



# Staff Memorandum

**HOUSE OF DELEGATES  
Agenda Item # 3**

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



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

**REVENUE**

	<b>2019 BUDGET</b>	<b>ADJUST- MENTS</b>	<b>2019 BUDGET AS ADJUSTED</b>	<b>UNAUDITED RECEIVED 4/30/2019</b>	<b>% RECEIVED 4/30/2019</b>	<b>2018 BUDGET</b>	<b>UNAUDITED RECEIVED 4/30/2018</b>	<b>% RECEIVED 4/30/2018</b>
<b>MEMBERSHIP DUES</b>	10,050,000		10,050,000	9,372,080	93.25%	10,050,000	9,607,576	95.60%
<b>SECTIONS:</b>								
Dues	1,302,000		1,302,000	1,247,092	95.78%	1,341,574	1,252,506	93.36%
Programs	3,160,640		3,160,640	1,245,113	39.39%	2,894,561	1,507,133	52.07%
<b>INVESTMENT INCOME</b>	478,000		478,000	67,276	14.07%	477,000	50,046	10.49%
<b>ADVERTISING</b>	219,000		219,000	66,496	30.36%	296,000	59,137	19.98%
<b>CONTINUING LEGAL EDUCATION</b>	3,130,000		3,130,000	1,315,875	42.04%	3,635,000	1,519,798	41.81%
<b>USI AFFINITY PAYMENT</b>	2,196,800		2,196,800	748,731	34.08%	2,262,000	732,256	32.37%
<b>ANNUAL MEETING</b>	850,000		850,000	942,198	110.85%	930,000	842,403	90.58%
<b>HOUSE OF DELEGATES &amp; COMMITTEES</b>	78,250		78,250	42,133	53.84%	211,500	36,286	17.16%
<b>PUBLICATIONS, ROYALTIES AND OTHER</b>	268,200		268,200	94,162	35.11%	296,500	60,542	20.42%
<b>REFERENCE MATERIALS</b>	1,274,000		1,274,000	341,906	26.84%	1,310,000	342,298	26.13%
<b>TOTAL REVENUE</b>	<b>23,006,890</b>	<b>0</b>	<b>23,006,890</b>	<b>15,483,062</b>	<b>67.30%</b>	<b>23,704,135</b>	<b>16,009,981</b>	<b>67.54%</b>

**EXPENSE**

	<b>2019 BUDGET</b>	<b>ADJUST- MENTS</b>	<b>2019 BUDGET AS ADJUSTED</b>	<b>UNAUDITED EXPENDED 4/30/2019</b>	<b>% EXPENDED 4/30/2019</b>	<b>2018 BUDGET</b>	<b>UNAUDITED EXPENDED 4/30/2018</b>	<b>% EXPENDED 4/30/2018</b>
<b>SALARIES &amp; FRINGE</b>	9,382,242		9,382,242	2,835,870	30.23%	10,105,550	3,036,288	30.05%
<b>BAR CENTER:</b>								
Rent	284,000		284,000	82,137	28.92%	287,000	82,137	28.62%
Building Services	230,750		230,750	87,558	37.94%	238,250	55,684	23.37%
Insurance	162,000		162,000	49,667	30.66%	142,000	58,449	41.16%
Taxes	2,750		2,750	1,112	40.44%	5,250	-2,833	-53.96%
Plant and Equipment	862,000		862,000	273,534	31.73%	904,600	271,781	30.04%
Administration	539,100		539,100	119,581	22.18%	607,600	184,307	30.33%
<b>SECTIONS</b>	4,466,940		4,466,940	1,771,116	39.65%	4,198,850	1,793,901	42.72%
<b>PUBLICATIONS:</b>								
Reference Materials	306,752		306,752	71,587	23.34%	389,050	55,322	14.22%
Journal	360,200		360,200	150,051	41.66%	378,200	144,142	38.11%
Law Digest	172,300		172,300	69,315	40.23%	187,800	60,438	32.18%
State Bar News	135,300		135,300	51,304	37.92%	242,300	71,063	29.33%
<b>MEETINGS:</b>								
Annual Meeting	338,500		338,500	388,275	114.70%	345,800	268,550	77.66%
House of Delegates, Officers and Executive Committee	519,300		519,300	203,756	39.24%	526,950	170,688	32.39%
<b>COMMITTEES:</b>								
Continuing Legal Education	1,659,000		1,659,000	613,683	36.99%	1,711,950	681,402	39.80%
LPM / Electronic Communication Committee	55,950		55,950	25,571	45.70%	72,800	34,188	46.96%
Marketing / Membership	924,350		924,350	308,675	33.39%	798,100	241,333	30.24%
Media Services	30,450		30,450	6,113	20.08%	98,900	18,783	18.99%
All Other Committees and Departments	2,574,705		2,574,705	874,368	33.96%	2,556,410	720,427	28.18%
<b>TOTAL EXPENSE</b>	<b>23,006,589</b>	<b>0</b>	<b>23,006,589</b>	<b>7,983,273</b>	<b>34.70%</b>	<b>23,797,360</b>	<b>7,946,050</b>	<b>33.39%</b>
<b>BUDGETED SURPLUS</b>	<b>301</b>	<b>0</b>	<b>301</b>	<b>7,499,789</b>		<b>(93,225)</b>	<b>8,063,931</b>	

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

<u>ASSETS</u>	<u>UNAUDITED</u> <u>4/30/2019</u>	<u>UNAUDITED</u> <u>4/30/2018</u>	<u>UNAUDITED</u> <u>12/31/2018</u>
<b><u>Current Assets:</u></b>			
General Cash and Cash Equivalents	13,656,141	12,810,703	15,567,756
Accounts Receivable	229,305	113,232	230,010
Prepaid expenses	1,097,966	775,574	1,627,608
Royalties and Admin. Fees receivable	671,808	160,771	644,691
Total Current Assets	15,655,220	13,860,280	18,070,065
<b><u>Board Designated Accounts:</u></b>			
<b><u>Cromwell Fund:</u></b>			
Cash and Investments at Market Value	2,487,351	2,330,264	2,191,231
Accrued interest receivable	0	0	0
	2,487,351	2,330,264	2,191,231
<b><u>Replacement Reserve Account:</u></b>			
Equipment replacement reserve	1,117,447	1,117,112	1,117,337
Repairs replacement reserve	794,280	794,042	794,202
Furniture replacement reserve	219,926	219,860	219,904
	2,131,653	2,131,014	2,131,443
<b><u>Long-Term Reserve Account:</u></b>			
Cash and Investments at Market Value	24,642,564	22,829,667	21,745,927
Accrued interest receivable	0	0	147,237
	24,642,564	22,829,667	21,893,164
<b><u>Sections Accounts:</u></b>			
Section Accounts Cash equivalents and Investments at market value	3,753,905	3,599,281	3,699,977
Cash	721,089	965,738	-3,453
	4,474,994	4,565,019	3,696,524
<b><u>Fixed Assets:</u></b>			
Furniture and fixtures	1,431,781	1,415,856	1,431,781
Leasehold Improvements	1,368,781	1,368,781	1,368,781
Equipment	7,630,531	8,306,954	7,554,673
Telephone	107,636	107,636	107,636
	10,538,729	11,199,227	10,462,871
Less accumulated depreciation	9,224,640	8,945,286	9,118,640
Net fixed assets	1,314,089	2,253,941	1,344,231
Total Assets	50,705,871	47,970,185	49,326,658
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b><u>Current liabilities:</u></b>			
Accounts Payable & other accrued expenses	885,581	735,891	1,016,651
Deferred dues	0	94	8,382,450
Deferred income special	615,384	846,153	692,307
Deferred grant revenue	22,364	34,010	27,406
Other deferred revenue	248,498	62,074	1,228,772
Unearned Income - CLE	25,074	21,388	57,487
Payable To The New York Bar Foundation	2,512	3,339	28,915
Total current liabilities & Deferred Revenue	1,799,413	1,702,949	11,433,988
<b><u>Long Term Liabilities:</u></b>			
Accrued Pension Costs	0	0	0
Accrued Other Postretirement Benefit Costs	7,228,910	7,651,026	7,128,910
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	120,000	120,000	296,197
Total Liabilities & Deferred Revenue	9,148,323	9,473,975	18,859,095
<b><u>Board designated for:</u></b>			
Cromwell Account	2,487,351	2,330,264	2,191,231
Replacement Reserve Account	2,131,653	2,131,014	2,131,443
Long-Term Reserve Account	17,293,654	15,058,641	14,320,820
Section Accounts	4,474,994	4,565,019	3,696,524
Invested in Fixed Assets (Less capital lease)	1,314,089	2,253,941	1,344,231
Undesignated	13,855,807	12,157,331	6,783,314
Total Net Assets	41,557,548	38,496,210	30,467,563
Total Liabilities and Net Assets	50,705,871	47,970,185	49,326,658

**New York State Bar Association**  
**Statement of Activities**  
**For the Four Months Ending April 30, 2019**

	<u>April 2019</u>	<u>April 2018</u>	<u>December 2018</u>
<b>REVENUES AND OTHER SUPPORT</b>			
Membership dues	9,372,080	9,607,576	9,902,972
Section revenues			
Dues	1,247,092	1,252,506	1,292,120
Programs	1,245,113	1,507,133	2,529,827
Continuing legal education program	1,357,391	1,519,798	3,240,221
Administrative fee and royalty revenue	835,126	783,545	2,483,276
Annual meeting	942,198	842,403	838,408
Investment income	168,808	135,238	1,580,794
Reference Books, Formbooks and Disk Products	341,906	342,298	1,076,377
Other revenue	138,607	149,040	518,422
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Total revenue and other support	15,648,321	16,139,537	23,462,417
<b>PROGRAM EXPENSES</b>			
Continuing legal education program	870,010	951,091	2,307,567
Graphics	519,824	638,427	1,749,965
Government relations program	165,376	162,156	483,561
Law, youth and citizenship program	23,563	24,546	76,021
Lawyer assistance program	38,309	32,218	108,395
Lawyer referral and information services	39,047	42,809	122,216
Law practice management services	37,968	19,106	88,689
Media / public relations services	111,843	123,257	350,259
Marketing and Membership services	596,476	522,836	1,485,399
Pro bono program	49,790	80,492	208,883
Local bar program	32,937	35,416	103,730
House of delegates	178,688	153,142	431,481
Executive committee	25,068	17,547	57,322
Other committees	209,042	228,791	634,270
Sections	1,771,116	1,798,074	3,853,509
Section newsletters	25,613	57,389	160,727
Reference Books, Formbooks and Disk Products	256,858	237,022	794,391
Publications	270,669	275,643	648,945
Annual meeting expenses	388,275	268,550	274,263
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Total program expenses	5,610,472	5,668,512	13,939,593
<b>MANAGEMENT AND GENERAL EXPENSES</b>			
Salaries and fringe benefits	1,127,568	1,164,881	3,907,677
Pension plans and other employee benefit plan costs	221,743	217,207	(131,456)
Rent and equipment costs	396,986	309,716	1,118,192
Consultant and other fees	363,444	300,315	903,249
Depreciation and amortization	225,200	225,200	1,294,000
Other expenses	37,860	60,220	176,382
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Total management and general expenses	2,372,801	2,277,539	7,268,044
<b>CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS</b>			
	<b>7,665,048</b>	<b>8,193,486</b>	<b>2,254,780</b>
Realized and unrealized gain (loss) on investments	3,424,935	(517,833)	(2,603,313)
<b>CHANGES IN NET ASSETS</b>			
	<b>11,089,983</b>	<b>7,675,653</b>	<b>(348,533)</b>
Net assets, beginning of year	<hr/>	<hr/>	<hr/>
	30,467,564	30,816,097	30,816,097
Net assets, end of year	<hr/>	<hr/>	<hr/>
	41,557,547	38,491,750	30,467,564

