

Committee Name:	Finance Committee ("FC")		
Committee Chair:	Guy Davis	Vice Chair:	Brandon Franklin
Minutes recorded by:	Guy Davis	Date/time of meeting:	8:00 pm ET 2/27/2024

Motions Passed:

1.

Number of committee members present: 11	Absent: 2	Number of guests: 1
Committee members present: Guy Davis - Chair, Brandon Franklin - Vice Chair, Ralph Davis, Arlene Delmage, Elyce Dilworth, Phil Dodson, Jill Gellatly - Treasurer Ex-officio, Peter Guadagni, Dawson Hughes - CEO Ex-officio, Gary Keehner - Controller Ex-officio, Samantha Kraft.		
Guests: Ed Coates, President		
Committee Members Absent: Charles Cockrell, Gregory Weber		

Minutes

The meeting (conducted by Zoom call) was called to order at 8:05 pm ET

- The first meeting of 2024 with 5 new committee members joining (or re-joining). Guy thanked all for volunteering to serve and welcomed the new members to the committee. Brief introductions were made.
- The principal business of the meeting was to 1. Review the preliminary USMS financial results for 2023; 2. to update the FC on any other pertinent financial developments; 3. to review the 2024 cash flow forecast and discuss the plan to cover the peak cash needs; 4. to review the financial reporting plan for the new GUS activity; 5. to review the outline meeting schedule for the FC for 2024; 6. to consider the annual review of FOG and other items raised by FC members in advance of the meeting including reporting of SSL grants by USAS foundation, the status of the Manual of Accounting Policies ("MAP"), the status of disaster planning, and preparations to make membership fee change recommendations to the BOD and HOD; and 7. to discuss any questions new members might have about the operation or business of the FC.
- An outline of the likely FC meeting schedule had been circulated beforehand. Based on prior years, the principal FC meetings are likely to be scheduled as follows: April/May -1Q results and preliminary forecast, late August - Open Meeting held as part of the Annual Meeting schedule (first half results and "Budget Assumptions", i.e. preliminary budget, for 2025), late October and November - Two meetings to finalize the 2025 budget. Ad-hoc FC or sub group meetings will be scheduled as needed to address FOG updates and specific issues arising.
- Gary had earlier circulated the preliminary USMS financial results for 2023. Gary highlighted that net results were significantly better than budgeted. Although membership revenues were slightly below budget, this was offset by significantly lower expenses. Employment expenses were below budget due to a staff departure and leaving a planned position unfilled, and volunteer expenses were lower than budgeted because of the very favorable hotel/conference rates negotiated for the volunteer relay and annual meeting. Gary invited members of the FC to raise any detailed questions they may have on the results in the FC forum where he and Dawson will respond.
- Regarding 2024 to date, membership revenues are ahead of last year, but slightly below budget. Dawson is optimistic that marketing activities planned for later in the year around the Olympics will help revenues catch up with the budget. Expenses are a little below budget to date.
- Dawson provided a brief verbal update on GUS where the current focus is on establishing leagues in new locations. Dawson has established a small sub group from the FC to periodically monitor GUS's financials. He expects that the group will meet and report back to the FC quarterly.
- Gary commented on the preliminary cash flow forecast that he had prepared and circulated to the FC to guide the Treasury management decisions that will need to be made in the course of the year. In 2023 USMS's line of credit was used to finance the short term cash deficit that peaked in October 2023. While the organization has substantial cash balances at present, there will again be a cash deficit peaking in October 2024 possibly exceeding the maximum available under the line of credit. Gary will work with a small group from the FC and Investment Committee to refine the cash flow forecast and make a

recommendation to the BOD and the financial committees of a plan to fund the peak cash needs utilizing the line of credit and transfers from investment reserves.

8. Guy will invite all of the members to review the FOG by the end of April (an email will be circulated) and to report any comments/observations or housekeeping points they may have. New members in particular are invited to do so. A small group will be convened to collate a list of recommended changes.
 9. Other topics discussed:
 - a. SSL funds and grants. Dawson updated the FC on SSL grants and the management of SSL funds under the USAS Foundation umbrella. Guy will touch base with Jay De Finis, now a member of the USAS Foundation Board and de facto USMS rep regarding ALTS/SSL grant oversight, for a brief update as well.
 - b. Jill and Gary will review the status of the Manual of Accounting Procedures and make a recommendation whether any updates are appropriate.
 - c. Work to prepare fee change recommendations based on the budget outlook for 2025 and the status of LMSC financials will begin in earnest in April when a broad outline of the 2025 budget is available. The goal is to provide a thorough analysis of USMS and LMSC's financial status and outlook in the first half so that the basis of fee change proposals are well and broadly understood before the Annual Meeting.
 - d. Dawson will ask the BOD to consider whether the USMS disaster recovery plans are up to date and if not to convene a sub-group drawing as appropriate also from the finance and other Board committees to update as necessary.
 10. No other business was brought forth.
 11. The meeting was adjourned at 9:05 pm ET
 12. The next meeting of the FC will be scheduled by Doodle poll, likely in April/May.
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