

1 Report of the HDA Financial Program – 2022-H

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3 **Strategic Plan Goal #4 – Organizational:** Ensure financial and organizational stability
4 to serve members and maintain association continuity.

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7 The Financial Program (FP) has met quarterly to review the HDA’s financial statements
8 and position as provided by our accounting partners, and to prepare reports for the
9 Executive Council and the Board of Trustees. The FP has also helped develop and
10 review a draft budget for 2023 and reviewed the findings and recommendations of the
11 association’s 2021 audit as presented by its outside auditing firm. This year, the FP has
12 also cooperated with the Building Program to authorize the use of the association’s
13 reserves to fund building maintenance, repair, and sale expenses as well as expenses
14 related to the transition of HDA employees to remote work and the moving and storage
15 of HDA assets and materials.

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17 The audit for 2021 shows the HDA is still in a strong financial position, with many
18 months of cash reserves available. The auditors did not note any significant issues with
19 the accounting practices of our organization. They suggested our reserves be better used
20 for the benefit of our members or investments as opposed to sitting in a cash account.

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22 Whether the association ends 2022 with net revenues is difficult to say as that almost
23 entirely depends on the sale of the building. However, 2023 will be the year that the
24 association sees what kind of financial strength it has. The sole source of significant
25 revenue will be member dues, especially with the education program no longer being
26 tasked to generate a profit. Dues revenue can also be expected to be lower due to the
27 overall downward trend of ADA membership. We will have to decide how to spend our
28 resources to increase or at least retain our paying membership as well as pursue
29 significant non-dues revenue streams.

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31 The members of this Program are Drs. David Lum (Chair), Zach Dodson, Sean Holliday,
32 and Christopher Young.

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35 Respectfully Submitted,

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38 David Lum, DDS
39 HDA Treasurer
40 Financial Program Chair

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43 **Recommendation of the HOD Reference Task Force on the Report of the HDA**
44 **Financial Program:** The HOD Reference Task Force recommends the Report of the
45 HDA Financial Program be accepted.

47 **Action taken by the House:** The HDA HOD accepted the Report of the HDA Financial
48 Program.