



Staff Memorandum

**HOUSE OF DELEGATES
Agenda Item #2**

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

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

REVENUE

	2014 BUDGET	ADJUST- MENTS	2014 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 9/30/2014	% RECEIVED 9/30/2014	2013 BUDGET	UNAUDITED RECEIVED 9/30/2013	% RECEIVED 9/30/2013
MEMBERSHIP DUES	11,625,000		11,625,000	11,308,336	97.28%	11,792,500	11,619,054	98.53%
SECTIONS:								
Dues	1,475,905		1,475,905	1,424,856	96.54%	1,434,550	1,457,845	101.62%
Programs	2,530,895	38,000	2,568,895	1,948,459	75.85%	2,166,500	1,995,760	92.12%
INVESTMENT INCOME	254,000		254,000	264,869	104.28%	125,000	264,682	211.75%
ADVERTISING	323,000		323,000	54,317	16.82%	372,000	199,725	53.69%
CLE	6,408,100		6,408,100	3,956,659	61.74%	6,460,000	3,789,511	58.66%
USI AFFINITY PAYMENT	1,972,000		1,972,000	1,522,148	77.19%	1,994,000	1,478,997	74.17%
ANNUAL MEETING	875,000		875,000	927,905	106.05%	900,000	796,723	88.52%
HOUSE OF DELEGATES & COMMITTEES	148,000		148,000	162,578	109.85%	105,600	122,461	115.97%
PUBLICATIONS ROYALTIES & OTHER	320,000		320,000	164,598	51.44%	327,800	192,317	58.67%
TOTAL REVENUE	25,931,900	38,000	25,969,900	21,734,725	83.69%	25,677,950	21,917,075	85.35%

EXPENSE

	2014 BUDGET	ADJUST- MENTS	2014 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 9/30/2014	% EXPENDED 9/30/2014	2013 BUDGET	UNAUDITED EXPENDED 9/30/2013	% EXPENDED 9/30/2013
SALARIES & FRINGE	10,575,600	59,000	10,634,600	7,768,262	73.05%	10,572,100	7,617,147	72.05%
BAR CENTER:								
Rent	285,100		285,100	214,453	75.22%	282,500	214,453	75.91%
Building Services	302,400		302,400	248,965	82.33%	373,500	239,120	64.02%
Insurance	134,000		134,000	98,919	73.82%	132,000	98,109	74.33%
Taxes	4,750		4,750	7,292	153.52%	167,750	7,889	4.70%
Plant and Equipment	692,500		692,500	575,704	83.13%	721,500	523,087	72.50%
Administration	641,500	80,000	721,500	545,646	75.63%	650,100	377,591	58.08%
SECTIONS	3,950,350	38,000	3,988,350	2,743,216	68.78%	3,588,550	2,750,087	76.64%
PUBLICATIONS:								
Journal	573,700		573,700	368,510	64.23%	609,900	368,646	60.44%
Law Digest	291,500		291,500	130,309	44.70%	300,500	232,395	77.34%
State Bar News	284,300		284,300	178,544	62.80%	287,300	192,135	66.88%
MEETINGS:								
Annual Meeting	366,500		366,500	381,729	104.16%	355,500	373,971	105.20%
House of Delegates, Officers and Executive Committee	463,650		463,650	374,589	80.79%	433,850	377,183	86.94%
COMMITTEES:								
CLE	2,772,900		2,772,900	1,740,420	62.77%	2,960,900	1,690,427	57.09%
LPM/ECTF	95,400		95,400	67,275	70.52%	93,550	50,763	54.26%
MARKETING	132,620		132,620	40,172	30.29%	115,050	76,359	66.37%
MEDIA SERVICES	300,250		300,250	198,437	66.09%	291,200	190,255	65.33%
MEMBERSHIP	786,370	2,500	788,870	404,322	51.25%	634,575	388,581	61.23%
ALL OTHERS	2,769,420	5,000	2,774,420	1,902,461	68.57%	2,626,330	1,813,469	69.05%
TOTAL EXPENSE	25,422,810	184,500	25,607,310	17,989,225	70.25%	25,196,655	17,581,667	69.78%
BUDGETED SURPLUS	509,090	(146,500)	362,590	3,745,500		481,295	4,335,408	

NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2014

<u>ASSETS</u>	<u>UNAUDITED</u> <u>9/30/2014</u>	<u>UNAUDITED</u> <u>9/30/2013</u>	<u>UNAUDITED</u> <u>12/31/2013</u>
<u>Current Assets:</u>			
General Cash and Cash Equivalents	7,818,184	7,539,111	14,453,338
Accounts Receivable	95,573	65,073	40,913
Accrued interest receivable			
Prepaid expenses	622,245	568,836	1,161,159
Inventories	122,855	139,088	91,351
Royalties and Admin. Fees receivable	507,383	492,117	780,228
Total Current Assets	<u>9,166,240</u>	<u>8,804,225</u>	<u>16,526,989</u>
<u>Board Designated Accounts:</u>			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	1,962,320	1,854,593	1,947,608
Accrued interest receivable	0	0	0
	<u>1,962,320</u>	<u>1,854,593</u>	<u>1,947,608</u>
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,115,867	1,115,124	1,115,405
Repairs replacement reserve	793,157	792,629	792,829
Furniture replacement reserve	219,615	219,491	219,542
	<u>2,128,639</u>	<u>2,127,244</u>	<u>2,127,777</u>
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	18,252,623	16,668,676	17,580,491
Accrued interest receivable	0	0	74,225
	<u>18,252,623</u>	<u>16,668,676</u>	<u>17,654,716</u>
<u>Sections Accounts:</u>			
Section Accounts Cash equivalents and Investments at market value	3,011,383	2,773,188	2,972,736
Cash	630,099	703,518	179,081
	<u>3,641,482</u>	<u>3,476,706</u>	<u>3,151,817</u>
<u>Fixed Assets:</u>			
Furniture and fixtures	1,332,510	1,328,968	1,328,968
Leasehold Improvements	1,363,251	1,363,251	1,363,251
Equipment	7,601,157	7,362,086	7,602,128
Telephone	107,636	107,636	107,636
	<u>10,404,554</u>	<u>10,161,941</u>	<u>10,401,984</u>
Less accumulated depreciation	7,742,926	7,327,824	7,425,739
Net fixed assets	<u>2,661,628</u>	<u>2,834,117</u>	<u>2,976,245</u>
Total Assets	<u><u>37,812,932</u></u>	<u><u>35,765,561</u></u>	<u><u>44,385,151</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Current liabilities:</u>			
Accounts Payable & other accrued expenses	735,075	764,698	1,937,672
Deferred dues	71,399	138,636	9,357,292
Deferred grant revenue	30,389	46,352	29,390
Other deferred revenue	115,288	110,051	575,263
Unearned Income CLE	42,881	51,820	58,902
Payable To The New York Bar Foundation	520	1,638	18,910
Total current liabilities & Deferred Revenue	<u>995,552</u>	<u>1,113,195</u>	<u>11,977,429</u>
<u>Long Term Liabilities:</u>			
Accrued Pension Costs	590,800	3,116,067	735,425
Accrued Other Postretirement Benefit Costs	5,142,871	5,335,276	4,917,872
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	461,000	453,921	535,910
Total Liabilities & Deferred Revenue	<u>7,190,223</u>	<u>10,018,459</u>	<u>18,166,636</u>
<u>Board designated for:</u>			
Cromwell Account	1,962,320	1,854,593	1,947,608
Replacement Reserve Account	2,128,639	2,127,244	2,127,777
Long-Term Reserve Account	12,057,952	7,763,412	11,391,284
Section Accounts	3,641,482	3,476,706	3,151,817
Invested in Fixed Assets (Less capital lease)	2,661,628	2,834,117	2,976,245
Undesignated	8,170,688	7,691,030	4,623,784
Total Net Assets	<u>30,622,709</u>	<u>25,747,102</u>	<u>26,218,515</u>
Total Liabilities and Net Assets	<u><u>37,812,932</u></u>	<u><u>35,765,561</u></u>	<u><u>44,385,151</u></u>

New York State Bar Association
Statement of Activities
For the Eight Months Ending August 31, 2014

	September 2014	September 2013	December 2013
REVENUES AND OTHER SUPPORT			
Membership dues	\$11,308,336	\$11,619,054	\$11,601,489
Section revenues			
Dues	1,424,856	1,457,845	1,458,951
Programs	1,948,459	1,995,760	2,222,987
Continuing legal education program and publications	3,956,659	3,789,511	5,487,664
Administrative fee and royalty revenue	1,651,747	1,603,776	2,223,579
Annual meeting	927,905	796,723	796,093
Investment income	463,089	434,006	1,012,733
Other revenue	254,776	385,689	530,581
Total revenue and other support	21,935,827	22,082,364	25,334,077
PROGRAM EXPENSES			
Continuing legal education program	2,985,232	2,921,682	4,156,432
Graphics	1,562,739	1,624,655	2,025,891
Government relations program	451,719	437,890	547,031
Law, youth and citizenship program	195,980	188,644	233,099
Lawyer assistance program	165,116	163,422	207,965
Lawyer referral and information services	156,657	155,895	194,839
Law practice management services	135,966	137,134	166,600
Media / public relations services	424,974	448,969	587,440
Meetings services	293,040	295,083	360,066
Membership services	698,695	717,833	1,018,373
Pro bono program	149,849	146,686	179,955
House of delegates	329,524	344,665	422,792
Executive committee	45,066	32,518	43,779
Other committees	773,531	594,691	733,928
Sections	2,743,216	2,750,087	3,502,857
Section newsletters	101,595	100,904	121,113
Publications	677,363	793,176	1,062,192
Annual meeting expenses	381,729	373,971	373,971
Total program expenses	12,271,991	12,227,905	15,938,323
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	3,406,203	3,226,276	2,095,164
Rent and equipment costs	915,420	806,075	1,100,715
Consultant and other fees	733,814	670,325	983,869
Depreciation and amortization	428,788	405,000	525,714
Other expenses	233,009	246,086	328,169
Total management and general expenses	5,717,234	5,353,762	5,033,631
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
	3,946,602	4,500,697	4,362,123
Realized and unrealized gain (loss) on investments	467,901	1,618,016	2,228,001
Realized gain (loss) on sale of equipment	(10,310)	0	
CHANGES IN NET ASSETS	4,404,193	6,118,713	6,590,124
Net assets, beginning of year	26,218,515	19,628,391	19,628,391
Net assets, end of year	<u>30,622,708</u>	<u>25,747,104</u>	<u>26,218,515</u>