's Board of Trustees as authorized by law. Investments set aside to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital assets are classified as restricted.

Money market funds are uninsured and collateralized by securities held by the institution, not in the Corporation's name. The money market funds invest in diversified portfolios of high-quality, dollar-denominated short-term debt securities.

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Pursuant to Section 218.415(16), *Florida Statutes*, the Corporation's investments in securities must provide sufficient liquidity to pay obligations as they come due.

*Credit Risk:* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Money market funds are uninsured and collateralized by securities held by the institution, not in the Corporation's name. The University's investment policy limits fixed income exposure to investment grade assets and provides credit quality guidelines applicable to the investment objective. The University's investment policy and manual provides information on asset classes, target allocations, and ranges of acceptable investment categories.

*Custodial Credit Risk:* Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In order to manage the custodial credit risk, the University's investment policy specifies certain requirements to pre-qualify financial institutions and brokers/dealers. The Corporation's investments are held by a third-party custodian, not in the name of the Corporation.

**UCF STADIUM CORPORATION**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2022**

(3) **Concentrations of Credit Risk:**

The Corporation has no policy requiring collateral or other security to support receivables from related parties, as described in Note 6.

Related party receivables and payables are as follows at June 30:

	<b>2022</b>
Due from the University of Central Florida	\$ 3,447,465
Due from the UCF Athletics Association, Inc.	534,329
Due to the UCF Athletics Association, Inc.	(177,450)

(4) **Long-term Obligations:**

In December 2015, the Corporation issued Series 2015A tax-exempt refunding revenue bonds for \$33,995,000 with a net premium of \$2,332,576, Series 2015B taxable refunding revenue bonds for \$10,250,000, and a Series 2015C non-taxable refunding revenue bond for \$3,810,000 (the 2015 debt issue). The Series 2015A and Series 2015B bonds were issued as publicly traded bonds and the Series 2015C bonds were issued as a direct borrowing with a bank. These bonds were issued to refund and replace the Corporation's Series 2006A, 2006B, and 2014 Certificates of Participation. The refunding bonds include both term and serial bonds and are secured by a pledge from the Association of gross ticket revenues, Association rent, away game guarantees, conference distributions, sponsorship, and guaranteed royalty revenues. Principal and interest payments were made in accordance with the schedule set forth at the time of issuance and bear fixed interest rates that range from 2.49 percent to 5.15 percent, and maturity dates that range from March 2029 to March 2036.

The extinguishment of the defeased certificates terminated the ground lease between the Corporation and the University. All the related building and building improvements assets on the leased land transferred to the University.

Distributions of pledged revenues from the UCF Athletic Association Inc. at June 30, 2022 are as follows:

	<b>2022</b>
Ticket sales	\$ 4,229,550
Association rent	2,121,000
Guaranteed royalty payment	1,900,000
<b>Distributions from the Association</b>	6,129,550
<b>Distributions to the Association</b>	(7,927,513)
<b>Net Distributions</b>	<b>\$ 323,037</b>

**UCF STADIUM CORPORATION**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2022**

(4) **Long-term Obligations:** (Continued)

The following is a schedule of future principal and interest payments for the Series 2015A, Series 2015B and 2015C revenue bonds as of June 30, 2022:

	<u>Direct Borrowings Payable</u>		<u>Other Bonds Payable</u>		<u>Total Principal and Interest</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2023	\$ 289,000	\$ 41,633	\$ 1,825,000	\$ 1,469,404	\$ 3,625,037
2024	296,000	34,437	1,915,000	1,383,014	3,628,451
2025	303,000	27,066	2,000,000	1,291,854	3,621,920
2026	311,000	19,521	2,095,000	1,196,034	3,621,555
2027	318,000	11,778	2,205,000	1,092,649	3,627,427
2028-2032	155,000	7,719	12,435,000	4,041,819	16,639,538
2033-2036	-	-	11,900,000	1,275,756	13,175,756
Subtotals	<u>1,672,000</u>	<u>142,154</u>	<u>34,375,000</u>	<u>11,750,530</u>	<u>47,939,684</u>
Plus: Unamortized Bond Premium	-	-	1,574,249	-	1,574,249
Total	<u>\$ 1,672,000</u>	<u>\$ 142,154</u>	<u>\$ 35,949,249</u>	<u>\$ 11,750,530</u>	<u>\$ 49,513,933</u>

The University entered into a support agreement such that it will fund certain deficiencies that may arise in the event the Corporation is unable to make the minimum payments on the bonds. In addition, if the Corporation has deficiencies for debt service coverage requirements or reserve account shortfalls, the University agrees to transfer funds to cover any such deficiencies. The University is obligated only to the extent that it has legally available revenues to cover the unpaid amounts.

With each of the Corporation's debt issuances, in the event either party fails to perform the covenants and obligations provided in the respective debt agreements, and such failure continues for a period of thirty days following written notice from the other party, such failure shall constitute a default under the terms and provisions of the agreements. In the event of default, interest rates are subject to change and other fees and penalties may be assessed. Upon any such default, the non-defaulting party shall have the right to pursue any and all available legal remedies in order to protect and enforce its rights. In any event of default, the Corporation's debt is not subject to any acceleration clauses.

**UCF STADIUM CORPORATION**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2022**

(4) **Long-term Obligations:** (Continued)

Changes in long-term debt for the year ended June 30, 2022, were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Direct Borrowings:</u>					
Revenue bonds	\$ 1,954,000	\$ -	\$ (282,000)	\$ 1,672,000	\$ 289,000
Total Direct Borrowings	<u>\$ 1,954,000</u>	<u>\$ -</u>	<u>\$ (282,000)</u>	<u>\$ 1,672,000</u>	<u>\$ 289,000</u>
<u>Other Debt:</u>					
Revenue bonds	\$ 36,120,000	\$ -	\$ (1,745,000)	\$ 34,375,000	\$ 1,825,000
Unamortized premiums	1,689,438	-	(115,189)	1,574,249	-
Total Other Debt	<u>\$ 37,809,438</u>	<u>\$ -</u>	<u>\$ (1,860,189)</u>	<u>\$ 35,949,249</u>	<u>\$ 1,825,000</u>
Total Long-Term Debt	<u>\$ 39,763,438</u>	<u>\$ -</u>	<u>\$ (2,142,189)</u>	<u>\$ 37,621,249</u>	<u>\$ 2,114,000</u>

The Corporation amortized \$115,189 of the bond premium to interest expense for the year ended June 30, 2022. Bond premiums are amortized on an annual basis using the straight-line method, which is materially consistent with the effective interest method. Interest expense was \$1,493,284 for fiscal year ended June 30, 2022 and is presented on the statement of revenues, expenses and changes in net position.

(5) **Commitments:**

The Corporation has a Management and Use Agreement with the Association to operate, manage and maintain the football stadium as part of the University's football program which is administered by the Association. As discussed in Note 4, the Association pledged gross ticket revenues, rent, away game guarantees, conference distributions, sponsorships, and guaranteed royalty revenues to the Corporation to meet the obligations of the revenue bonds. Once the covenants attached to the revenue bonds are met, any excess unrestricted funds are distributed back to the Association.

(6) **Related Party Transactions:**

As set forth in the trust indenture related to the 2015 debt issue (as more fully described in Note 4 above), the debt is secured by a pledge from the Association of their gross ticket revenues for football, Association rent, away game guarantees, conference distributions, sponsorships, and guaranteed royalty revenues. The Corporation utilizes these funds in meeting its annual debt service obligation and satisfying other debt covenant requirements as set forth related to the debt issuance. Away game guarantees and conference distributions are pledged revenues of the Corporation's debt issuances. However, these revenues are not required to be transferred by the Association unless they are needed to meet the Corporation's annual debt service obligations. Funds remaining after all debt covenants are met, are distributed from the Corporation to the Association.

**UCF STADIUM CORPORATION**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2022**

(6) **Related Party Transactions:** (Continued)

Pursuant to GASB No. 35, the Corporation records these receipts and payments with the Association as distributions from the Association and distributions to the Association and classifies them as nonoperating revenues and non-operating expenses, respectively.

In September 2015, the Corporation entered into a Fundraising Agreement with the Foundation concurrent with the 2015 debt issuances. In accordance with this agreement the Foundation works with the Association regarding the lease of luxury suites and club seats located at the stadium as well as managing the capital gift campaign designated for the stadium. Any funds collected by the Foundation are remitted to the Corporation. Receipts from the Foundation related to suites and club seats are recorded as premium seating in operating revenues and receipts related to capital gifts are recorded as distributions from the Foundation in nonoperating revenues.

As discussed in Note 4, *Long-Term Obligations*, the Corporation entered into a support agreement with the University, such that the University will fund certain deficiencies that may arise in the event the Corporation is unable to make minimum payments on the bonds. In addition, if the Corporation has deficiencies for debt service coverage requirements or reserve account shortfalls, the University agrees to transfer funds to cover any such deficiencies. The University is obligated only to the extent it has legally available revenue to cover the unpaid amounts.

(7) **Deficit Net Position:**

The Corporation has a deficit net position for the year ended June 30, 2022, of \$35,945,370. This deficit balance can be attributed to the transfer of all building and building improvement assets to the University as a result of the termination of the ground lease between the Corporation and the University with the December 2015 debt refunding. The Corporation's related debt was previously included as a component of the net investment in capital assets portion of net position but are now included as a component of unrestricted net position. The Corporation's debt balances reflected as a component of unrestricted net position for the year ended June 30, 2022, was \$37,098,165.

(8) **Litigation Settlement & Loss Claim Proceeds:**

On February 10, 2020, the Corporation executed a mediated settlement agreement for a total of \$1.4 million. The remaining balance from the settlement proceeds of \$262,631 was spent during the current fiscal year and is included in the \$910,301 total operating expenses presented on the statement of revenues, expenses and changes in net position at June 30, 2022.

At June 30, 2022 there was a total of \$272,033 representing insurance proceeds received from an insurance loss claim for stadium damage. These funds were remitted to UCF Athletics Association to administer payments for the repairs and is also included in the \$910,301 total operating expenses presented on the statement of statement of revenues, expenses and changes in net position.

**UCF STADIUM CORPORATION**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2022**

**(9) Leases Paid to the Corporation:**

As discussed in Note 5 *Commitments*, The Corporation has a Management and Use Agreement with the Association to operate, manage and maintain the football stadium as part of the University's football program which is administered by the Association. The agreement commencement date was July 1<sup>st</sup>, 2021, extending through June 30, 2036, to coincide with the maturity date on the debt held by the Corporation. As previously mentioned, the annual rent payments are pledged to repay outstanding debt. At June 30, 2022 a deferred lease inflow of \$25,453,537 was recorded on the statement of net position. Total investment income of \$625,239 includes \$542,978 recorded at the end of the fiscal year per GASB 87 as presented on the statement of revenues, expenses and changes in net position at June 30, 2022.

At June 30, 2022, approximate future minimum rental payments to be received under non-cancellable lease of the football stadium to the Association are as follows:

<b>Fiscal Year</b>	<b>Ending June 30</b>	<b>Lessor (Landlord)</b>	<b>Total</b>	<b>Related Parties</b>	
				<b>Principal</b>	<b>Interest</b>
	2023	Stadium Corporation	\$ 2,121,000	\$ 1,609,440	\$ 511,560
	2024	Stadium Corporation	2,121,000	1,641,484	479,516
	2025	Stadium Corporation	2,121,000	1,674,166	446,834
	2026	Stadium Corporation	2,121,000	1,707,498	413,502
	2027	Stadium Corporation	2,121,000	1,741,495	379,505
	2028 - 2032	Stadium Corporation	10,605,000	9,241,586	1,363,414
	2033 - 2037	Stadium Corporation	8,484,000	8,077,957	406,043
<b>Total Minimum Lease Payments</b>			<b>\$ 29,694,000</b>	<b>\$ 25,693,626</b>	<b>\$ 4,000,375</b>

**INDEPENDENT AUDITOR'S 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**

Board of Directors  
UCF Stadium Corporation  
Orlando, Florida

We have audited, in accordance with the 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 UCF Stadium Corporation (the "Corporation"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated December 15, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Corporation'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 Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation'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 control 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.

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(Continued)



## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Corporation'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.



Crowe LLP

Tampa, Florida  
December 15, 2022

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

Board of Directors  
UCF Stadium Corporation  
Orlando, Florida

We have examined the UCF Stadium Corporation's (the "Corporation") compliance with Section 218.415, *Florida Statutes*, concerning the investment of public funds during the year ended June 30, 2022. Management of the Corporation is responsible for the Corporation's compliance with the specified requirements. Our responsibility is to express an opinion on the Corporation's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Corporation complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Corporation complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Corporation's compliance with specified requirements.

In our opinion, the Corporation complied, in all material respects, with the requirements contained in Section 218.415, *Florida Statutes*, during the year ended June 30, 2022.

The purpose of this report is solely to comply with Chapter 10.550, Rules of the Florida Auditor General. Accordingly, this report is not suitable for any other purpose.



Crowe LLP

Tampa, Florida  
December 15, 2022