



Staff Memorandum

ANNUAL MEETING Agenda Item # 7

REQUESTED ACTION: None, as the report is informational.

Attached are the Operating Budget, Statement of Financial Position, and Statements of Activities for the period ending December 31, 2021.

The report will be presented by Association treasurer Domenick Napoletano.

**NEW YORK STATE BAR ASSOCIATION
2021 OPERATING BUDGET
TWELVE MONTHS OF CALENDAR YEAR 2021**

REVENUE

	2021 BUDGET	ADJUST- MENTS	2021 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 12/31/2021	% RECEIVED 12/31/2021	2020 BUDGET	UNAUDITED RECEIVED 12/31/2020	% RECEIVED 12/31/2020
MEMBERSHIP DUES	8,764,295		8,764,295	9,335,487	106.52%	9,732,250	9,339,925	95.97%
SECTIONS:								
Dues	1,200,000		1,200,000	1,175,901	97.99%	1,321,800	1,216,608	92.04%
Programs	1,733,315		1,733,315	695,522	40.13%	3,123,430	769,606	24.64%
INVESTMENT INCOME	494,420		494,420	503,868	101.91%	500,800	489,631	97.77%
ADVERTISING	183,000		183,000	308,397	168.52%	250,000	259,859	103.94%
CONTINUING LEGAL EDUCATION	2,950,000		2,950,000	2,714,281	92.01%	3,220,000	3,043,386	94.52%
USI AFFINITY PAYMENT	2,154,000		2,154,000	2,143,644	99.52%	2,306,000	2,389,144	103.61%
ANNUAL MEETING	276,225		276,225	489,977	177.38%	1,312,000	1,582,326	120.60%
HOUSE OF DELEGATES & COMMITTEES	27,000		27,000	24,771	91.74%	174,750	24,094	13.79%
PUBLICATIONS, ROYALTIES AND OTHER	210,700		210,700	244,528	116.06%	216,200	168,906	78.12%
REFERENCE MATERIALS	1,300,000		1,300,000	1,028,872	79.14%	1,250,000	1,032,334	82.59%
TOTAL REVENUE	19,292,955	0	19,292,955	18,665,248	96.75%	23,407,230	20,315,819	86.79%

EXPENSE

	2021 BUDGET	ADJUST- MENTS	2021 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 12/31/2021	% EXPENDED 12/31/2021	2020 BUDGET	UNAUDITED EXPENDED 12/31/2020	% EXPENDED 12/31/2020
SALARIES & FRINGE	8,334,264		8,334,264	8,508,160	102.09%	8,790,034	8,166,428	92.91%
BAR CENTER:								
Rent	284,000		284,000	283,623	99.87%	284,000	283,623	99.87%
Building Services	365,000		365,000	400,272	109.66%	397,000	463,551	116.76%
Insurance	164,000		164,000	197,354	120.34%	170,000	177,692	104.52%
Taxes	180,250		180,250	186,015	103.20%	7,750	221,880	2862.97%
Plant and Equipment	893,500		893,500	838,862	93.88%	890,500	763,701	85.76%
Administration	526,100		526,100	510,638	97.06%	537,600	513,924	95.60%
SECTIONS	2,920,715		2,920,715	649,508	22.24%	4,445,230	1,756,235	39.51%
PUBLICATIONS:								
Reference Materials	248,800		248,800	104,759	42.11%	312,800	141,973	45.39%
Journal	245,700		245,700	228,021	92.80%	396,500	298,433	75.27%
Law Digest	75,000		75,000	46,416	61.89%	156,000	83,846	53.75%
State Bar News	85,500		85,500	67,947	79.47%	122,300	80,471	65.80%
MEETINGS:								
Annual Meeting	24,250		24,250	13,811	56.95%	714,700	958,195	134.07%
House of Delegates, Officers and Executive Committee	309,000		309,000	279,853	90.57%	468,825	212,736	45.38%
COMMITTEES:								
Continuing Legal Education	435,000		435,000	102,185	23.49%	1,480,500	498,640	33.68%
LPM / Electronic Communication Committee	1,400		1,400	-	0.00%	38,100	18,072	47.43%
Marketing / Membership	850,000		850,000	648,946	76.35%	877,050	518,708	59.14%
Media Services	269,450		269,450	210,784	78.23%	144,720	230,545	159.30%
All Other Committees and Departments	2,590,135		2,590,135	2,655,080	102.51%	2,983,790	3,441,882	115.35%
TOTAL EXPENSE	18,802,064	0	18,802,064	15,932,234	84.74%	23,217,399	18,830,535	81.11%
BUDGETED SURPLUS	490,891	0	490,891	2,733,014		189,831	1,485,284	

NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021

<u>ASSETS</u>	<u>UNAUDITED</u> <u>12/31/2021</u>	<u>UNAUDITED</u> <u>12/31/2020</u>	<u>UNAUDITED</u> <u>12/31/2020</u>
Current Assets:			
General Cash and Cash Equivalents	19,852,949	16,151,359	16,151,359
Accounts Receivable	8,086	30,527	30,527
Prepaid expenses	661,027	602,714	602,714
Royalties and Admin. Fees receivable	494,222	803,397	803,397
Total Current Assets	21,016,284	17,587,997	17,587,997
Board Designated Accounts:			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	3,366,406	2,962,151	2,962,151
Accrued interest receivable	0	0	0
	3,366,406	2,962,151	2,962,151
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,117,938	1,117,826	1,117,826
Repairs replacement reserve	794,629	794,550	794,550
Furniture replacement reserve	220,022	220,000	220,000
	2,132,589	2,132,376	2,132,376
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	34,513,658	30,108,641	30,108,641
Accrued interest receivable	124,042	117,962	117,962
	34,637,700	30,226,603	30,226,603
Sections Accounts:			
Section Accounts Cash equivalents and Investments at market value	4,022,992	4,046,948	4,046,948
Cash	1,221,915	229,979	229,979
	5,244,907	4,276,927	4,276,927
Fixed Assets:			
Furniture and fixtures	1,463,037	1,463,037	1,463,037
Leasehold Improvements	1,470,688	1,470,688	1,470,688
Equipment	4,053,020	3,906,126	3,906,126
	6,986,745	6,839,851	6,839,851
Less accumulated depreciation	4,738,789	3,993,589	3,993,589
Net fixed assets	2,247,956	2,846,262	2,846,262
Total Assets	68,645,842	60,032,316	60,032,316
<u>LIABILITIES AND FUND BALANCES</u>			
Current liabilities:			
Accounts Payable & other accrued expenses	653,311	784,252	784,252
Deferred dues	6,095,477	6,165,151	6,165,151
Deferred income special		230,768	230,768
Deferred grant revenue	29,906	29,906	29,906
Other deferred revenue	307,358	888,104	888,104
Payable To The New York Bar Foundation	480	19,965	19,965
Total current liabilities & Deferred Revenue	7,086,532	8,118,146	8,118,146
Long Term Liabilities:			
Accrued Other Postretirement Benefit Costs	9,616,735	8,706,735	8,706,735
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	423,000	299,674	299,674
Total Liabilities & Deferred Revenue	17,126,267	17,124,555	17,124,555
Board designated for:			
Cromwell Account	3,366,406	2,962,151	2,962,151
Replacement Reserve Account	2,132,589	2,132,376	2,132,376
Long-Term Reserve Account	24,473,923	21,102,232	21,102,232
Section Accounts	5,244,907	4,276,927	4,276,927
Invested in Fixed Assets (Less capital lease)	2,247,956	2,846,262	2,846,262
Undesignated	14,053,794	9,587,813	9,587,813
Total Net Assets	51,519,575	42,907,761	42,907,761
Total Liabilities and Net Assets	68,645,842	60,032,316	60,032,316

New York State Bar Association
Statement of Activities
For the Twelve Months Ending December 31, 2021

	<u>December 2021</u>	<u>December 2020</u>	<u>December 2020</u>
REVENUES AND OTHER SUPPORT			
Membership dues	9,335,487	9,339,925	9,339,925
Section revenues			
Dues	1,175,901	1,216,608	1,216,608
Programs	695,522	769,606	769,606
Continuing legal education program	2,714,281	3,043,386	3,043,386
Administrative fee and royalty revenue	2,387,819	2,594,862	2,594,862
Annual meeting	489,977	1,582,326	1,582,326
Investment income	1,386,890	1,469,869	1,469,869
Reference Books, Formbooks and Disk Products	1,028,872	1,032,334	1,032,334
Other revenue	412,030	236,995	236,995
	<u>19,626,779</u>	<u>21,285,911</u>	<u>21,285,911</u>
PROGRAM EXPENSES			
Continuing legal education program	791,422	1,260,881	1,260,881
Graphics	1,169,872	1,222,630	1,222,630
Government relations program	313,014	476,962	476,962
Law, youth and citizenship program	47	(185)	(185)
Lawyer assistance program	107,378	216,082	216,082
Lawyer referral and information services	1,148	14,518	14,518
Law practice management services	37,163	58,309	58,309
Media / public relations services	575,068	726,958	726,958
Business Operations	2,203,240	2,623,807	2,623,807
Marketing and Membership services	1,517,058	1,293,354	1,293,354
Pro bono program	145,303	187,586	187,586
Local bar program	-	41,105	41,105
House of delegates	266,187	198,716	198,716
Executive committee	13,666	14,020	14,020
Other committees	79,549	337,223	337,223
Sections	649,508	1,756,235	1,756,235
Section newsletters	243,933	192,810	192,810
Reference Books, Formbooks and Disk Products	659,886	726,284	726,284
Publications	342,384	462,750	462,750
Annual meeting expenses	13,811	958,195	958,195
	<u>9,129,637</u>	<u>12,768,240</u>	<u>12,768,240</u>
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	2,950,817	2,575,654	2,574,654
Pension plans and other employee benefit plan costs	1,314,259	932,832	932,832
Rent and equipment costs	1,181,693	1,201,869	1,201,869
Consultant and other fees	576,768	503,319	503,319
Depreciation and amortization	745,200	657,511	657,511
Other expenses	45,424	195,334	195,334
	<u>6,814,161</u>	<u>6,066,519</u>	<u>6,065,519</u>
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
Realized and unrealized gain (loss) on investments	3,682,981	2,451,152	2,452,152
Realized gain (loss) on sale of equipment	3,445,877	3,590,055	3,590,055
Loan Forgiveness	-	26,500	26,500
	1,482,957	-	-
	<u>8,611,815</u>	<u>6,067,707</u>	<u>6,068,707</u>
CHANGES IN NET ASSETS			
Net assets, beginning of year	42,907,759	36,839,052	36,839,052
Net assets, end of year	<u>51,519,574</u>	<u>42,906,759</u>	<u>42,907,759</u>