



Staff Memorandum

**HOUSE OF DELEGATES
Agenda Item #3**

Attached for your reference are the financial statements for the period ending February 28, 2019.

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

REVENUE

	2019 BUDGET	ADJUST- MENTS	2019 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 2/28/2019	% RECEIVED 2/28/2019	2018 BUDGET	UNAUDITED RECEIVED 2/28/2018	% RECEIVED 2/28/2018
MEMBERSHIP DUES	10,050,000		10,050,000	8,877,657	88.33%	10,050,000	8,745,309	87.02%
SECTIONS:								
Dues	1,302,000		1,302,000	1,182,145	90.79%	1,341,574	1,136,135	84.69%
Programs	3,160,640		3,160,640	797,800	25.24%	2,894,561	782,112	27.02%
INVESTMENT INCOME	478,000		478,000	(17,554)	-3.67%	477,000	-12,910	-2.71%
ADVERTISING	219,000		219,000	43,251	19.75%	296,000	36,619	12.37%
CONTINUING LEGAL EDUCATION	3,130,000		3,130,000	718,024	22.94%	3,635,000	914,798	25.17%
USI AFFINITY PAYMENT	2,196,800		2,196,800	368,241	16.76%	2,262,000	366,128	16.19%
ANNUAL MEETING	850,000		850,000	946,483	111.35%	930,000	826,543	88.88%
HOUSE OF DELEGATES & COMMITTEES	78,250		78,250	26,837	34.30%	211,500	34,265	16.20%
PUBLICATIONS, ROYALTIES AND OTHER	268,200		268,200	66,998	24.98%	296,500	31,327	10.57%
REFERENCE MATERIALS	1,274,000		1,274,000	100,082	7.86%	1,310,000	117,906	9.00%
TOTAL REVENUE	23,006,890	0	23,006,890	13,109,964	56.98%	23,704,135	12,978,232	54.75%

EXPENSE

	2019 BUDGET	ADJUST- MENTS	2019 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 2/28/2019	% EXPENDED 2/28/2019	2018 BUDGET	UNAUDITED EXPENDED 2/28/2018	% EXPENDED 2/28/2018
SALARIES & FRINGE	9,382,242		9,382,242	1,438,331	15.33%	10,105,550	1,446,719	14.32%
BAR CENTER:								
Rent	284,000		284,000	31,766	11.19%	287,000	31,766	11.07%
Building Services	230,750		230,750	46,155	20.00%	238,250	27,164	11.40%
Insurance	162,000		162,000	25,354	15.65%	142,000	33,298	23.45%
Taxes	2,750		2,750	740	26.91%	5,250	-3,828	-72.91%
Plant and Equipment	862,000		862,000	84,728	9.83%	904,600	132,604	14.66%
Administration	539,100		539,100	88,239	16.37%	607,600	107,034	17.62%
SECTIONS	4,466,940		4,466,940	525,219	11.76%	4,198,850	568,084	13.53%
PUBLICATIONS:								
Reference Materials	306,752		306,752	45,836	14.94%	389,050	29,374	7.55%
Journal	360,200		360,200	46,331	12.86%	378,200	89,964	23.79%
Law Digest	172,300		172,300	29,637	17.20%	187,800	31,642	16.85%
State Bar News	135,300		135,300	14,468	10.69%	242,300	22,227	9.17%
MEETINGS:								
Annual Meeting	338,500		338,500	1,498,711	442.75%	345,800	1,374,874	397.59%
House of Delegates, Officers and Executive Committee	519,300		519,300	107,203	20.64%	526,950	107,712	20.44%
COMMITTEES:								
Continuing Legal Education	1,659,000		1,659,000	201,686	12.16%	1,711,950	208,615	12.19%
LPM / Electronic Communication Committee	55,950		55,950	7,375	13.18%	72,800	9,896	13.59%
Marketing / Membership	924,350		924,350	167,644	18.14%	798,100	142,297	17.83%
Media Services	30,450		30,450	3,843	12.62%	98,900	17,630	17.83%
All Other Committees and Departments	2,574,705		2,574,705	440,605	17.11%	2,556,410	310,539	12.15%
TOTAL EXPENSE	23,006,589	0	23,006,589	4,803,871	20.88%	23,797,360	4,687,611	19.70%
BUDGETED SURPLUS	301	0	301	8,306,093		(93,225)	8,290,621	

NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF FEBRUARY 28, 2019

<u>ASSETS</u>	<u>UNAUDITED</u> <u>2/28/2019</u>	<u>UNAUDITED</u> <u>2/28/2018</u>	<u>UNAUDITED</u> <u>12/31/2018</u>
<u>Current Assets:</u>			
General Cash and Cash Equivalents	14,372,025	13,522,757	15,567,756
Accounts Receivable	239,268	162,632	230,010
Prepaid expenses	1,237,194	729,268	1,627,608
Royalties and Admin. Fees receivable	329,779	327,667	644,691
Total Current Assets	16,178,266	14,742,324	18,070,065
<u>Board Designated Accounts:</u>			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	2,387,890	2,352,388	2,191,231
Accrued interest receivable	0	0	0
	2,387,890	2,352,388	2,191,231
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,117,391	1,117,056	1,117,337
Repairs replacement reserve	794,241	794,002	794,202
Furniture replacement reserve	219,915	219,849	219,904
	2,131,547	2,130,907	2,131,443
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	23,717,068	22,951,474	21,745,927
Accrued interest receivable	0	0	147,237
	23,717,068	22,951,474	21,893,164
<u>Sections Accounts:</u>			
Section Accounts Cash equivalents and Investments at market value	3,720,662	3,604,633	3,699,977
Cash	1,454,725	1,350,163	-3,453
	5,175,387	4,954,796	3,696,524
<u>Fixed Assets:</u>			
Furniture and fixtures	1,431,781	1,380,096	1,431,781
Leasehold Improvements	1,368,781	1,368,781	1,368,781
Equipment	7,620,889	8,292,022	7,554,673
Telephone	107,636	107,636	107,636
	10,529,087	11,148,535	10,462,871
Less accumulated depreciation	9,145,140	8,892,286	9,118,640
Net fixed assets	1,383,947	2,256,249	1,344,231
Total Assets	50,974,105	49,388,138	49,326,658
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Current liabilities:</u>			
Accounts Payable & other accrued expenses	1,529,891	1,427,572	1,016,651
Deferred dues	0	15	8,382,450
Deferred income special	653,845	884,615	692,307
Deferred grant revenue	27,406	34,630	27,406
Other deferred revenue	99,028	67,624	1,228,772
Unearned Income - CLE	29,221	22,441	57,487
Payable To The New York Bar Foundation	6,545	7,007	28,915
Total current liabilities & Deferred Revenue	2,345,936	2,443,904	11,433,988
<u>Long Term Liabilities:</u>			
Accrued Pension Costs	0	0	0
Accrued Other Postretirement Benefit Costs	7,153,910	7,601,026	7,128,910
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	326,197	369,739	296,197
Total Liabilities & Deferred Revenue	9,826,043	10,414,669	18,859,095
<u>Board designated for:</u>			
Cromwell Account	2,387,890	2,352,388	2,191,231
Replacement Reserve Account	2,131,547	2,130,907	2,131,443
Long-Term Reserve Account	16,236,961	14,980,709	14,320,820
Section Accounts	5,175,387	4,954,796	3,696,524
Invested in Fixed Assets (Less capital lease)	1,383,947	2,256,249	1,344,231
Undesignated	13,832,330	12,298,420	6,783,314
Total Net Assets	41,148,062	38,973,469	30,467,563
Total Liabilities and Net Assets	50,974,105	49,388,138	49,326,658

New York State Bar Association
Statement of Activities
For the Two Months Ending February 28, 2019

	<u>February 2019</u>	<u>February 2018</u>	<u>December 2018</u>
REVENUES AND OTHER SUPPORT			
Membership dues	8,877,657	8,745,309	9,902,972
Section revenues			
Dues	1,182,145	1,136,135	1,292,120
Programs	797,800	782,112	2,529,827
Continuing legal education program	744,401	914,798	3,240,221
Administrative fee and royalty revenue	428,096	391,199	2,483,276
Annual meeting	946,483	826,543	838,408
Investment income	3,095	4,181	1,580,794
Reference Books, Formbooks and Disk Products	100,082	117,906	1,076,377
Other revenue	98,597	89,495	518,422
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Total revenue and other support	13,178,356	13,007,678	23,462,417
PROGRAM EXPENSES			
Continuing legal education program	326,729	351,184	2,307,567
Graphics	280,098	323,719	1,749,965
Government relations program	84,676	82,839	483,561
Law, youth and citizenship program	11,967	13,277	76,021
Lawyer assistance program	22,152	16,486	108,395
Lawyer referral and information services	20,054	18,977	122,216
Law practice management services	20,744	4,762	88,689
Media / public relations services	55,429	69,477	350,259
Marketing and Membership services	317,121	301,624	1,485,399
Pro bono program	24,639	41,504	208,883
Local bar program	16,718	16,804	103,730
House of delegates	104,223	105,740	431,481
Executive committee	2,980	1,972	57,322
Other committees	36,535	56,757	634,270
Sections	525,219	568,084	3,853,509
Section newsletters	13,829	20,401	160,727
Reference Books, Formbooks and Disk Products	138,754	120,055	794,391
Publications	90,435	143,832	648,945
Annual meeting expenses	1,498,711	1,374,874	274,263
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Total program expenses	3,591,013	3,632,368	13,939,593
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	628,568	499,312	3,907,677
Pension plans and other employee benefit plan costs	56,046	111,026	(131,456)
Rent and equipment costs	232,365	133,952	1,118,192
Consultant and other fees	212,763	170,074	903,249
Depreciation and amortization	56,300	112,600	1,294,000
Other expenses	26,816	28,276	176,382
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Total management and general expenses	1,212,858	1,055,240	7,268,044
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
	8,374,485	8,320,070	2,254,780
Realized and unrealized gain (loss) on investments	2,306,013	(167,197)	(2,603,313)
CHANGES IN NET ASSETS			
	10,680,498	8,152,873	(348,533)
Net assets, beginning of year	<hr/>	<hr/>	<hr/>
	30,467,564	27,749,522	30,816,097
Net assets, end of year	<hr/>	<hr/>	<hr/>
	41,148,062	35,902,395	30,467,564

