



Staff Memorandum

**HOUSE OF DELEGATES
Agenda Item # 3**

Attached for your reference are the Association's financial statements through April 30, 2018.

**NEW YORK STATE BAR ASSOCIATION
2018 OPERATING BUDGET
FOUR MONTHS OF CALENDAR YEAR 2018**

REVENUE

	2,018 BUDGET	ADJUST- MENTS	2018 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 4/30/2018	% RECEIVED 4/30/2018	2017 BUDGET	UNAUDITED RECEIVED 4/30/2017	% RECEIVED 4/30/2017
MEMBERSHIP DUES	10,050,000		10,050,000	9,607,576	95.60%	10,925,000	9,729,197	89.05%
SECTIONS:								
Dues	1,341,574		1,341,574	1,252,506	93.36%	1,411,600	1,260,433	89.29%
Programs	2,894,561		2,894,561	1,507,133	52.07%	2,763,550	1,242,397	44.96%
INVESTMENT INCOME	477,000		477,000	50,046	10.49%	345,000	50,153	14.54%
ADVERTISING	296,000		296,000	59,137	19.98%	133,000	11,998	9.02%
CONTINUING LEGAL EDUCATION	3,635,000		3,635,000	1,519,798	41.81%	3,900,000	1,266,168	32.47%
USI AFFINITY PAYMENT	2,262,000		2,262,000	732,256	32.37%	2,269,000	734,985	32.39%
ANNUAL MEETING	930,000		930,000	842,403	90.58%	869,500	900,992	103.62%
HOUSE OF DELEGATES & COMMITTEES	211,500		211,500	36,286	17.16%	108,100	30,496	28.21%
PUBLICATIONS, ROYALTIES AND OTHER	296,500		296,500	60,542	20.42%	274,200	32,760	11.95%
REFERENCE MATERIALS	1,310,000		1,310,000	342,298	26.13%	1,350,000	231,924	17.18%
TOTAL REVENUE	23,704,135	0	23,704,135	16,009,981	67.54%	24,348,950	15,491,503	63.62%

EXPENSE

	2,018 BUDGET	ADJUST- MENTS	2018 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 4/30/2018	% EXPENDED 4/30/2018	2017 BUDGET	UNAUDITED EXPENDED 4/30/2017	% EXPENDED 4/30/2017
SALARIES & FRINGE	10,105,550		10,105,550	3,036,288	30.05%	10,409,950	3,049,643	29.30%
BAR CENTER:								
Rent	287,000		287,000	82,137	28.62%	305,000	107,323	35.19%
Building Services	238,250		238,250	55,684	23.37%	283,250	59,863	21.13%
Insurance	142,000		142,000	58,449	41.16%	142,000	47,399	33.38%
Taxes	5,250		5,250	0	0.00%	5,250	24	0.46%
Plant and Equipment	904,600		904,600	271,781	30.04%	858,500	297,923	34.70%
Administration	607,600		607,600	181,474	29.87%	543,500	270,628	49.79%
SECTIONS	4,198,850		4,198,850	1,793,901	42.72%	4,171,175	1,808,093	43.35%
PUBLICATIONS:								
Reference Materials	389,050		389,050	55,322	14.22%	430,150	135,522	31.51%
Journal	378,200		378,200	144,142	38.11%	431,200	158,983	36.87%
Law Digest	187,800		187,800	60,438	32.18%	187,800	54,362	28.95%
State Bar News	242,300		242,300	71,063	29.33%	247,300	75,421	30.50%
MEETINGS:								
Annual Meeting	345,800		345,800	268,550	77.66%	348,200	337,245	96.85%
House of Delegates, Officers and Executive Committee	526,950		526,950	170,688	32.39%	520,600	230,555	44.29%
COMMITTEES:								
Continuing Legal Education	1,711,950		1,711,950	681,402	39.80%	1,767,875	611,185	34.57%
LPM / Electronic Communication Committee	72,800		72,800	34,188	46.96%	86,250	49,946	57.91%
Marketing / Membership	798,100		798,100	241,333	30.24%	971,200	248,560	25.59%
Media Services	98,900		98,900	18,783	18.99%	115,300	29,888	25.92%
All Other Committees and Departments	2,556,410		2,556,410	720,427	28.18%	2,489,075	850,277	34.16%
TOTAL EXPENSE	23,797,360	0	23,797,360	7,946,050	33.39%	24,313,575	8,422,840	34.64%
BUDGETED SURPLUS	(93,225)	0	(93,225)	8,063,931		35,375	7,068,663	

NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF APRIL 30, 2018

<u>ASSETS</u>	<u>UNAUDITED</u> <u>4/30/2018</u>	<u>UNAUDITED</u> <u>4/30/2017</u>	<u>UNAUDITED</u> <u>12/31/2017</u>
<u>Current Assets:</u>			
General Cash and Cash Equivalents	12,810,703	12,372,088	13,900,890
Accounts Receivable	108,730	146,012	135,391
Prepaid expenses	775,574	610,456	1,212,640
Royalties and Admin. Fees receivable	160,771	151,062	710,605
Total Current Assets	13,855,778	13,279,618	15,959,526
<u>Board Designated Accounts:</u>			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	2,330,264	2,175,658	2,365,477
Accrued interest receivable	0	0	0
	<u>2,330,264</u>	<u>2,175,658</u>	<u>2,365,477</u>
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,117,112	1,116,777	1,117,002
Repairs replacement reserve	794,042	793,804	793,964
Furniture replacement reserve	219,860	219,794	219,839
	<u>2,131,014</u>	<u>2,130,375</u>	<u>2,130,805</u>
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	22,829,667	20,990,403	22,901,794
Accrued interest receivable	0	0	123,864
	<u>22,829,667</u>	<u>20,990,403</u>	<u>23,025,658</u>
<u>Sections Accounts:</u>			
Section Accounts Cash equivalents and Investments at market value	3,599,281	3,600,852	3,629,262
Cash	965,738	694,737	76,245
	<u>4,565,019</u>	<u>4,295,589</u>	<u>3,705,507</u>
<u>Fixed Assets:</u>			
Furniture and fixtures	1,415,856	1,340,918	1,377,127
Leasehold Improvements	1,368,781	1,368,781	1,368,781
Equipment	8,306,954	8,511,919	8,298,344
Telephone	107,636	107,636	107,636
	<u>11,199,227</u>	<u>11,329,254</u>	<u>11,151,888</u>
Less accumulated depreciation	8,945,286	8,655,769	8,839,286
Net fixed assets	2,253,941	2,673,485	2,312,602
Total Assets	47,965,683	45,545,128	49,499,575
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Current liabilities:</u>			
Accounts Payable & other accrued expenses	735,891	686,046	1,247,871
Deferred dues	94	0	7,717,027
Deferred income special	846,153	1,076,922	923,076
Deferred grant revenue	34,010	33,575	34,630
Other deferred revenue	62,074	103,132	852,291
Unearned Income - CLE	21,388	19,478	47,819
Payable To The New York Bar Foundation	3,339	3,731	0
Total current liabilities & Deferred Revenue	1,702,949	1,922,884	10,822,714
<u>Long Term Liabilities:</u>			
Accrued Pension Costs	0	0	0
Accrued Other Postretirement Benefit Costs	7,651,026	7,312,723	7,551,026
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	120,000	135,085	309,739
Total Liabilities & Deferred Revenue	9,473,975	9,370,692	18,683,479
<u>Board designated for:</u>			
Cromwell Account	2,330,264	2,175,658	2,365,477
Replacement Reserve Account	2,131,014	2,130,375	2,130,805
Long-Term Reserve Account	15,058,641	13,542,595	15,041,029
Section Accounts	4,565,019	4,295,589	3,705,507
Invested in Fixed Assets (Less capital lease)	2,253,941	2,673,485	2,312,602
Undesignated	12,152,829	11,356,734	5,260,676
Total Net Assets	38,491,708	36,174,436	30,816,096
Total Liabilities and Net Assets	47,965,683	45,545,128	49,499,575

New York State Bar Association
Statement of Activities
For the Four Months Ending April 30, 2018

	<u>April 2018</u>	<u>April 2017</u>	<u>December 2017</u>
REVENUES AND OTHER SUPPORT			
Membership dues	\$9,607,576	\$9,729,197	\$10,053,580
Section revenues			
Dues	1,252,506	1,260,433	1,306,781
Programs	1,507,133	1,242,397	2,464,057
Continuing legal education program	1,519,798	1,266,168	3,154,300
Administrative fee and royalty revenue	783,545	762,805	2,475,953
Annual meeting	842,403	900,992	897,247
Investment income	135,238	128,817	1,034,947
Reference Books, Formbooks and Disk Products	342,298	231,924	1,204,335
Other revenue	149,040	84,439	167,602
	<u>16,139,537</u>	<u>15,607,172</u>	<u>22,758,802</u>
PROGRAM EXPENSES			
Continuing legal education program	951,091	830,628	2,449,563
Graphics	638,427	664,386	1,795,789
Government relations program	162,156	205,222	614,867
Law, youth and citizenship program	24,546	59,259	181,679
Lawyer assistance program	32,218	63,408	173,693
Lawyer referral and information services	42,809	56,183	173,154
Law practice management services	19,106	69,045	94,752
Media / public relations services	123,257	151,833	424,720
Meetings services	4,173	11,125	0
Marketing and Membership services	522,836	516,544	1,554,945
Pro bono program	80,492	61,224	222,562
Local bar program	35,416	27,223	103,500
House of delegates	153,142	211,897	480,754
Executive committee	17,547	18,658	57,647
Other committees	228,791	255,684	589,813
Sections	1,793,901	1,808,093	3,694,593
Section newsletters	57,389	53,817	144,813
Reference Books, Formbooks and Disk Products	237,022	346,161	965,600
Publications	275,643	288,766	789,495
Annual meeting expenses	268,550	337,245	338,205
	<u>5,668,512</u>	<u>6,036,401</u>	<u>14,850,144</u>
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	1,164,881	1,088,480	3,893,223
Pension plans and other employee benefit plan costs	217,207	221,610	651,939
Rent and equipment costs	309,716	320,493	1,047,999
Consultant and other fees	300,315	415,016	1,004,809
Depreciation and amortization	225,200	251,200	722,019
Other expenses	60,220	89,627	312,701
	<u>2,277,539</u>	<u>2,386,426</u>	<u>7,632,690</u>
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
Realized and unrealized gain (loss) on investments	8,193,486	7,184,345	275,968
	(517,833)	1,251,071	2,790,613
	<u>7,675,653</u>	<u>8,435,416</u>	<u>3,066,581</u>
Net assets, beginning of year	<u>30,816,103</u>	<u>27,749,522</u>	<u>27,749,522</u>
Net assets, end of year	<u>38,491,756</u>	<u>36,184,938</u>	<u>30,816,103</u>