



Staff Memorandum

ANNUAL MEETING Agenda Item #5

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 December 31, 2022.

The report will be presented by Association treasurer Domenick Napoletano.

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

REVENUE

	2022 BUDGET	UNAUDITED RECEIVED 12/31/2022	% RECEIVED 12/31/2022	2021 BUDGET	UNAUDITED RECEIVED 12/31/2021	% RECEIVED 12/31/2021
MEMBERSHIP DUES	9,372,690	9,056,794	96.63%	8,764,295	9,335,487	106.52%
SECTIONS:						
Dues	1,219,400	1,112,055	91.20%	1,200,000	1,175,901	97.99%
Programs	2,841,555	1,247,580	43.90%	1,733,315	699,904	40.38%
INVESTMENT INCOME	486,225	608,641	125.18%	494,420	503,868	101.91%
ADVERTISING	218,000	290,497	133.26%	183,000	306,637	167.56%
CONTINUING LEGAL EDUCATION	2,950,000	2,202,826	74.67%	2,950,000	2,715,526	92.05%
USI AFFINITY PAYMENT	1,912,000	2,000,000	104.60%	2,154,000	2,143,644	99.52%
ANNUAL MEETING	400,000	444,011	111.00%	276,225	489,977	177.38%
HOUSE OF DELEGATES & COMMITTEES	47,500	160,057	336.96%	27,000	27,291	101.08%
PUBLICATIONS, ROYALTIES AND OTHER	213,500	298,371	139.75%	210,700	233,545	110.84%
REFERENCE MATERIALS	1,247,000	1,180,362	94.66%	1,300,000	1,262,049	97.08%
TOTAL REVENUE	20,907,870	18,601,194	88.97%	19,292,955	18,893,829	97.93%

EXPENSE

	2022 BUDGET	UNAUDITED EXPENDED 12/31/2022	% EXPENDED 12/31/2022	2021 BUDGET	UNAUDITED EXPENDED 12/31/2021	% EXPENDED 12/31/2021
SALARIES & FRINGE	8,588,946	8,529,348	99.31%	8,334,264	6,917,249	83.00%
BAR CENTER:						
Rent	-	-	0.00%	284,000	283,623	99.87%
Building Services	342,000	441,988	129.24%	365,000	407,094	111.53%
Insurance	190,000	218,575	115.04%	164,000	197,354	120.34%
Taxes	167,250	148,796	88.97%	180,250	186,645	103.55%
Plant and Equipment	862,000	848,552	98.44%	893,500	780,373	87.34%
Administration	610,750	862,951	141.29%	526,100	619,072	117.67%
SECTIONS	4,039,155	2,141,219	53.01%	2,920,715	703,398	24.08%
PUBLICATIONS:						
Reference Materials	121,500	100,808	82.97%	248,800	135,263	54.37%
Journal	265,000	238,686	90.07%	245,700	228,021	92.80%
Law Digest	47,000	46,298	98.51%	75,000	46,416	61.89%
State Bar News	100,300	99,044	98.75%	85,500	67,947	79.47%
MEETINGS:						
Annual Meeting	360,100	37,545	10.43%	24,250	13,811	56.95%
House of Delegates, Officers and Executive Committee	561,550	600,314	106.90%	309,000	280,663	90.83%
COMMITTEES:						
Continuing Legal Education	370,400	147,778	39.90%	435,000	102,573	23.58%
LPM / Electronic Communication Committee	35,150	-	0.00%	1,400	-	0.00%
Marketing / Membership	909,450	836,363	91.96%	850,000	652,574	76.77%
Media Services	290,000	267,671	92.30%	269,450	210,784	78.23%
All Other Committees and Departments	2,925,875	2,772,639	94.76%	2,590,135	2,696,000	104.09%
TOTAL EXPENSE	20,786,426	18,338,575	88.22%	18,802,064	14,528,860	77.27%
BUDGETED SURPLUS	121,444	262,619		490,891	4,364,969	

NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022

<u>ASSETS</u>	UNAUDITED 12/31/2022	UNAUDITED 12/31/2021	UNAUDITED 12/31/2021
<u>Current Assets:</u>			
General Cash and Cash Equivalents	20,208,775	19,902,457	19,902,457
Accounts Receivable	62,738	39,878	39,878
Prepaid expenses	1,766,419	680,393	680,393
Royalties and Admin. Fees receivable	710,214	748,640	748,640
Total Current Assets	22,748,146	21,371,368	21,371,368
<u>Board Designated Accounts:</u>			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	2,778,996	3,366,406	3,366,406
Accrued interest receivable	0	0	0
	2,778,996	3,366,406	3,366,406
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,118,049	1,117,938	1,117,938
Repairs replacement reserve	794,709	794,629	794,629
Furniture replacement reserve	220,044	220,022	220,022
	2,132,802	2,132,589	2,132,589
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	28,840,999	34,513,008	34,513,008
Accrued interest receivable	163,465	124,042	124,042
	29,004,464	34,637,050	34,637,050
<u>Sections Accounts:</u>			
Section Cash and Investments at Market Value	3,846,571	4,022,992	4,022,992
Cash	218,416	1,172,408	1,172,408
	4,064,987	5,195,400	5,195,400
<u>Fixed Assets:</u>			
Building - 1 Elk	3,566,750	0	0
Land	283,250	0	0
Furniture and fixtures	1,480,650	1,463,037	1,463,037
Leasehold Improvements	874,272	1,470,688	1,470,688
Equipment	3,243,942	4,053,020	4,053,020
	9,448,864	6,986,745	6,986,745
Less accumulated depreciation	4,149,448	4,680,627	4,680,627
Net fixed assets	5,299,416	2,306,118	2,306,118
Operating Lease Right-Of-Use Asset	129,472	0	0
Finance Lease Right-Of-Use Asset	21,208	0	0
	150,680	0	0
Total Assets	66,179,491	69,008,931	69,008,931
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Current liabilities:</u>			
Accounts Payable & other accrued expenses	764,840	861,399	861,399
Deferred dues	6,170,570	6,095,477	6,095,477
Deferred income special	(1)	(1)	(1)
Deferred grant revenue	(1,959)	29,906	29,906
Other deferred revenue	1,121,838	369,627	369,627
PPP Loan Payable	0	0	0
Payable To TNYBF - Service Agreement	3,586,061	0	0
Payable To The New York Bar Foundation	12,250	480	480
Operating Lease Obligation	101,506	0	0
Finance Lease Obligation	14,221	0	0
Total current liabilities & Deferred Revenue	11,769,326	7,356,888	7,356,888
<u>Long Term Liabilities:</u>			
LT Operating Lease Obligation	27,966	0	0
LT Finance Lease Obligation	7,102	0	0
Accrued Other Postretirement Benefit Costs	8,516,910	8,156,910	8,156,910
Accrued Defined Contribution Plan Costs	329,484	398,670	398,670
Total Liabilities & Deferred Revenue	20,650,788	15,912,468	15,912,468
<u>Board designated for:</u>			
Cromwell Account	2,778,996	3,366,406	3,366,406
Replacement Reserve Account	2,132,802	2,132,589	2,132,589
Long-Term Reserve Account	19,994,605	25,957,428	25,957,428
Section Accounts	4,064,987	5,195,400	5,195,400
Invested in Fixed Assets (Less capital lease)	5,299,416	2,306,118	2,306,118
Undesignated	11,257,897	14,138,522	14,138,522
Total Net Assets	45,528,703	53,096,463	53,096,463
Total Liabilities and Net Assets	2 66,179,491	69,008,931	69,008,931

New York State Bar Association
Statement of Activities
For the Twelve Months Ending December 31, 2022

	December 2022	December 2021	December 2021
REVENUES AND OTHER SUPPORT			
Membership dues	9,056,794	9,335,487	9,335,487
Section revenues			
Dues	1,112,055	1,175,901	1,175,901
Programs	1,247,580	699,904	699,904
Continuing legal education program	2,202,826	2,715,526	2,715,526
Administrative fee and royalty revenue	2,294,629	2,408,451	2,408,451
Annual meeting	444,011	489,977	489,977
Investment income	1,393,587	1,386,890	1,386,890
Reference Books, Formbooks and Disk Products	1,180,362	1,262,049	1,262,049
Other revenue	609,187	314,123	314,123
Total revenue and other support	19,541,031	19,788,308	19,788,308
PROGRAM EXPENSES			
Continuing legal education program	1,194,057	796,840	796,840
Graphics	957,624	1,172,896	1,172,896
Government relations program	288,940	324,497	324,497
Lawyer assistance program	134,444	52,865	52,865
Lawyer referral and information services	-	(63)	(63)
Law practice management services	-	36,455	36,455
Media / public relations services	623,116	577,256	577,256
Business Operations	2,464,594	2,231,386	2,231,386
Marketing and Membership services	1,820,077	1,538,319	1,538,319
Pro bono program	94,863	145,000	145,000
House of delegates	529,911	266,997	266,997
Executive committee	70,403	13,666	13,666
Other committees	238,331	76,452	76,452
Sections	2,141,219	703,398	703,398
Section newsletters	254,609	245,723	245,723
Reference Books, Formbooks and Disk Products	604,174	692,853	692,853
Publications	384,028	342,384	342,384
Annual meeting expenses	37,545	13,811	13,811
Total program expenses	11,837,935	9,230,735	9,230,735
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	3,165,292	2,871,832	2,871,832
Pension plans and other employee benefit plan costs	682,663	(181,808)	(181,808)
Rent and equipment costs	824,904	1,187,626	1,187,626
Consultant and other fees	749,672	680,709	680,709
Depreciation and amortization	768,980	687,038	687,038
Operating Lease	102,913	-	-
Other expenses	121,869	52,308	52,308
Total management and general expenses	6,416,293	5,297,705	5,297,705
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
Realized and unrealized gain (loss) on investments	(8,718,423)	3,445,877	3,445,877
Realized gain (loss) on sale of equipment	(136,142)	-	-
Loan forgiveness	-	1,482,957	1,482,957
CHANGES IN NET ASSETS	(7,567,762)	10,188,702	10,188,702
Net assets, beginning of year	53,096,463	42,907,761	42,907,761
Net assets, end of year	45,528,701	53,096,463	53,096,463