



Staff Memorandum

**HOUSE OF DELEGATES
Agenda Item # 2**

Attached for your reference are the Association's financial statements through September 30, 2019.

**NEW YORK STATE BAR ASSOCIATION
2019 OPERATING BUDGET
NINE MONTHS OF CALENDAR YEAR 2019**

REVENUE

	2019 BUDGET	ADJUST- MENTS	2019 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 9/30/2019	% RECEIVED 9/30/2019	2018 BUDGET	UNAUDITED RECEIVED 9/30/2018	% RECEIVED 9/30/2018
MEMBERSHIP DUES	10,050,000		10,050,000	9,632,215	95.84%	10,050,000	9,883,978	98.35%
SECTIONS:								
Dues	1,302,000		1,302,000	1,285,122	98.70%	1,341,574	1,292,391	96.33%
Programs	3,160,640		3,160,640	2,010,928	63.62%	2,894,561	2,372,794	81.97%
INVESTMENT INCOME	478,000		478,000	310,821	65.03%	477,000	261,775	54.88%
ADVERTISING	219,000		219,000	162,339	74.13%	296,000	169,410	57.23%
CONTINUING LEGAL EDUCATION	3,130,000		3,130,000	2,416,964	77.22%	3,635,000	2,542,479	69.94%
USI AFFINITY PAYMENT	2,196,800		2,196,800	1,699,958	77.38%	2,262,000	1,647,577	72.84%
ANNUAL MEETING	850,000		850,000	940,308	110.62%	930,000	838,838	90.20%
HOUSE OF DELEGATES & COMMITTEES	78,250		78,250	54,830	70.07%	211,500	177,877	84.10%
PUBLICATIONS, ROYALTIES AND OTHER	268,200		268,200	182,819	68.17%	296,500	208,388	70.28%
REFERENCE MATERIALS	1,274,000		1,274,000	596,913	46.85%	1,310,000	659,498	50.34%
TOTAL REVENUE	23,006,890	0	23,006,890	19,293,217	83.86%	23,704,135	20,055,005	84.61%

EXPENSE

	2019 BUDGET	ADJUST- MENTS	2019 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 9/30/2019	% EXPENDED 9/30/2019	2018 BUDGET	UNAUDITED EXPENDED 9/30/2018	% EXPENDED 9/30/2018
SALARIES & FRINGE	9,382,242		9,382,242	6,245,325	66.57%	10,105,550	6,843,532	67.72%
BAR CENTER:								
Rent	284,000		284,000	233,996	82.39%	287,000	208,066	72.50%
Building Services	230,750		230,750	287,257	124.49%	238,250	155,309	65.19%
Insurance	162,000		162,000	118,257	73.00%	142,000	127,056	89.48%
Taxes	2,750		2,750	142,987	5199.53%	5,250	260	4.95%
Plant and Equipment	862,000		862,000	612,455	71.05%	904,600	608,774	67.30%
Administration	539,100		539,100	331,303	61.45%	607,600	278,515	45.84%
SECTIONS	4,466,940		4,466,940	3,012,393	67.44%	4,198,850	3,199,271	76.19%
PUBLICATIONS:								
Reference Materials	306,752		306,752	106,333	34.66%	389,050	123,230	31.67%
Journal	360,200		360,200	276,512	76.77%	378,200	288,464	76.27%
Law Digest	172,300		172,300	121,033	70.25%	187,800	124,747	66.43%
State Bar News	135,300		135,300	77,356	57.17%	242,300	102,636	42.36%
MEETINGS:								
Annual Meeting	338,500		338,500	380,222	112.33%	345,800	269,736	78.00%
House of Delegates, Officers and Executive Committee	519,300		519,300	356,547	68.66%	526,950	401,758	76.24%
COMMITTEES:								
Continuing Legal Education	1,659,000		1,659,000	1,223,299	73.74%	1,711,950	1,154,317	67.43%
LPM / Electronic Communication Committee	55,950		55,950	27,302	48.80%	72,800	40,607	55.78%
Marketing / Membership	924,350		924,350	467,346	50.56%	798,100	438,498	54.94%
Media Services	30,450		30,450	86,888	285.35%	98,900	29,302	29.63%
All Other Committees and Departments	2,574,705		2,574,705	2,043,450	79.37%	2,556,410	1,805,035	70.61%
TOTAL EXPENSE	23,006,589	0	23,006,589	16,150,261	70.20%	23,797,360	16,199,113	68.07%
BUDGETED SURPLUS	301	0	301	3,142,956		(93,225)	3,855,892	

NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2019

<u>ASSETS</u>	<u>UNAUDITED</u> <u>9/30/2019</u>	<u>UNAUDITED</u> <u>9/30/2018</u>	<u>UNAUDITED</u> <u>12/31/2018</u>
<u>Current Assets:</u>			
General Cash and Cash Equivalents	12,390,413	9,563,675	15,595,866
Accounts Receivable	85,548	169,060	230,010
Prepaid expenses	1,146,976	715,487	1,627,608
Royalties and Admin. Fees receivable	550,056	485,375	644,691
Total Current Assets	14,172,993	10,933,597	18,098,175
<u>Board Designated Accounts:</u>			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	2,514,047	2,428,412	2,191,231
Accrued interest receivable	0	0	0
	<u>2,514,047</u>	<u>2,428,412</u>	<u>2,191,231</u>
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,117,588	1,117,225	1,117,337
Repairs replacement reserve	794,380	794,123	794,202
Furniture replacement reserve	219,953	219,882	219,904
	<u>2,131,921</u>	<u>2,131,230</u>	<u>2,131,443</u>
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	24,940,937	24,071,357	21,745,927
Accrued interest receivable	0	0	147,237
	<u>24,940,937</u>	<u>24,071,357</u>	<u>21,893,164</u>
<u>Sections Accounts:</u>			
Section Accounts Cash equivalents and Investments at market value	3,859,749	3,634,868	3,699,977
Cash	283,657	465,914	-31,562
	<u>4,143,406</u>	<u>4,100,782</u>	<u>3,668,415</u>
<u>Fixed Assets:</u>			
Furniture and fixtures	1,431,781	1,432,266	1,431,781
Leasehold Improvements	1,368,781	1,368,781	1,368,781
Equipment	8,770,787	9,616,354	8,311,267
Telephone	107,636	107,636	107,636
	<u>11,678,985</u>	<u>12,525,037</u>	<u>11,219,465</u>
Less accumulated depreciation	10,381,934	10,453,943	9,875,234
Net fixed assets	1,297,051	2,071,094	1,344,231
Total Assets	49,200,355	45,736,472	49,326,659
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Current liabilities:</u>			
Accounts Payable & other accrued expenses	1,099,717	467,832	1,016,651
Deferred dues	1,564,513	687,371	8,382,450
Deferred income special	519,230	749,999	692,307
Deferred grant revenue	19,999	32,406	27,406
Other deferred revenue	424,617	81,076	1,228,772
Unearned Income - CLE	78,427	21,487	57,487
Payable To The New York Bar Foundation	31,379	17,609	28,915
Total current liabilities & Deferred Revenue	3,737,882	2,057,780	11,433,988
<u>Long Term Liabilities:</u>			
Accrued Pension Costs	0	0	0
Accrued Other Postretirement Benefit Costs	7,353,910	7,776,026	7,128,910
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	270,000	270,000	296,197
Total Liabilities & Deferred Revenue	11,361,792	10,103,806	18,859,095
<u>Board designated for:</u>			
Cromwell Account	2,514,047	2,428,412	2,191,231
Replacement Reserve Account	2,131,921	2,131,230	2,131,443
Long-Term Reserve Account	17,317,027	16,025,331	14,320,820
Section Accounts	4,143,406	4,100,782	3,668,415
Invested in Fixed Assets (Less capital lease)	1,297,051	2,071,094	1,344,231
Undesignated	10,435,111	8,875,817	6,811,424
Total Net Assets	37,838,563	35,632,666	30,467,564
Total Liabilities and Net Assets	49,200,355	45,736,472	49,326,659

New York State Bar Association
Statement of Activities
For the Nine Months Ending September 30, 2019

	September 2019	September 2018	December 2018
REVENUES AND OTHER SUPPORT			
Membership dues	9,632,215	9,883,978	9,902,972
Section revenues			
Dues	1,285,122	1,292,391	1,292,120
Programs	2,010,928	2,372,794	2,529,827
Continuing legal education program	2,416,964	2,542,479	3,240,221
Administrative fee and royalty revenue	1,911,195	1,832,939	2,483,276
Annual meeting	940,308	838,838	838,408
Investment income	625,081	512,647	1,580,794
Reference Books, Formbooks and Disk Products	596,913	659,498	1,076,377
Other revenue	184,556	401,517	518,422
Total revenue and other support	19,603,282	20,337,081	23,462,417
PROGRAM EXPENSES			
Continuing legal education program	1,820,657	1,767,243	2,307,567
Graphics	1,097,966	1,406,133	1,749,965
Government relations program	297,525	368,726	483,561
Law, youth and citizenship program	55,502	56,432	76,021
Lawyer assistance program	112,291	75,943	108,395
Lawyer referral and information services	88,328	92,598	122,216
Law practice management services	54,591	61,884	88,689
Media / public relations services	337,277	256,288	350,259
Marketing and Membership services	1,094,624	1,055,219	1,485,399
Pro bono program	124,251	159,239	208,883
Local bar program	77,712	79,533	103,730
House of delegates	322,982	354,052	431,481
Executive committee	33,565	47,706	57,322
Other committees	407,067	506,900	634,270
Sections	3,012,393	3,199,271	3,853,509
Section newsletters	80,008	125,629	160,727
Reference Books, Formbooks and Disk Products	538,432	548,566	794,391
Publications	474,901	515,848	648,945
Annual meeting expenses	380,222	269,736	274,263
Total program expenses	10,410,294	10,946,946	13,939,593
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	2,414,778	2,662,235	3,907,677
Pension plans and other employee benefit plan costs	496,999	493,917	(131,456)
Rent and equipment costs	1,093,952	819,950	1,118,192
Consultant and other fees	961,086	647,140	903,249
Depreciation and amortization	506,700	506,700	1,294,000
Other expenses	266,451	122,228	176,382
Total management and general expenses	5,739,966	5,252,170	7,268,044
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
Realized and unrealized gain (loss) on investments	3,453,022	4,137,965	2,254,780
	3,917,979	674,142	(2,603,313)
CHANGES IN NET ASSETS	7,371,001	4,812,107	(348,533)
Net assets, beginning of year	30,467,564	30,816,097	30,816,097
Net assets, end of year	37,838,565	35,628,204	30,467,564

