

The Finance Committee was called to order at 9:00 a.m.

Present were Committee members; President Williams, Chairman Axelrod, Vice Chairman Marean, Treasurer Brandt, D. Bittle, S. Cahill, J. Faraldo, M. Ford, J. Hensley Jr., D. Hoovler, C. McErlean, J. Miller, Dr. J. Mossbarger, Dr. T. Powers, R. Roland, D. Spriggs, G. Wand. Presenting staff; M. Tanner and D. Fisher. Other Directors and staff were in attendance.

Opened for **Questions of the 2018 Audited Financial Statements** – There were none.

Pension Plan Update – Reviewed highlights from the termination of the Defined Benefit Pension Plan, starting with the 1/1/2017 book balance of \$3,058,888 and the final cost of termination of \$2,944,205, resulting in a savings of \$114,683.

2019 Budget – the 2019 budget was reviewed with the 2018 actual figures, the approved budget from the November Finance Committee meeting, along with suggestions from staff since that meeting. Several areas were questioned and discussed;

Highlights of the summary page of assumptions were briefly discussed that staff used in making changes to the 5 year forecast report.

The 5 year forecast was reviewed page by page with several areas being discussed:

- Several Revenue items were adjusted based on 2018 activity levels as well as long term assumptions as declines have leveled off
- Salary line was decreased by \$20,000 based on open positions in the process of being filled in the very near future to help avoid budget variance in 2019
- Group Health Insurance will show an unusual decrease as we received a lower rate group and accepted it, Insurance company will honor the rate for this year, 2020 will show more of the market rate.
- Outside Help had a few changes, an increase for recruiter fees and decrease for bringing outside projects back in house.
- Marketing Events, Sponsorships and Ads were reviewed in great detail with focus on the five projections as well.
- Research and Grants had two changes to the 2019 budget, the line item for the Unwanted Horse Coalition Support of \$5,000 was returned, and the Genetics study was increased by \$5,000.
- A motion to reallocate \$75,000 from the Unwanted Horse Assistance Fund to the STA program was made by D. Hoovler, seconded by D. Marean was unanimously passed.

A motion was made by S. Cahill, seconded by D. Hoovler, to approve the preliminary budget showing the adjusted surplus of \$504,405 was unanimously passed.

Discussion of the REIT investments being held after the termination of the DB Pension Plan were discussed and a motion was made by D. Hoovler, seconded by D. Brandt, to give the USTA discretion to hold or sell these holdings based on market conditions passed unanimously.

Meeting was adjourned at 10:22 a.m.