

The Finance Committee was called to order at noon by Chairman Ivan Axelrod.

1. Roll was taken electronically. Present were: Committee members; Chairman Axelrod, Vice Chairman Marean, D. Bittle, J. Faraldo, M. Ford, J. Hensley, Jr., D. Hoover, B. Kenney, S. Lilly, M. Loewe, C. McErlean, J. Miller, Dr. J. Mossbarger, S. O'Toole, Dr. T. Powers, R. Roland, J. Settlemoir, D. Siegel, G. Wand. Other presenters; M. Tanner and D. Fisher.

2. **Discussion/Questions of the 2020 Audited Financial Statements**

Opportunity for questions on the 2020 Audit report that was presented last week at the opening full board session was offered after a brief review.

3. **2020 Budget**

The 2021 proposed budget was reviewed with the 2020 activity updated through year end. Several areas were questioned and discussed, including:

Highlights of the summary page of assumptions were discussed; areas that had staff recommendations for change based on 2020 activity or certain events were notated in the 5-year forecast report.

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

Under the Revenue items –

Reduced the Track Membership Dues by \$125,000 to show a more conservative expectation of COVID effects on purses.

Under the Expense items –

Discussed salaries, open positions, new hires and contract help to explain how amounts were calculated

Under Outside Services - the purchase of the harnessracing.com domain name was discussed, details of the program services and publicity department lines were reviewed.

Many other lines were explained taking us to Marketing and Events where after discussion, a motion was made and passed to reduce the TV funding for the Hambletonian from \$37,500 to \$18,750 (to be paid to the Meadowlands).

The need for future lobbying in 2021 was explained by President Williams and the desire to have input in Washington for future legislation that may arise in 2021 affecting harness racing. Also restated that there is no intent to have the USTA fund any litigation expense going forward against HISA or its implementation. The “White Paper” could be utilized by others to challenge the HISA.

The medical study presented in the Registration Committee was discussed in great detail with a final decision to include the \$163,000 estimated funding in the budget for future

projects. A Registration sub-committee will review the proposal and make a recommendation to the Executive Committee to either approve spending the funds or such other decision as may be made by the Committee.

A motion to pay an honorarium for two Veterinarians that have been working for several years on studies on behalf of the USTA dealing with Clenbuterol, Betamethasone and Dexamethasone. The individuals involved with these projects were Dr. Clara Fenger (\$25,000) and Dr. Kenneth McKeever (\$10,000). This motion passed.

A request from STA, looking for help to obtain some source of permanent funding was requested and a sub-committee will be formed and headed by Mike Tanner. Others that may be interested in joining the committee should contact President Williams.

A question on Investigative Services was asked as the line item was zero. This led to a discussion on the SRIF organization being set up to do independent investigations and costs associated with investigations would no longer be the financial responsibility of the USTA

A motion made and passed to approve the revised budget showing a surplus of \$692,841.

Investment Policy Review – a sub-committee is being assigned to report back to the Executive committee on recommendations. Will use the compensation committee group to perform this work.

As there were no other matters to come before the committee, the meeting was adjourned at 3:02 p.m.