

## **REPORT OF THE TREASURER**

**Benjamin Hernandez**

Welcome to the Annual Meeting!

On behalf of the Finance & Audit Committee, it is my honor to present the Treasurer's Report to the Executive Board and the Governing Council. I would like to thank the members of our Finance Committee: Aaron Guest, Amy Lee, Shirley Orr, Gopal Sankaran, and Anthony Santella as well as Georges C. Benjamin and the Finance Staff at APHA for their work throughout the past year.

### **Report overview:**

- Overview of Finance Committee Roles and Responsibilities
- Fiscal Year 2024 Audit Report
- Fiscal Year 2025 Budget
- Fiscal Year 2025 Year to Date Report
- Closing Summary

### **Overview of Finance Committee Roles and Responsibilities**

The Finance Committee, with the support of staff, works to accomplish the financial goals set forth in the strategic plan. This work includes the following:

Oversight of budget process including:

- Adopting budget guidelines
- Reviewing proposed budget for recommendation to Executive Board for approval

Regularly monitoring budgetary activities.

Oversight of auditing process including:

- Selection of the auditor
- Determining timeline for annual audit and making recommendations to Executive Board

Overall oversight of financial policies including:

- Reserve Fund and Investment policies and practices.

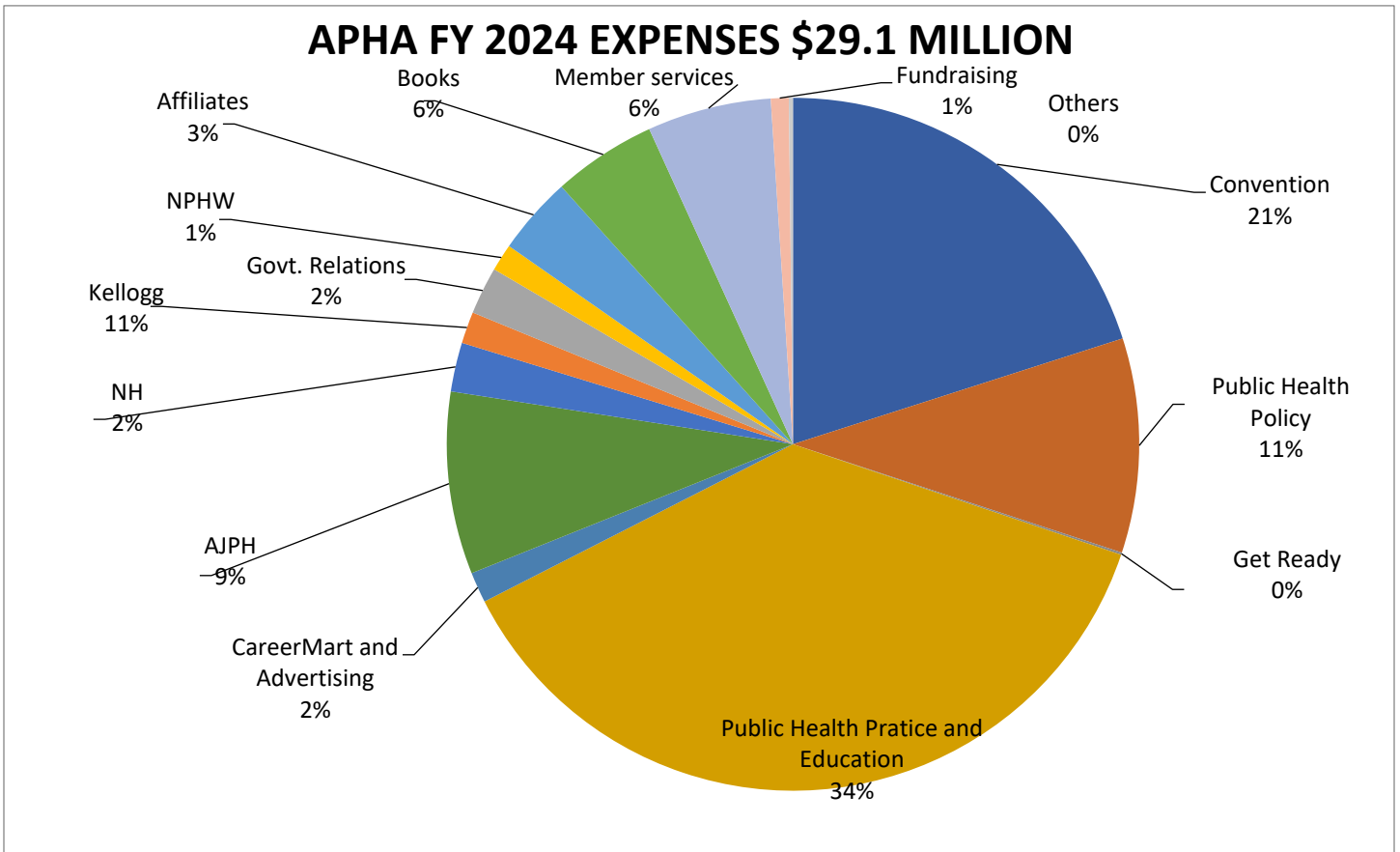
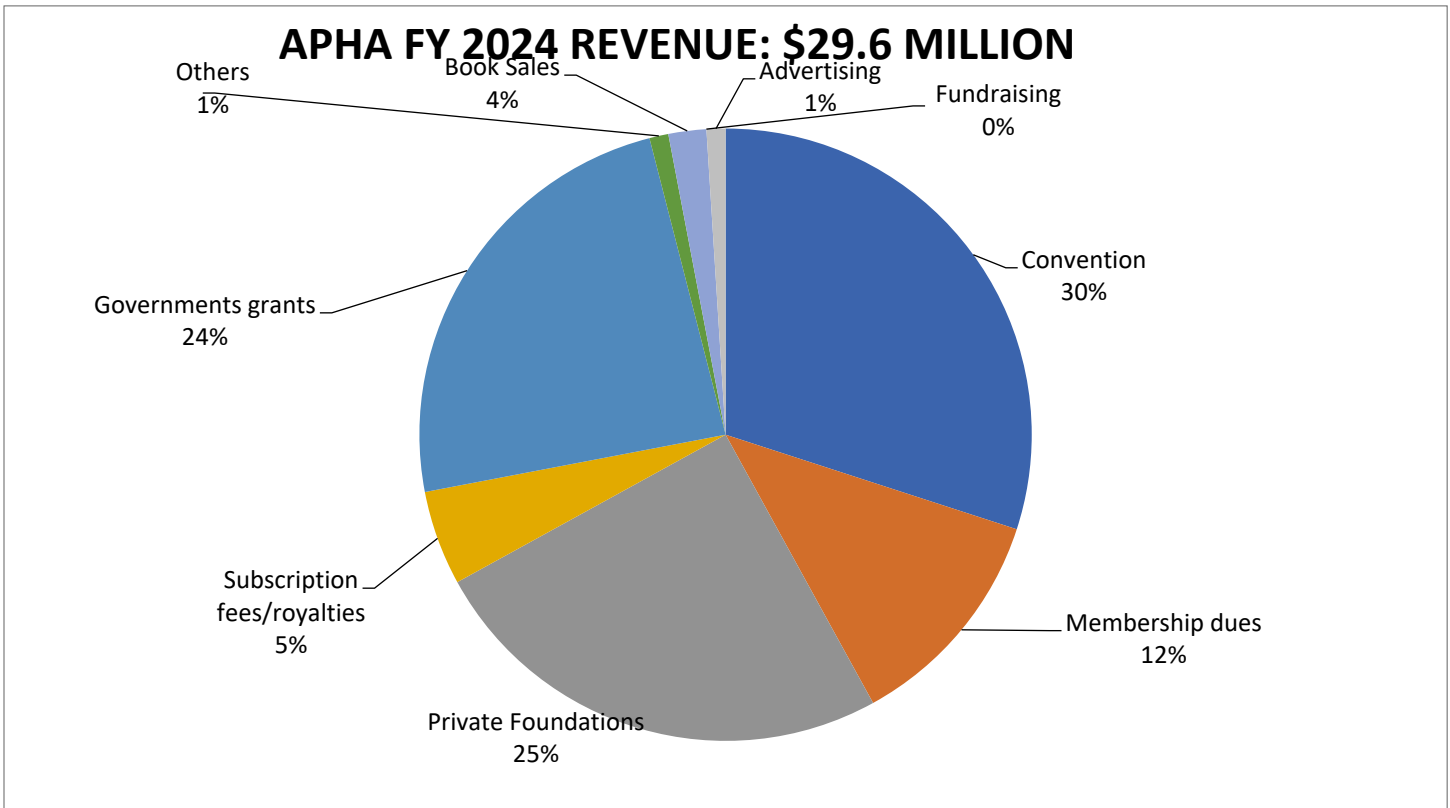
### **Fiscal Year 2024 (July 2023 – June 2024) Financial Report audit financial statements**

APHA closed the fiscal year ending June 30, 2024, as follows:

- Gain in Net Assets Operations \$427,507
- Gain in Net Assets Operations with investments \$1,685,902.

In Fiscal Year 2024, subscriptions, books, rent and miscellaneous were all below budget, while other revenue items such as membership dues, convention revenue, advertising, interest income, and contracts and grants were higher than anticipated.

For FY 2024, our revenue and expense stream are illustrative with the pie charts below.



### **Fiscal Year 2024 - Financial Audit**

The Association received an unmodified opinion (clean audit) from its auditors McKonly & Asbury FY 2024. Copy of the Association's audited financial statements resides on the Association's website.

### **FY 2025 (July 2024 – June 2025) Budget**

In July, the Executive Board approved a budget of \$25,028,245 with revenue of \$22,366,401 resulting in \$2,360,843 a planned use of reserve for FY 2025. In other words, the board approved a deficit budget using reserves to allow for spending beyond revenues of \$2,661,843 (without investment activity). This budget allowed the association the flexibility to address its financial needs for the upcoming fiscal year.

(See attached approved detailed approved budget)

### **FY 2025 (July 2024 – June 2025) Year to Date Financial Report**

As of the end of September 30, 2024 (25% of fiscal year), APHA reported revenues of \$10,223,731 (46% of budget). This is over projections by \$289,927 and under prior year by \$1,115,510. Total expenses are \$6,949,998 (28% of budget), which is under budget by \$28,543 and under prior year by \$474,637 year to date. Compared to budget, revenue is over projections by \$289,927 and expenses under by \$28,543. The difference between income and expenses to date is \$3,273,733 and \$3,804,904 with investments.

(See attached September financials)

### **Closing Summary**

Last year (Fiscal Year 2024 that ended in June 2024), we approved a large deficit budget, we ended the year with a positive gain of \$427,507 from operation and \$1,685,902 with investment. Fiscal Year 2024 ended favorably because there were expenses not incurred as originally planned and more additional revenue than anticipated. This year (Fiscal Year 2025 that started in July 2024), we again approved additional spending authority with a deficit budget of \$2,661,843. We anticipated the convention revenue to be less than budgeted and increase in grants activities than budgeted. The finance and audit committee will continue to monitor the association financial health and report accordingly.