



# Staff Memorandum

**HOUSE OF DELEGATES  
Agenda Item # 2**

Attached for your reference are the Association's financial statements through September 30, 2020.



**NEW YORK STATE BAR ASSOCIATION  
2020 OPERATING BUDGET  
NINE MONTHS OF CALENDAR YEAR 2020**

**REVENUE**

	<b>2020 BUDGET</b>	<b>ADJUST- MENTS</b>	<b>2020 BUDGET AS ADJUSTED</b>	<b>UNAUDITED RECEIVED 9/30/2020</b>	<b>% RECEIVED 9/30/2020</b>	<b>2019 BUDGET</b>	<b>UNAUDITED RECEIVED 9/30/2019</b>	<b>% RECEIVED 9/30/2019</b>
<b>MEMBERSHIP DUES</b>	9,732,250		9,732,250	8,936,385	91.82%	10,050,000	9,632,215	95.84%
<b>SECTIONS:</b>								
Dues	1,321,800		1,321,800	1,216,571	92.04%	1,302,000	1,285,122	98.70%
Programs	3,123,430		3,123,430	722,818	23.14%	3,160,640	2,010,928	63.62%
<b>INVESTMENT INCOME</b>	500,800		500,800	275,585	55.03%	478,000	310,821	65.03%
<b>ADVERTISING</b>	250,000		250,000	169,993	68.00%	219,000	162,339	74.13%
<b>CONTINUING LEGAL EDUCATION</b>	3,220,000		3,220,000	2,264,268	70.32%	3,130,000	2,416,964	77.22%
<b>USI AFFINITY PAYMENT</b>	2,306,000		2,306,000	1,816,871	78.79%	2,196,800	1,699,958	77.38%
<b>ANNUAL MEETING</b>	1,312,000		1,312,000	1,582,391	120.61%	850,000	940,308	110.62%
<b>HOUSE OF DELEGATES &amp; COMMITTEES</b>	174,750		174,750	24,476	14.01%	78,250	54,830	70.07%
<b>PUBLICATIONS, ROYALTIES AND OTHER</b>	216,200		60,738	180,739	297.57%	268,200	182,819	68.17%
<b>REFERENCE MATERIALS</b>	1,250,000		1,250,000	534,735	42.78%	1,274,000	596,913	46.85%
<b>TOTAL REVENUE</b>	<b>23,407,230</b>	<b>0</b>	<b>23,251,768</b>	<b>17,724,832</b>	<b>76.23%</b>	<b>23,006,890</b>	<b>19,293,217</b>	<b>83.86%</b>

**EXPENSE**

	<b>2020 BUDGET</b>	<b>ADJUST- MENTS</b>	<b>2020 BUDGET AS ADJUSTED</b>	<b>UNAUDITED EXPENDED 9/30/2020</b>	<b>% EXPENDED 9/30/2020</b>	<b>2019 BUDGET</b>	<b>UNAUDITED EXPENDED 9/30/2019</b>	<b>% EXPENDED 9/30/2019</b>
<b>SALARIES &amp; FRINGE</b>	8,790,034		8,790,034	6,176,920	70.27%	9,382,242	6,245,325	66.57%
<b>BAR CENTER:</b>								
Rent	284,000		284,000	233,252	82.13%	284,000	233,996	82.39%
Building Services	397,000		397,000	366,002	92.19%	230,750	287,257	124.49%
Insurance	170,000		170,000	131,601	77.41%	162,000	118,257	73.00%
Taxes	7,750		7,750	172,582	2226.86%	2,750	142,987	5199.53%
Plant and Equipment	890,500		890,500	533,177	59.87%	862,000	612,455	71.05%
Administration	537,600		537,600	432,329	80.42%	539,100	331,303	61.45%
<b>SECTIONS</b>	4,445,230		4,445,230	1,670,559	37.58%	4,466,940	3,080,369	68.96%
<b>PUBLICATIONS:</b>								
Reference Materials	312,800		312,800	61,850	19.77%	306,752	106,333	34.66%
Journal	396,500		396,500	254,132	64.09%	360,200	276,512	76.77%
Law Digest	156,000		156,000	76,718	49.18%	172,300	121,033	70.25%
State Bar News	122,300		122,300	78,609	64.28%	135,300	77,356	57.17%
<b>MEETINGS:</b>								
Annual Meeting	714,700		714,700	949,214	949214.00%	338,500	380,222	112.33%
House of Delegates, Officers and Executive Committee	468,825		468,825	172,949	36.89%	519,300	356,547	68.66%
<b>COMMITTEES:</b>								
Continuing Legal Education	1,480,500		1,480,500	336,321	22.72%	1,659,000	1,223,299	73.74%
LPM / Electronic Communication Committee	38,100		38,100	18,072	47.43%	55,950	27,302	48.80%
Marketing / Membership	877,050		877,050	329,382	37.56%	924,350	467,346	50.56%
Media Services	144,720		144,720	176,658	122.07%	30,450	86,888	285.35%
All Other Committees and Departments	2,983,790		2,983,790	2,723,185	91.27%	2,574,705	2,043,450	79.37%
<b>TOTAL EXPENSE</b>	<b>23,217,399</b>	<b>0</b>	<b>23,217,399</b>	<b>14,893,512</b>	<b>64.15%</b>	<b>23,006,589</b>	<b>16,218,237</b>	<b>70.49%</b>
<b>BUDGETED SURPLUS</b>	<b>189,831</b>	<b>0</b>	<b>34,369</b>	<b>2,831,320</b>		<b>301</b>	<b>3,074,980</b>	

**NEW YORK STATE BAR ASSOCIATION  
STATEMENTS OF FINANCIAL POSITION  
AS OF SEPTEMBER 30, 2020**

<u>ASSETS</u>	<u>UNAUDITED</u> <u>9/30/2020</u>	<u>UNAUDITED</u> <u>9/30/2019</u>	<u>UNAUDITED</u> <u>12/31/2019</u>
<b><u>Current Assets:</u></b>			
General Cash and Cash Equivalents	10,504,876	12,458,389	16,424,055
Accounts Receivable	81,357	85,548	111,401
Prepaid expenses	817,001	1,146,976	1,082,754
Royalties and Admin. Fees receivable	514,581	550,056	716,588
Total Current Assets	11,917,815	14,240,969	18,334,798
<b><u>Board Designated Accounts:</u></b>			
<b><u>Cromwell Fund:</u></b>			
Cash and Investments at Market Value	2,700,929	2,514,047	2,633,478
Accrued interest receivable	0	0	0
	2,700,929	2,514,047	2,633,478
<b><u>Replacement Reserve Account:</u></b>			
Equipment replacement reserve	1,117,798	1,117,588	1,117,659
Repairs replacement reserve	794,530	794,380	794,431
Furniture replacement reserve	219,995	219,953	219,967
	2,132,323	2,131,921	2,132,057
<b><u>Long-Term Reserve Account:</u></b>			
Cash and Investments at Market Value	27,362,615	24,940,937	26,428,136
Accrued interest receivable	0	0	138,364
	27,362,615	24,940,937	26,566,500
<b><u>Sections Accounts:</u></b>			
Section Accounts Cash equivalents and Investments at market value	4,037,480	3,859,749	3,876,815
Cash	268,831	215,681	-67,601
	4,306,311	4,075,430	3,809,214
<b><u>Fixed Assets:</u></b>			
Furniture and fixtures	1,463,037	1,431,781	1,448,300
Leasehold Improvements	1,470,688	1,368,781	1,470,688
Equipment	9,748,499	8,770,787	9,223,256
Telephone	107,636	107,636	107,636
	12,789,860	11,678,985	12,249,880
Less accumulated depreciation	9,852,622	10,381,934	10,193,121
Net fixed assets	2,937,238	1,297,051	2,056,759
Total Assets	51,357,231	49,200,355	55,532,806
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b><u>Current liabilities:</u></b>			
Accounts Payable & other accrued expenses	706,427	1,167,693	837,151
Deferred dues	186,363	1,564,513	7,798,323
Deferred income special	288,461	519,230	461,538
Deferred grant revenue	50,222	19,999	29,906
Other deferred revenue	174,003	424,617	1,069,153
Unearned Income - CLE	48,474	78,427	93,111
Payable To The New York Bar Foundation	675	31,379	26,307
Total current liabilities & Deferred Revenue	1,454,625	3,805,858	10,315,489
<b><u>Long Term Liabilities:</u></b>			
Accrued Pension Costs	0	0	0
Accrued Other Postretirement Benefit Costs	8,290,883	7,353,910	8,065,883
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	270,000	270,000	312,381
Total Liabilities & Deferred Revenue	10,015,508	11,429,768	18,693,753
<b><u>Board designated for:</u></b>			
Cromwell Account	2,700,929	2,514,047	2,633,478
Replacement Reserve Account	2,132,323	2,131,921	2,132,057
Long-Term Reserve Account	18,801,732	17,317,027	18,049,872
Section Accounts	4,306,311	4,075,430	3,809,214
Invested in Fixed Assets (Less capital lease)	2,937,238	1,297,051	2,056,759
Undesignated	10,463,190	10,435,111	8,157,673
Total Net Assets	41,341,723	37,770,587	36,839,053
Total Liabilities and Net Assets	51,357,231	49,200,355	55,532,806

**New York State Bar Association**  
**Statement of Activities**  
**For the Nine Months Ending September 30, 2020**

	<u>September 2020</u>	<u>September 2019</u>	<u>December 2019</u>
<b>REVENUES AND OTHER SUPPORT</b>			
Membership dues	8,936,385	9,632,215	9,637,873
Section revenues			
Dues	1,216,571	1,285,122	1,288,049
Programs	722,818	2,010,928	2,483,202
Continuing legal education program	2,264,268	2,416,964	3,153,234
Administrative fee and royalty revenue	1,970,476	1,911,195	2,464,041
Annual meeting	1,582,391	940,308	938,791
Investment income	600,300	625,081	1,099,904
Reference Books, Formbooks and Disk Products	534,735	596,913	1,097,627
Other revenue	319,959	184,556	328,069
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Total revenue and other support	18,147,903	19,603,282	22,490,790
<b>PROGRAM EXPENSES</b>			
Continuing legal education program	934,425	1,820,657	2,535,399
Graphics	942,160	1,097,966	1,418,158
Government relations program	352,401	297,525	380,376
Law, youth and citizenship program	95	55,502	75,284
Lawyer assistance program	151,850	112,291	172,636
Lawyer referral and information services	13,474	88,328	121,435
Law practice management services	42,380	54,591	72,534
Media / public relations services	571,861	337,277	483,920
'Business Operations	1,084,254	-	-
Marketing and Membership services	934,452	1,094,624	1,600,124
Pro bono program	136,150	124,251	171,387
Local bar program	41,809	77,712	102,000
House of delegates	159,178	322,982	388,462
Executive committee	13,771	33,565	50,818
Other committees	291,177	407,067	494,134
Sections	1,670,559	3,080,369	3,838,851
Section newsletters	134,319	80,008	128,880
Reference Books, Formbooks and Disk Products	491,403	538,432	811,426
Publications	409,460	474,901	621,296
Annual meeting expenses	949,214	380,222	380,226
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Total program expenses	9,324,392	10,478,270	13,847,346
<b>MANAGEMENT AND GENERAL EXPENSES</b>			
Salaries and fringe benefits	2,186,845	2,414,778	2,910,524
Pension plans and other employee benefit plan costs	495,524	496,999	1,251,456
Rent and equipment costs	1,119,538	1,093,952	1,492,289
Consultant and other fees	1,101,758	961,086	1,346,720
Depreciation and amortization	450,000	506,700	317,887
Other expenses	215,456	266,451	263,005
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Total management and general expenses	5,569,121	5,739,966	7,581,881
<b>CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS</b>			
Realized and unrealized gain (loss) on investments	3,254,390	3,385,046	1,061,563
Realized gain (loss) on sale of equipment	1,221,780	3,917,979	5,309,924
26,500			
Gain relating to defined benefit plan curtailment			
Realized gain (loss) on sale of equipment			
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<b>CHANGES IN NET ASSETS</b>	<b>4,502,670</b>	<b>7,303,025</b>	<b>6,371,487</b>
Net assets, beginning of year	36,839,051	30,467,564	30,467,564
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Net assets, end of year	41,341,721	37,770,589	36,839,051
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