



August, 2015

Dear Ute Fans,

With the school year and our athletic seasons starting soon, it is a good time to thank you for your support of Utah athletics. Without a doubt, your support played a big role in our unprecedented success last year, when we had a school-record seven nationally ranked teams.

We also fared well financially through our fund-raising efforts and ticket sales. Those, along with conservative spending, enabled us to balance the budget and meet our yearly facility bond and operating loan obligations.

Last year was our fourth year as a member of the Pac-12 Conference and the first year we received a full share of the conference distribution. Year four was also the year we established ourselves competitively in the Pac-12. Our successes included a Pac-12 Championship and NCAA runner-up finish by our gymnastics team, a Sweet 16 appearance by our men's basketball team, a bowl win by our football team and NCAA tournament appearances by our volleyball and softball teams. All finished in the final top 25 rankings, as did men's swimming/diving and the men's and women's ski team. We have gained great momentum and have no plans to slow down.

With the major changes occurring in college athletics, including the new "cost of attendance" legislation that will be of great benefit for our student-athletes, there is more urgency than ever to make good decisions and be good stewards of your financial support. With that in mind, I want to share with you some of the major points of our budget for the coming year.

For fiscal year 2016 we are projecting a balanced budget of \$66.3 million. While the revenue we receive from our national TV contract is excellent, our *largest* revenue source is still our grass roots fan support (\$24.1 million) through ticket sales and donations. We can't win without you!

Our major increases in expenses this year will come from the new NCAA rules for scholarships, coaching staff compensation and facility expenses. Because of your generous donations to the Crimson Club Athletics Fund, it will be possible for us to fully pay for the \$8 million scholarship costs for this coming year, which includes the additional \$1 million for "cost of attendance". We also fund our salaries and employee benefits package, which accounts for approximately 35% of our budget. The rest of our operating budget includes student-athlete tuition, fees, room and board, medical care, academic support, travel, recruiting, uniforms, equipment, facility costs, etc.

With the Jon M. and Karen Huntsman Basketball Training Facility set to open this fall, we will begin paying the bond on the facility, as well as maintenance and operations. I told the basketball staffs to lower the heat and remember to turn off the lights!

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**Athletics Department**

Improvements to Rice-Eccles Stadium and the Huntsman Center will cost \$750,000 this coming year and we will now make this an annual budgetary item. As you may know, the University Auxiliary Services Department operates the stadium and the arena. It is important to take care of these wonderful facilities and the Auxiliary Services Department does a great job.

We have made great strides over the past four years and we plan on taking even bigger steps in the next four years.

Thanks for all you do and Go Utes!

A handwritten signature in black ink, appearing to read "Chris Hill". The signature is fluid and cursive, with the first name "Chris" written in a larger, more prominent script than the last name "Hill".

Chris Hill  
Director of Athletics