



Staff Memorandum

**HOUSE OF DELEGATES
Agenda Item #3**

Attached for your reference are the Association financial statements through May 31, 2014.

**NEW YORK STATE BAR ASSOCIATION
2014 OPERATING BUDGET
FIVE MONTHS OF CALENDAR YEAR 2014**

REVENUE

	2014 BUDGET	ADJUST- MENTS	2014 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 5/31/2014	% RECEIVED 5/31/2014	2013 BUDGET	UNAUDITED RECEIVED 5/31/2013	% RECEIVED 5/31/2013
MEMBERSHIP DUES	11,625,000		11,625,000	11,099,705	95.48%	11,792,500	11,460,111	97.18%
SECTIONS:								
Dues	1,397,405		1,397,405	1,390,162	99.48%	1,434,550	1,436,223	100.12%
Programs	2,325,395		2,325,395	1,238,974	53.28%	2,166,500	1,280,363	59.10%
INVESTMENT INCOME	254,000		254,000	133,562	52.58%	125,000	124,886	99.91%
ADVERTISING	323,000		323,000	12,733	3.94%	372,000	136,541	36.70%
CLE	6,408,100		6,408,100	2,548,869	39.78%	6,460,000	2,466,981	38.19%
USI AFFINITY PAYMENT	1,972,000		1,972,000	843,750	42.79%	1,994,000	821,665	41.21%
ANNUAL MEETING	875,000		875,000	928,559	106.12%	900,000	797,018	88.56%
HOUSE OF DELEGATES & COMMITTEES	148,000		148,000	54,483	36.81%	105,600	67,970	64.37%
PUBLICATIONS ROYALTIES & OTHER	320,000		320,000	101,831	31.82%	327,800	124,436	37.96%
TOTAL REVENUE	25,647,900	0	25,647,900	18,352,628	71.56%	25,677,950	18,716,194	72.89%

EXPENSE

	2014 BUDGET	ADJUST- MENTS	2014 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 5/31/2014	% EXPENDED 5/31/2014	2013 BUDGET	UNAUDITED EXPENDED 5/31/2013	% EXPENDED 5/31/2013
SALARIES & FRINGE	10,575,600		10,575,600	4,457,275	42.15%	10,572,100	4,322,015	40.88%
BAR CENTER:								
Rent	285,100		285,100	120,286	42.19%	282,500	120,286	42.58%
Building Services	302,400		302,400	152,733	50.51%	373,500	99,918	26.75%
Insurance	134,000		134,000	55,252	41.23%	132,000	54,037	40.94%
Taxes	4,750		4,750	2,877	60.57%	167,750	538	0.32%
Plant and Equipment	692,500		692,500	307,011	44.33%	721,500	285,531	39.57%
Administration	641,500	75,000	716,500	339,247	47.35%	650,100	262,317	40.35%
SECTIONS	3,666,350		3,666,350	1,791,969	48.88%	3,588,550	2,030,017	56.57%
PUBLICATIONS:								
Journal	573,700		573,700	211,604	36.88%	609,900	211,299	34.64%
Law Digest	291,500		291,500	116,723	40.04%	300,500	131,753	43.84%
State Bar News	284,300		284,300	105,478	37.10%	287,300	111,221	38.71%
MEETINGS:								
Annual Meeting	366,500		366,500	380,092	103.71%	355,500	371,918	104.62%
House of Delegates, Officers and Executive Committee	463,650		463,650	226,817	48.92%	433,850	249,186	57.44%
COMMITTEES:								
CLE	2,772,900		2,772,900	1,062,136	38.30%	2,960,900	950,082	32.09%
LPM/ECTF	95,400		95,400	54,788	57.43%	93,550	45,678	48.83%
MARKETING	132,620		132,620	23,918	18.03%	115,050	43,091	37.45%
MEDIA SERVICES	300,250		300,250	131,809	43.90%	291,200	121,135	41.60%
MEMBERSHIP	786,370		786,370	237,339	30.18%	634,575	216,167	34.06%
ALL OTHERS	2,769,420		2,769,420	1,131,726	40.87%	2,626,330	1,085,234	41.32%
TOTAL EXPENSE	25,138,810	75,000	25,213,810	10,909,080	43.27%	25,196,655	10,711,423	42.51%
BUDGETED SURPLUS	509,090	(75,000)	434,090	7,443,548		481,295	8,004,771	

NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF MAY 31, 2014

<u>ASSETS</u>	<u>UNAUDITED</u> <u>5/31/2014</u>	<u>UNAUDITED</u> <u>5/31/2013</u>	<u>UNAUDITED</u> <u>12/31/2013</u>
<u>Current Assets:</u>			
General Cash and Cash Equivalents	11,236,084	11,142,509	14,453,338
Accounts Receivable	181,418	75,150	40,913
Accrued interest receivable			
Prepaid expenses	560,752	566,656	1,161,159
Inventories	114,333	163,961	91,351
Royalties and Admin. Fees receivable	336,367	328,225	780,228
Total Current Assets	12,428,954	12,276,501	16,526,989
<u>Board Designated Accounts:</u>			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	1,965,196	1,796,232	1,947,608
Accrued interest receivable	0	0	0
	1,965,196	1,796,232	1,947,608
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,115,726	1,114,490	1,115,405
Repairs replacement reserve	793,057	792,178	792,829
Furniture replacement reserve	219,588	219,367	219,542
	2,128,371	2,126,035	2,127,777
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	18,166,846	16,053,143	17,580,491
Accrued interest receivable	0	0	74,225
	18,166,846	16,053,143	17,654,716
<u>Sections Accounts:</u>			
Section Accounts Cash equivalents and Investments at market value	3,008,855	2,791,694	2,972,736
Cash	837,167	686,569	179,081
	3,846,022	3,478,263	3,151,817
<u>Fixed Assets:</u>			
Furniture and fixtures	1,330,739	1,328,968	1,328,968
Leasehold Improvements	1,363,251	1,363,251	1,363,251
Equipment	7,703,794	7,186,983	7,602,128
Telephone	107,636	107,636	107,636
	10,505,420	9,986,838	10,401,984
Less accumulated depreciation	7,652,739	7,172,825	7,425,739
Net fixed assets	2,852,681	2,814,013	2,976,245
Total Assets	41,388,070	38,544,187	44,385,151
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Current liabilities:</u>			
Accounts Payable & other accrued expenses	761,120	798,079	1,937,672
Deferred dues	0	0	9,357,292
Deferred grant revenue	29,390	30,290	29,390
Other deferred revenue	115,288	110,051	575,263
Unearned Income CLE	40,518	58,237	58,902
Income Taxes Payable			
Payable To The New York Bar Foundation	780	2,991	18,910
Total current liabilities & Deferred Revenue	947,096	999,648	11,977,429
<u>Long Term Liabilities:</u>			
Accrued Pension Costs	685,800	3,138,317	735,425
Accrued Other Postretirement Benefit Costs	5,042,872	5,235,277	4,917,872
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	321,000	309,005	535,910
Total Liabilities & Deferred Revenue	6,996,768	9,682,247	18,166,636
<u>Board designated for:</u>			
Cromwell Account	1,965,196	1,796,232	1,947,608
Replacement Reserve Account	2,128,371	2,126,035	2,127,777
Long-Term Reserve Account	12,117,174	7,370,544	11,391,284
Section Accounts	3,846,022	3,478,263	3,151,817
Invested in Fixed Assets (Less capital lease)	2,852,681	2,814,013	2,976,245
Undesignated	11,481,858	11,276,853	4,623,784
Total Net Assets	34,391,302	28,861,940	26,218,515
Total Liabilities and Net Assets	41,388,070	38,544,187	44,385,151

New York State Bar Association
Statement of Activities
For the Five Months Ending May 31, 2014

	May 2014	May 2013	December 2013
REVENUES AND OTHER SUPPORT			
Membership dues	\$11,099,705	\$11,460,111	\$11,601,489
Section revenues			
Dues	1,390,162	1,436,223	1,458,951
Programs	1,238,974	1,280,363	2,222,987
Continuing legal education program and publications	2,548,869	2,466,981	5,487,664
Administrative fee and royalty revenue	909,369	886,457	2,223,579
Annual meeting	928,559	797,018	796,093
Investment income	222,787	204,466	1,012,733
Other revenue	147,188	281,592	530,581
Total revenue and other support	18,485,613	18,813,211	25,334,077
PROGRAM EXPENSES			
Continuing legal education program	1,764,954	1,640,928	4,156,432
Graphics	899,951	915,491	2,025,891
Government relations program	260,697	251,411	547,031
Law, youth and citizenship program	109,815	106,145	233,099
Lawyer assistance program	90,287	94,161	207,965
Lawyer referral and information services	87,796	81,864	194,839
Law practice management services	81,793	81,813	166,600
Media / public relations services	272,464	277,420	587,440
Meetings services	168,478	169,515	360,066
Membership services	396,658	405,464	1,018,373
Pro bono program	87,533	84,807	179,955
House of delegates	195,987	226,108	422,792
Executive committee	30,829	23,078	43,779
Other committees	523,873	484,650	733,928
Sections	1,791,969	2,030,017	3,502,857
Section newsletters	56,002	62,650	121,113
Publications	433,804	454,272	1,062,192
Annual meeting expenses	380,092	371,918	373,971
Total program expenses	7,632,982	7,761,712	15,938,323
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	1,934,049	1,812,496	2,095,164
Rent and equipment costs	544,484	398,414	1,100,715
Consultant and other fees	420,657	345,918	983,869
Depreciation and amortization	227,000	225,000	525,714
Other expenses	149,909	167,883	328,169
Total management and general expenses	3,276,099	2,949,711	5,033,631
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
Realized and unrealized gain (loss) on investments	596,255	1,131,761	2,228,001
CHANGES IN NET ASSETS	8,172,787	9,233,549	6,590,124
Net assets, beginning of year	26,218,515	19,628,391	19,628,391
Net assets, end of year	34,391,302	28,861,940	26,218,515