2019 AAR AUDIT DASHBOARD

The Executive Committee has reviewed the 2019 audit conducted by the accounting firm of Walker & Armstrong.

Financial Highlights:

The total assets for all funds (General Operating, Fixed Assets, Operating Reserve, Capital Reserve, Strategic Initiative Reserve, Issues Mobilization and Homeownership Alliance) are $31,123,316 with total net assets of $26,700,297. This represents an increase of $5,561,701 in total net assets from 2018 audited figures due mainly to increases in member dues, a return of Issues Mobilization amounts, and a decrease in Issues Mobilization spending.

2019 activity closed with $5,561,701 in income in excess of expenses. Depreciation for the year 2019 was $259,128. As a reminder, our Bylaws require that we recognize an amount annually in the Operating Budget for depreciation payable to the Capital Reserve. The Board of Directors set depreciation funding in the Capital Reserve at $300,912 for 2019.

Net Assets and Accumulated Operating Surplus:

At the end of 2019,Das there is an accumulated operating surplus of $2,031,776. The surplus is comprised of (a) current assets *[after excluding cash equivalents and investments that are committed as designated or restricted funds]* (b) less current liabilities.

The Capital Purchases Reserve balance as of December 31, 2019 is $4,788,905.

The Special Operating Reserve balance as of December 31, 2019 is $8,956,145.

The Strategic Initiative Reserve balance as of December 31, 2019 is $2,230,789.

The Arizona Homeownership Alliance as of December 31, 2019 is $100,671.

Issues Mobilization Fund's balance, as of December 31, 2019 is $6,345,486 of which $698,163 is restricted for local association local issues requests.

Auditor Recommendations:

The audit firm of Walker and Armstrong had no reported material weaknesses or significant deficiencies with respect to the Association's financial process.

There are no irregularities reported. Copies of the 2019 AAR Audit are available at the check-in desk.