



Staff Memorandum

**HOUSE OF DELEGATES
Agenda Item # 3**

Attached for your reference are the Association's financial statements through April 30, 2016.

**NEW YORK STATE BAR ASSOCIATION
2016 OPERATING BUDGET
FOUR MONTHS OF CALENDAR YEAR 2016**

REVENUE

	2016 BUDGET	ADJUST- MENTS	2016 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 4/30/2016	% RECEIVED 4/30/2016	2015 BUDGET	UNAUDITED RECEIVED 4/30/2015	% RECEIVED 4/30/2015
MEMBERSHIP DUES	10,925,000		10,925,000	10,140,545	92.82%	11,350,000	10,513,664	92.63%
SECTIONS:								
Dues	1,416,400		1,416,400	1,309,144	92.43%	1,444,600	1,343,782	93.02%
Programs	2,606,550		2,606,550	1,016,044	38.98%	2,495,450	1,064,888	42.67%
INVESTMENT INCOME	390,000		390,000	50,974	13.07%	319,000	70,925	22.23%
ADVERTISING	125,000		125,000	51,488	41.19%	370,000	54,149	14.63%
CLE	4,050,000		4,050,000	1,397,345	34.50%	4,470,000	1,382,264	30.92%
USI AFFINITY PAYMENT	2,025,000		2,025,000	734,985	36.30%	2,025,000	675,000	33.33%
ANNUAL MEETING	919,500		919,500	868,120	94.41%	933,000	814,285	87.28%
HOUSE OF DELEGATES & COMMITTEES	206,200		206,200	90,442	43.86%	125,200	52,715	42.10%
PUBLICATIONS, ROYALTIES AND OTHER	276,800		276,800	47,321	17.10%	338,500	52,887	15.62%
REFERENCE MATERIALS	1,450,000		1,450,000	336,957	23.24%	1,440,000	340,885	23.67%
TOTAL REVENUE	24,390,450	0	24,390,450	16,043,365	65.78%	25,310,750	16,365,444	64.66%

EXPENSE

	2016 BUDGET	ADJUST- MENTS	2016 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 4/30/2016	% EXPENDED 4/30/2016	2015 BUDGET	UNAUDITED EXPENDED 4/30/2015	% EXPENDED 4/30/2015
SALARIES & FRINGE	10,365,900		10,365,900	3,221,423	31.08%	10,742,600	3,513,051	32.70%
BAR CENTER:								
Rent	288,000		288,000	96,745	33.59%	288,000	96,745	33.59%
Building Services	285,000		285,000	67,458	23.67%	310,700	122,593	39.46%
Insurance	150,000		150,000	45,021	30.01%	157,000	43,856	27.93%
Taxes	7,750		7,750	3,572	46.09%	7,750	33,553	432.94%
Plant and Equipment	620,000		620,000	247,444	39.91%	725,500	234,449	32.32%
Administration	539,700		539,700	177,682	32.92%	633,500	213,628	33.72%
SECTIONS	3,961,650		3,961,650	1,603,488	40.48%	3,886,150	1,673,873	43.07%
PUBLICATIONS:								
Reference Materials	491,050		491,050	98,698	20.10%	493,500	104,030	21.08%
Journal	489,200		489,200	183,840	37.58%	523,200	172,028	32.88%
Law Digest	221,000		221,000	60,201	27.24%	239,000	11,029	4.61%
State Bar News	254,300		254,300	69,121	27.18%	294,300	75,133	25.53%
MEETINGS:								
Annual Meeting	303,100		303,100	321,896	106.20%	402,500	375,752	93.35%
House of Delegates, Officers and Executive Committee	481,250		481,250	235,363	48.91%	467,850	227,203	48.56%
COMMITTEES:								
CLE	1,944,050		1,944,050	543,412	27.95%	2,017,800	656,633	32.54%
LPM/ECTF	85,300		85,300	57,009	66.83%	89,425	48,874	54.65%
MARKETING / MEMBERSHIP	1,000,650		1,000,650	321,274	32.11%	1,017,900	294,945	28.98%
MEDIA SERVICES	267,750		267,750	65,831	24.59%	302,050	73,006	24.17%
ALL OTHERS	2,612,220		2,612,220	781,351	29.91%	2,582,145	870,985	33.73%
TOTAL EXPENSE	24,367,870	0	24,367,870	8,200,829	33.65%	25,180,870	8,841,366	35.11%
BUDGETED SURPLUS	22,580	0	22,580	7,842,536		129,880	7,524,078	

NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF APRIL 30, 2016

<u>ASSETS</u>	<u>UNAUDITED</u> <u>4/30/2016</u>	<u>UNAUDITED</u> <u>4/30/2015</u>	<u>UNAUDITED</u> <u>12/31/2015</u>
Current Assets:			
General Cash and Cash Equivalents	12,470,278	12,689,684	14,491,557
Accounts Receivable	121,169	81,978	119,263
Accrued interest receivable			
Prepaid expenses	740,297	890,595	1,412,444
Royalties and Admin. Fees receivable	658,062	183,407	688,262
Total Current Assets	13,989,806	13,845,664	16,711,526
Board Designated Accounts:			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	2,020,753	2,065,110	2,018,735
Accrued interest receivable	0	0	0
	2,020,753	2,065,110	2,018,735
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,116,443	1,116,107	1,116,332
Repairs replacement reserve	793,566	793,328	793,488
Furniture replacement reserve	219,729	219,663	219,707
	2,129,738	2,129,098	2,129,527
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	19,027,773	19,145,354	18,827,847
Accrued interest receivable	0	0	80,859
	19,027,773	19,145,354	18,908,706
<u>Sections Accounts:</u>			
Section Accounts Cash equivalents and Investments at market value	3,524,420	3,056,213	3,472,523
Cash	721,700	734,798	100,808
	4,246,120	3,791,011	3,573,331
Fixed Assets:			
Furniture and fixtures	1,332,511	1,332,511	1,332,511
Leasehold Improvements	1,363,251	1,363,251	1,363,251
Equipment	8,402,075	7,529,647	7,447,657
Telephone	107,636	107,636	107,636
	11,205,473	10,333,045	10,251,055
Less accumulated depreciation	8,335,628	7,985,135	8,228,428
Net fixed assets	2,869,845	2,347,910	2,022,627
Total Assets	44,284,035	43,324,147	45,364,452
<u>LIABILITIES AND FUND BALANCES</u>			
Current liabilities:			
Accounts Payable & other accrued expenses	569,557	998,723	1,428,944
Deferred dues	0	0	7,755,838
Deferred grant revenue	1,307,692	0	1,389,071
Other deferred revenue	33,355	32,065	31,710
Unearned Income CLE	111,640	113,464	556,344
Income Taxes Payable	32,664	38,723	51,570
Payable To The New York Bar Foundation	17,313	7,813	35,820
Total current liabilities & Deferred Revenue	2,072,221	1,190,788	11,249,297
Long Term Liabilities:			
Accrued Pension Costs	1,352,046	2,188,318	1,417,046
Accrued Other Postretirement Benefit Costs	6,955,303	6,974,992	6,855,303
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	229,399	227,600	478,400
Total Liabilities & Deferred Revenue	10,608,969	10,581,698	20,000,046
Board designated for:			
Cromwell Account	2,020,753	2,065,110	2,018,735
Replacement Reserve Account	2,129,738	2,129,098	2,129,527
Long-Term Reserve Account	10,491,025	9,754,444	10,077,098
Section Accounts	4,246,120	3,791,011	3,573,331
Invested in Fixed Assets (Less capital lease)	2,869,845	2,347,910	2,022,627
Undesignated	11,917,585	12,654,876	5,543,088
Total Net Assets	33,675,066	32,742,449	25,364,406
Total Liabilities and Net Assets	44,284,035	43,324,147	45,364,452

New York State Bar Association
Statement of Activities
For the Four Months Ending April 30, 2016

	<u>April 2016</u>	<u>April 2015</u>	<u>December 2015</u>
REVENUES AND OTHER SUPPORT			
Membership dues	\$10,140,545	\$10,513,664	\$10,879,002
Section revenues			
Dues	1,309,144	1,343,782	1,399,689
Programs	1,016,044	1,064,888	2,146,535
Continuing legal education program	1,397,345	1,382,264	3,633,015
Administrative fee and royalty revenue	754,063	699,744	2,317,167
Annual meeting	868,120	814,285	812,353
Investment income	114,651	128,106	796,322
Reference Books, Formbooks and Disk Products	336,957	340,885	1,253,532
Other revenue	240,053	164,514	299,648
	<u>16,176,922</u>	<u>16,452,132</u>	<u>23,537,263</u>
PROGRAM EXPENSES			
Continuing legal education program	805,166	978,605	2,747,212
Graphics	651,928	705,159	1,999,113
Government relations program	200,068	211,814	629,068
Law, youth and citizenship program	67,704	68,657	223,029
Lawyer assistance program	77,221	73,221	231,877
Lawyer referral and information services	60,485	64,922	191,414
Law practice management services	72,494	78,661	221,721
Media / public relations services	150,504	160,759	557,177
Meetings services	119,805	129,693	399,461
Membership services	599,010	535,933	1,443,628
Pro bono program	49,532	68,070	273,088
Local bar program	55,397	39,013	131,481
House of delegates	211,300	203,139	475,566
Executive committee	24,063	24,064	48,595
Other committees	294,469	313,973	652,756
Sections	1,603,488	1,673,873	3,445,416
Section newsletters	53,638	49,636	148,695
Reference Books, Formbooks and Disk Products	315,110	352,846	1,196,180
Publications	313,162	258,189	866,020
Annual meeting expenses	321,896	375,752	377,758
	<u>6,046,440</u>	<u>6,365,979</u>	<u>16,259,255</u>
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	1,037,681	1,131,677	3,410,860
Pension plans and other employee benefit plan costs	221,593	301,260	(177,496)
Rent and equipment costs	278,504	361,520	1,004,743
Consultant and other fees	349,601	360,629	899,388
Depreciation and amortization	201,600	188,333	534,727
Other expenses	65,411	131,968	371,867
	<u>2,154,390</u>	<u>2,475,387</u>	<u>6,044,089</u>
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
Realized and unrealized gain (loss) on investments	7,976,092	7,610,766	1,233,919
	334,568	433,969	(567,227)
CHANGES IN NET ASSETS	8,310,660	8,044,735	666,692
Net assets, beginning of year	25,364,406	24,697,714	24,697,714
Net assets, end of year	<u>33,675,066</u>	<u>32,742,449</u>	<u>25,364,406</u>