



Staff Memorandum

HOUSE OF DELEGATES Agenda Item #4

REQUESTED ACTION: None, as the report is informational.

Attached are the Operating Budget, Statement of Financial Position, Statements of Activities, Statements of Activities (continued) and Capital Items Approved and Purchased for the period ending September 30, 2022.

The report will be presented by Association treasurer Domenick Napoletano.

**NEW YORK STATE BAR ASSOCIATION
2022 OPERATING BUDGET
NINE MONTHS OF CALENDAR YEAR 2022**

REVENUE

	2022 BUDGET	UNAUDITED RECEIVED 9/30/2022	% RECEIVED 9/30/2022	2021 BUDGET	UNAUDITED RECEIVED 9/30/2021	% RECEIVED 9/30/2021
MEMBERSHIP DUES	9,372,690	8,957,575	95.57%	8,764,295	9,285,855	105.95%
SECTIONS:						
Dues	1,219,400	1,104,973	90.62%	1,200,000	1,164,969	97.08%
Programs	2,841,555	960,475	33.80%	1,733,315	466,531	26.92%
INVESTMENT INCOME	486,225	312,083	64.18%	494,420	275,660	55.75%
ADVERTISING	218,000	219,683	100.77%	183,000	201,078	109.88%
CONTINUING LEGAL EDUCATION	2,950,000	1,574,330	53.37%	2,950,000	1,954,386	66.25%
USI AFFINITY PAYMENT	1,912,000	1,500,000	78.45%	2,154,000	1,607,733	74.64%
ANNUAL MEETING	400,000	444,011	111.00%	276,225	489,977	177.38%
HOUSE OF DELEGATES & COMMITTEES	47,500	44,519	93.72%	27,000	6,902	25.56%
PUBLICATIONS, ROYALTIES AND OTHER	213,500	229,489	107.49%	210,700	160,170	76.02%
REFERENCE MATERIALS	1,247,000	704,301	56.48%	1,300,000	733,456	56.42%
TOTAL REVENUE	20,907,870	16,051,439	76.77%	19,292,955	16,346,717	84.73%

EXPENSE

	2022 BUDGET	UNAUDITED EXPENDED 9/30/2022	% EXPENDED 9/30/2022	2021 BUDGET	UNAUDITED EXPENDED 9/30/2021	% EXPENDED 9/30/2021
SALARIES & FRINGE	8,588,946	6,265,873	72.95%	8,334,264	5,779,676	69.35%
BAR CENTER:						
Rent	-	-	0.00%	284,000	208,066	73.26%
Building Services	342,000	259,208	75.79%	365,000	220,769	60.48%
Insurance	190,000	161,772	85.14%	164,000	142,986	87.19%
Taxes	167,250	133,204	79.64%	180,250	159,152	88.30%
Plant and Equipment	862,000	635,238	73.69%	893,500	630,150	70.53%
Administration	610,750	633,458	103.72%	526,100	354,333	67.35%
SECTIONS	4,039,155	1,722,882	42.65%	2,920,715	420,693	14.40%
PUBLICATIONS:						
Reference Materials	121,500	75,180	61.88%	248,800	71,723	28.83%
Journal	265,000	194,235	73.30%	245,700	189,211	77.01%
Law Digest	47,000	39,199	83.40%	75,000	35,820	47.76%
State Bar News	100,300	99,044	98.75%	85,500	67,947	79.47%
MEETINGS:						
Annual Meeting	360,100	37,535	10.42%	24,250	13,811	56.95%
House of Delegates, Officers and Executive Committee	561,550	500,035	89.05%	309,000	177,852	57.56%
COMMITTEES:						
Continuing Legal Education	370,400	110,062	29.71%	435,000	74,391	17.10%
LPM / Electronic Communication Committee	35,150	-	0.00%	1,400	-	0.00%
Marketing / Membership	909,450	498,514	54.81%	850,000	310,745	36.56%
Media Services	290,000	200,848	69.26%	269,450	160,049	59.40%
All Other Committees and Departments	2,925,875	2,185,210	74.69%	2,590,135	1,948,048	75.21%
TOTAL EXPENSE	20,786,426	13,751,497	66.16%	18,802,064	10,965,422	58.32%
BUDGETED SURPLUS	121,444	2,299,942		490,891	5,381,295	

**NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2022**

<u>ASSETS</u>	<u>UNAUDITED</u> <u>9/30/2022</u>	<u>UNAUDITED</u> <u>9/30/2021</u>	<u>UNAUDITED</u> <u>12/31/2021</u>
<u>Current Assets:</u>			
General Cash and Cash Equivalents	15,958,639	15,464,720	19,902,457
Accounts Receivable	-2,016	18,063	39,878
Prepaid expenses	984,856	772,065	680,393
Royalties and Admin. Fees receivable	500,000	478,219	748,640
Total Current Assets	17,441,479	16,733,067	21,371,368
<u>Board Designated Accounts:</u>			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	2,635,060	3,206,838	3,366,406
Accrued interest receivable	0	0	0
	2,635,060	3,206,838	3,366,406
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,118,021	1,117,909	1,117,938
Repairs replacement reserve	794,689	794,609	794,629
Furniture replacement reserve	220,039	220,017	220,022
	2,132,749	2,132,535	2,132,589
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	27,204,934	33,004,086	34,513,008
Accrued interest receivable	0	0	124,042
	27,204,934	33,004,086	34,637,050
<u>Sections Accounts:</u>			
Section Cash and Investments at Market Value	3,806,899	4,041,301	4,022,992
Cash	342,566	1,210,806	1,172,408
	4,149,465	5,252,107	5,195,400
<u>Fixed Assets:</u>			
Building - 1 Elk	3,850,000	0	0
Furniture and fixtures	1,473,566	1,463,037	1,463,037
Leasehold Improvements	871,624	1,470,688	1,470,688
Equipment	3,220,527	4,034,985	4,053,020
	9,415,717	6,968,710	6,986,745
Less accumulated depreciation	3,939,368	4,552,489	4,680,627
Net fixed assets	5,476,349	2,416,221	2,306,118
Total Assets	59,040,036	62,744,854	69,008,931
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Current liabilities:</u>			
Accounts Payable & other accrued expenses	905,028	557,308	861,398
Deferred dues	0	0	6,095,477
Deferred income special	(1)	57,692	0
Deferred grant revenue	18,103	29,906	29,906
Other deferred revenue	390,330	258,522	369,627
PPP Loan Payable	0	1,482,957	0
Payable To TNYBF - Service Agreement	3,639,456	0	
Payable To The New York Bar Foundation	0	510	480
Total current liabilities & Deferred Revenue	4,952,916	2,386,895	7,356,888
<u>Long Term Liabilities:</u>			
Accrued Other Postretirement Benefit Costs	8,426,910	8,976,735	8,156,910
Accrued Defined Contribution Plan Costs	248,484	243,000	398,670
Total Liabilities & Deferred Revenue	13,628,310	11,606,630	15,912,468
<u>Board designated for:</u>			
Cromwell Account	2,635,060	3,206,838	3,366,406
Replacement Reserve Account	2,132,749	2,132,535	2,132,589
Long-Term Reserve Account	18,529,540	23,784,351	25,957,428
Section Accounts	4,149,465	5,252,107	5,195,400
Invested in Fixed Assets (Less capital lease)	5,476,349	2,416,221	2,306,118
Undesignated	12,488,563	14,346,172	14,138,522
Total Net Assets	45,411,726	51,138,224	53,096,463
Total Liabilities and Net Assets	59,040,036	62,744,854	69,008,931

New York State Bar Association
Statement of Activities
For the Nine Months Ending September 30, 2022

	September 2022	September 2021	December 2021
REVENUES AND OTHER SUPPORT			
Membership dues	8,957,575	9,285,855	9,335,487
Section revenues			
Dues	1,104,973	1,164,969	1,175,901
Programs	960,475	466,531	699,904
Continuing legal education program	1,574,330	1,954,386	2,715,526
Administrative fee and royalty revenue	1,724,260	1,774,420	2,408,451
Annual meeting	444,011	489,977	489,977
Investment income	747,369	629,435	1,386,890
Reference Books, Formbooks and Disk Products	704,301	733,456	1,262,049
Other revenue	391,908	225,120	314,123
Total revenue and other support	16,609,202	16,724,149	19,788,308
PROGRAM EXPENSES			
Continuing legal education program	750,618	568,494	796,840
Graphics	840,929	878,317	1,172,896
Government relations program	212,932	232,877	324,497
Lawyer assistance program	50,104	55,959	52,865
Lawyer referral and information services	-	427	(63)
Law practice management services	-	37,136	36,455
Media / public relations services	480,279	433,237	577,256
Business Operations	1,848,173	1,566,340	2,231,386
Marketing and Membership services	1,194,732	923,419	1,538,319
Pro bono program	56,591	121,082	145,000
House of delegates	438,386	177,795	266,997
Executive committee	61,649	57	13,666
Other committees	169,347	64,740	76,452
Sections	1,722,882	420,693	703,398
Section newsletters	193,030	181,837	245,723
Reference Books, Formbooks and Disk Products	442,264	491,215	692,853
Publications	332,478	292,978	342,384
Annual meeting expenses	37,535	13,811	13,811
Total program expenses	8,831,929	6,460,414	9,230,735
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	2,480,448	2,197,275	2,871,832
Pension plans and other employee benefit plan costs	511,552	494,101	(181,808)
Rent and equipment costs	647,010	818,807	1,187,626
Consultant and other fees	589,256	401,507	680,709
Depreciation and amortization	558,900	558,900	687,038
Other expenses	132,402	33,997	52,308
Total management and general expenses	4,919,568	4,504,587	5,297,705
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
Realized and unrealized gain (loss) on investments	(10,406,303)	2,471,319	3,445,877
Realized gain (loss) on sale of equipment	(136,142)	-	1,482,957
CHANGES IN NET ASSETS	(7,684,740)	8,230,467	10,188,702
Net assets, beginning of year	53,096,463	42,907,761	42,907,761
Net assets, end of year	45,411,723	51,138,228	53,096,463