

MAY 19TH MEETING:

Reid Ryan, President, Business Operations, Houston Astros



Reid Ryan enters his second full season with the Astros after being named the club's President of Business Operations on May 17, 2013. Reid, 43, is one of the youngest team presidents in the game and brings enthusiasm and energy to the organization, while also providing a wealth of experience working in professional baseball.

From day one, Reid has emphasized the importance of the fan experience and has made it a personal mission to openly engage with the Astros fan base. At nearly every home game, Reid can be found in the stands, speaking with Astros fans on a personal level. Within a few weeks of starting his new position and making his rounds through the ballpark, Reid used that fan feedback to make some changes. He followed up on a specific request to have the ballpark opened earlier in order to give fans access to Astros batting practice, which is now stadium policy. Whether he's in the ballpark on game days or on the Community Leaders ball fields participating in youth baseball and softball clinics with local at-risk children and teens, Reid takes pride in being an active member of the Houston community.

Before joining the Astros, Reid was the founder and CEO of both the Corpus Christi Hooks and the Round Rock Express minor league franchises, both of which are perennially lauded as two of the top franchises in minor league attendance, stadium satisfaction and franchise value. Shortly after coming on board in Houston, Reid continued to affect positive change by bringing the Corpus Christi Hooks into the fold as an owned and operated affiliate of the Houston Astros. The Round Rock Express remains the Triple A affiliate of the Texas Rangers.

Reid's history with Texas baseball goes back decades. During the 1980s, Reid was a bat boy for the Astros while his father and Hall of Famer Nolan was an All-Star pitcher in the Astrodome. He later pitched at the University of Texas and TCU, playing a part in two Southwest Conference Titles (Texas '91, TCU '94). Reid went on to pitch in the minor leagues for two seasons (1994-95) in the Rangers system after being selected in the 17th round of the June 1994 Draft.

A long-time respected member of minor league baseball's leadership group, Reid has maintained his ownership interests in the Pacific Coast League's Round Rock Express. He currently serves as the Texas League (Corpus Christi Hooks) Board of Trustees representative and is the Finance Chairman for minor league baseball.

Reid is involved in several other business ventures including R Bank, a Texas-based community bank

MAY 19TH PROFESSIONAL DEVELOPMENT SESSION:

Shauna Watson, Global Managing Director, RGP

"Approach to Implementing New Accounting Standards: Keys to Success"



Shauna Watson, RGP's Global Managing Director – Finance & Accounting – is a subject matter expert and frequent presenter on U.S. GAAP, IFRS, SOX and SEC Regulations. As part of her responsibilities, she currently leads RGP's Revenue Recognition Initiative. She has worked in a variety of positions of increasing technical complexity, including Corporate Director of Technical Accounting and Policy for a Fortune 100 Company, where she evaluated and communicated the impact of new accounting standards, determined the accounting for complex business transactions, drafted comment letters for submission to the SEC, FASB, IASB and PCAOB and led the ongoing IFRS implementation efforts.

Earlier in her career, Shauna was a Senior Manager at PwC and spent several years in PwC's Global Capital Markets Group in Germany, consulting on US GAAP and SEC regulations, participating in consultations with the SEC and working closely with transaction teams on capital raising and M&A activities.

Monthly Dinner Meeting

Tuesday, May 19th, 2015

LOCATION:

Houston Country Club

1 Potomac Drive
Houston, TX 77057

AGENDA:

Professional Development Session (4:30pm)

Social hour (5:30pm)

Dinner (6:30pm)

MEETING SPONSORS:



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FEI Houston Chapter

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Chapter Manager: Logan Beszterda

A letter from the president



Greetings,

As I write my last letter as President of your chapter, it is hard to believe that our last dinner meeting is upon us. It seems like just yesterday we held our first meeting in September. It has been a year of solidifying your chapter and building on the successes of the prior few years. None of this success could have been possible without the hard work, dedication and support of the chapter's Board of Directors, committee chairs and co-chairs and our wonderful sponsors. It has been an honor and privilege to serve alongside them this past year.

We had a great April meeting, where our dinner speaker, Harris County Judge Ed Emmett shared with us the business of running Harris County. The Q&A session that followed was enjoyable as the Judge gave us frank answers to many questions including what to do with the Astrodome. During the professional development session Raymie Daroga of BDO updated us on the impacts of recent codification updates. Sincere thanks go to Platinum sponsor BDO and to our Gold social hour sponsor, Texas Capital Bank for our April meeting.

Our annual FEI Houston Golf Tournament was held once again at Blackhorse on April 21st. As usual, a fun and relaxing time in splendid spring weather was had by all. Thanks to Tony O'Dell and his committee for organizing the outing. We couldn't hold this tournament without the wonderful support of our sponsors: Platinum – Alvarez & Marsal; Emerald – Bank of America; and Gold – Experis Finance and Vinson & Elkins.

We held another "New and Prospective Member Reception" event on March 31st and had a record turnout for this event. This was a good opportunity for many new and prospective members to meet each other and with our Chapter leaders. Thanks to Doeren Mayhew for sponsoring this event.

Our May meeting on the 19th is our annual spouses' night. Reid Ryan, Astros President of Baseball Operations will be our guest speaker. With the Astros currently in first place in their division, this should be a fun and interesting presentation! I hope you make plans to attend the meeting. Platinum sponsor RGP will provide our Professional Development session.

Sincere thanks to our sponsors who help underwrite our May meeting - Platinum sponsor RGP and our Gold social hour sponsor HSBC Bank USA. Without the generous support of our sponsors, who contribute money, time, in-kind donations and ideas to our chapter, we could not accomplish what we do every year. Please give our valuable sponsors preference when considering business services that they happen to offer.

Please welcome the incoming chapter leadership and let us know what we as a Chapter can do for you.

Regards,

Chris A. Matlock
President, FEI Houston Chapter

FEI Houston Officers and Committee Chairs

President

Chris Matlock, Lookout Capital Management

President-Elect

Joe Abell, Entropy Modulation

Programs Chairs

Blair Habuda, XOOM Energy, LLC

Rob Schmitz, Flotek Industries

Membership Chair

Mike Kinney

Sponsorship Chair

Maurice Nassar

Academic Relations Chair

Vance Tillman, Tideland Signal Corporation

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J. Philip McCormick, Jr., KBR

Tony Maresca, BullseyeEngagement LLC

Secretary

Rebecca McCulloch, HSBC Bank USA

Treasurer

Marcus Jones

Immediate Past President

Phil Denning, Shell Oil Company

Member Career Services Chair

Kevin Hanratty, Astoundry, Inc.

FEI Liaison Chair

Ann Kaesermann, Hilcorp Energy Company

Social Events Chairs

Jim Davis, Pluris Capital Advisors, Inc.

Tony O'Dell, Ynot Consulting, LLC

FEI Houston Chapter Directors

Bob Baumgartner

Jeff Curtiss, KBR

M. Colleen Estes, Sirius Solutions, LLLP

Chuck Fischer

Eric Khan, The Rand Group, LLC

Bruce Misamore, Yukos Oil Company

Ernie Pekmezaris, Pappas Restaurants

Terry Sanford, Arabella Exploration, Inc.

Michael J. Vitek, 212 Resources

New Members

Aaron Foley

Edward Neese

Michelle Quinlan

Kathryn Shanley

Service Corporation International.



fe.i
financial executives
international
houston chapter

**SUMMER
BREAKFAST
SERIES**

JUNE 16
JULY 21
AUGUST 18

7:15 AM TO 9:00 AM

HOUSTON COUNTRY
CLUB

Upcoming Events 2014 - 2015 Season Meetings

May 19, 2015 - Monthly Meeting

June 16, 2015 - Summer Breakfast Series 1

July 21, 2015 - Summer Breakfast Series 2

August 18, 2015 - Summer Breakfast Series 3

September 15, 2015 - Monthly Meeting

October 20, 2015 - Monthly Meeting

Private Company Policy Committee Update

April 14, 2015 CPC Policy Committee Washington Fly- In

By Ann Kaeserman

There is a lot of buzz on Capitol Hill regarding comprehensive tax reform. The goal is a bill in the September-October time frame in advance of the election year. Walking back the process, this means a "white paper" needs to be sent to the Joint Committee on Taxation by late June or prior to the July recess. Therefore, now is the time for ideas to be shared and conversations happening. This is exactly what a group of twelve FEI members took to heart on the 14th to support ideas important to private companies and pass-through entities. Meetings were held with the Joint Committee on Taxation, including the Chief of Staff Dr. Thomas Barthold, senior staff of the House Ways and Means Committee, Office of the House Speaker John Boehner, Senate Business Tax Reform Working group and the Office of Senator Marco Rubio.



The first meeting was with seven of the staff from the Joint Committee on Taxation which included economist, lawyers and accountants. They discussed micro and macro models used in various scenarios. They have data on how, at a micro level, small/private companies versus C-Corps react to certain items such as section 179. They then try to apply these micro models at the macro level and this can be very complex and inexact. Dr. Barthold was very interested in our ideas and invited others to email his Committee with proposals. The FEI Policy Committee is supportive of the concept of a Business Equivalency Tax (BET) whereby business income would be segregated on a pass-through and taxed at the highest corporate rate, to keep parity with C-Corps. There was discussion regarding if this should be an entity level tax or taxed at the individual level and the Policy Committee supports that it stay at the individual level. Dr. Barthold expressed concerns about policing the employee salary deductions and our rebuttal that the IRS has significant data on salary information that could be used for reasonableness testing, was dismissed by Dr. Barthold who reminded us the IRS uses such an antiquated system that only a handful of people (7 or 8) can even service it, so data mining is not exactly their forte.

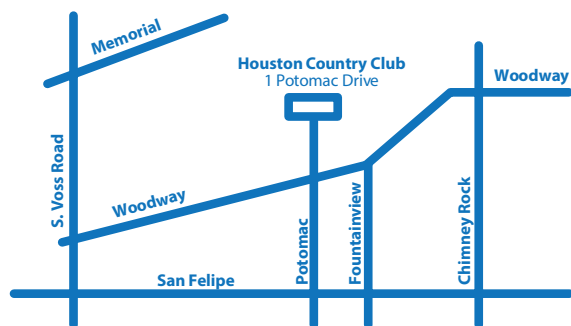
The House Ways and Means Committee is chaired by Paul Ryan who has been meeting regularly with the Treasury Secretary, Jack Lew. They are both committed to tax reform, but the President has dictated that the individual top rate of 39.6% is a line not to be crossed. This will not and cannot be changed. There is much concern with the bleeding to foreign ownership through inversions or purchase. US companies are clearly at a disadvantage from a global tax perspective so there is incentive to reduce US C-Corp tax rates. Mr. Ryan is concerned with the BET alternative because it decouples the pass-through entities from the individual. In the past, the only argument for lower individual tax rates has been due to small businesses. With that argument off the table there is no good political argument for individual rates not to rise to 60% or more since it will "only be taxing CEOs and lawyers". The senior staff noted that Republicans are in tune with pass-throughs and if proposed legislation hurts pass-throughs it will NOT get out of the Committee. There has also been more flexibility in the use of macro models so looking at a 10 year pay off rather than revenue neutral has been an acceptable idea. The Committee is starting with the Dave Camp draft bill from February 2014 as the base and requesting pros and cons from this baseline.

The CPC Policy Committee members met with Brad Bailey, the Assistant to the Speaker for Policy, who reiterated that Speaker Boehner had his own pass-through entity and is very concerned about parity with C-Corps. He solicited information regarding what preferences are most beneficial in reducing the tax burden to an effective rate more in parity with C-Corps. He believes there are four alternatives : 1) total comprehensive tax reform and move to a territorial tax regime; 2) split out business income such as in the BET model; 3) complete C-Corp reform and then do something from a preference standpoint to help the pass-throughs; and 4) combination of some or all of these.

Scott Parkinson, Deputy Legislative Director to Senator Marco Rubio, met with the CPC Policy Committee to discuss Senator Rubio's ideas for comprehensive tax reform. They would like to see full tax reform this year, but understand this may be a two-step process whereby some progress is made this year and more improvements follow after the election in 2017. They are soliciting feedback on their website. Some of their more interesting proposals are no deduction for interest, but no taxes on interest (financials institutions would operate under the old rules) and immediate tax write-off of capital expenditures.

It was a very busy day, but it is clear that taxes are on the minds of Washington. I encourage everyone to go to the various governmental websites and give your opinion on the issues. The CPC Policy Committee will be coming out with a letter to send to the Committees on the specific recommendations for private companies. Contact me at akaesermann@hilcorp.com if you would like a full list of attendees, a copy of the CPC Policy Committee's recommendations or have further questions.

Meeting Information



LOCATION:
Houston Country Club
1 Potomac Drive
Houston, TX 77057

AGENDA:
**Professional Development
Session (4:30pm)**
Social hour (5:30pm)
Dinner (6:30pm)



Meeting Fax/Mail Reservation Form

Register online at <http://www.feihouston.org>

Mail to: P.O. Box 32, Bellaire, TX 77402 or Fax to: 713.839.1453

One form per registrant please, photocopy as necessary. **Reservations Required** by 3:00 pm 2 business days before the meeting. Reservations may be canceled without cost as late as noon the day before the meeting. **"No-shows" will be billed \$50.**

Meeting Cost: No charge for Chapter Members and 1st time prospective members. Guests -\$90/person (guests & prospective members must be accompanied by member)

Attendee Name

Organization

Street Address

City / State / Zip

Phone

Fax

E-mail

Please select one: ☐ Chapter member ☐ 1st time prospective member

☐ Spouse (name) : _____

Payment method: ☐ MasterCard ☐ Visa ☐ Amex

Credit Card #

Expiration date (Month/Year)

Name on card

Signature

Billing address (street address, city, state and zipcode)

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