American Brahman Breeders Association

Finance Committee Meeting Minutes

May 20, 2026, 3:00 PM CST
ABBA Headquarters
Bryan, TX

Present
Carolyn Falgout
Hatch Smith
Will Detering
Kelvin Moreno
Scott Satterfield
Scott Weber

Staff
Paul Maulsby
Iridiana Ibarra

Guests
David Miller, President
Jake Dixon
Will Detering
Rodney Finch
Craig Fontenot
Sallye Fontenot
Jo Ann Manke
Dakota Smith
Catherine Neumayr, Vice President
Sally White
Nicole Wilson
Scott Weber
Bruce VanMeter
Charli Vernon
Tyler Vernon
Val Walters

Vice Chair Hatch Smith called the meeting to order at 3:00 PM.

Kelvin Moreno moved to approve the minutes from the last Finance Committee meeting. The motion was seconded by Scott Weber. Motion carried. The minutes were approved as presented.

The committee reviewed current membership and registration trends. It was reported that membership activity declined during the first quarter of the year but experienced a significant increase in April following membership approvals and new registrations. The committee noted that industry conditions and strong cattle markets continue to impact registration activity across the industry.

The committee reviewed year-to-date revenue and expense reports. International sale income was discussed, including the impact of late payments received from previous National Brahman Sale and World Brahman Congress transactions. Staff noted that some payments were received after year-end and were reflected in current financial reports.

The committee also reviewed personnel expenses. Salaries have decreased due to staffing changes, while contract labor expenses have increased as certain responsibilities have

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transitioned to part-time and contract positions, including breed improvement and promotional services. The committee noted that overall labor costs remain below prior staffing levels. Discussion was held regarding budget reporting formats. Members expressed concern that annual budget figures compared against quarterly actual expenses can create misleading variances. The committee requested that future reports include quarterly budget allocations to provide more meaningful comparisons throughout the year.

The committee reviewed investment account performance. It was reported that the Chilton account has increased approximately 13% and the Merrill Lynch account approximately 4.7% year-to-date. Combined cash, money market, and investment balances remain strong.
The committee also reviewed legal expenses previously paid from investment funds. Staff reported that reimbursement of those funds remains a budget priority as cash flow permits.

The committee discussed accounting expenses and CPA services. Accounting fees have increased significantly compared to previous years, with annual expenses for accounting services across the Association's entities now approaching approximately $40,000 annually. Staff reported ongoing efforts to reduce accounting costs through improved internal preparation of financial information and more efficient communication with the accounting firm.

Staff provided an update regarding recent fraud incidents involving unauthorized checks and ACH transactions. The committee was informed that all fraudulent transactions were reimbursed by the bank and corrective measures have been implemented, including account changes and additional security controls.

The committee also discussed cybersecurity concerns related to third-party software systems and the steps taken to comply with reporting requirements and strengthen security protocols.

The committee received an update on the transition from the current Digital Beef platform to the new 701X registry system.

Iridiana Ibarra reported that paperless registration implementation experienced delays due to software coding issues that affected printing processes. Temporary adjustments were made while corrections were implemented.

The committee discussed the phased rollout plan for the new 701X platform, including a transition period during which both systems may operate simultaneously. Staff continues to work with 701X representatives to address concerns and ensure a smooth transition for members.

The committee noted that the Association has eliminated the use of an off-site storage facility as part of ongoing efforts to reduce expenses and improve operational efficiency.

A motion was made by Scott Satterfield to offer the aged cow moratorium to the membership June 1st through December 31st, 2026. The motion was seconded by Kelvin Moreno. Motion carried.

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The committee reviewed accounts receivable activity. Outstanding receivables have decreased significantly during the year, declining from approximately $167,000 earlier in the year to approximately $33,000 currently.

Most outstanding balances are related to international sale transactions. Staff reported that account lockouts remain an effective collection tool and prevent members from conducting registry business until outstanding balances are paid.

The committee also discussed commission fees and nomination fees associated with sale transactions and the importance of timely invoicing and collection.

Kelvin Moreno made a motion to move into executive session, seconded by Scott Weber, motion carried.

During executive session the committee unanimously voted to send out demand letters be sent to delinquent accounts by May 27, providing fourteen (14) days for payment before account lockout procedures are implemented.

The committee further agreed that accounts exceeding thirty (30) days past due should receive prompt collection notices and be subject to established enforcement procedures.

There being no further business, Hatch Smith moved to adjourn the meeting, seconded by Kelvin Moreno, meeting adjourned.

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