



Staff Memorandum

**HOUSE OF DELEGATES
Agenda Item #3**

Attached for your reference are the financial statements for the period ending February 28, 2017.

**NEW YORK STATE BAR ASSOCIATION
2017 OPERATING BUDGET
TWO MONTHS OF CALENDAR YEAR 2017**

REVENUE

	2017 BUDGET	ADJUST- MENTS	2017 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 2/28/2017	% RECEIVED 2/28/2017	2016 BUDGET	UNAUDITED RECEIVED 2/29/2016	% RECEIVED 2/29/2016
MEMBERSHIP DUES	10,925,000		10,925,000	8,910,827	81.56%	10,925,000	9,108,742	83.38%
SECTIONS:								
Dues	1,411,600		1,411,600	1,143,557	81.01%	1,416,400	1,179,342	83.26%
Programs	2,763,550		2,763,550	768,489	27.81%	2,606,550	655,043	25.13%
INVESTMENT INCOME	345,000		345,000	-15,290	-4.43%	390,000	-16,251	-4.17%
ADVERTISING	133,000		133,000	8,937	6.72%	125,000	21,049	16.84%
CLE	3,900,000		3,900,000	693,296	17.78%	4,050,000	706,999	17.46%
USI AFFINITY PAYMENT	2,269,000		2,269,000	367,493	16.20%	2,025,000	367,493	18.15%
ANNUAL MEETING	869,500		869,500	905,447	104.13%	919,500	869,315	94.54%
HOUSE OF DELEGATES & COMMITTEES	108,100		108,100	52,395	48.47%	206,200	67,727	32.85%
PUBLICATIONS, ROYALTIES AND OTHER	274,200		274,200	3,663	1.34%	276,800	22,723	8.21%
REFERENCE MATERIALS	1,350,000		1,350,000	126,568	9.38%	1,450,000	109,706	7.57%
TOTAL REVENUE	24,348,950	0	24,348,950	12,965,382	53.25%	24,390,450	13,091,888	53.68%

EXPENSE

	2017 BUDGET	ADJUST- MENTS	2017 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 2/28/2017	% EXPENDED 2/28/2017	2016 BUDGET	UNAUDITED EXPENDED 2/29/2016	% EXPENDED 2/29/2016
SALARIES & FRINGE	10,409,950		10,409,950	1,504,350	14.45%	10,365,900	1,287,267	12.42%
BAR CENTER:								
Rent	305,000		305,000	28,477	9.34%	288,000	49,661	17.24%
Building Services	283,250		283,250	26,075	9.21%	285,000	41,607	14.60%
Insurance	142,000		142,000	24,105	16.98%	150,000	21,909	14.61%
Taxes	5,250		5,250	789	15.03%	7,750	26	0.34%
Plant and Equipment	858,000		858,000	117,911	13.74%	620,000	118,943	19.18%
Administration	543,500		543,500	247,563	45.55%	539,700	95,569	17.71%
SECTIONS	4,171,175		4,171,175	595,059	14.27%	3,961,650	470,034	11.86%
PUBLICATIONS:								
Reference Materials	430,150		430,150	76,034	17.68%	491,050	20,335	4.14%
Journal	431,200		431,200	49,152	11.40%	489,200	87,963	17.98%
Law Digest	187,800		187,800	28,591	15.22%	221,000	24,837	11.24%
State Bar News	247,300		247,300	51,822	20.96%	254,300	25,251	9.93%
MEETINGS:								
Annual Meeting	348,200		348,200	1,458,984	419.01%	303,100	1,378,953	454.95%
House of Delegates, Officers and Executive Committee	520,600		520,600	113,423	21.79%	481,250	103,348	21.47%
COMMITTEES:								
CLE	1,767,875		1,767,875	117,591	6.65%	1,944,050	84,813	4.36%
LPM/ECTF	86,250		86,250	23,217	26.92%	85,300	18,773	22.01%
MARKETING / MEMBERSHIP	971,200		971,200	154,075	15.86%	1,000,650	159,220	15.91%
MEDIA SERVICES	115,300		115,300	23,398	20.29%	267,750	30,220	11.29%
ALL OTHERS	2,489,075		2,489,075	411,975	16.55%	2,612,220	301,055	11.52%
TOTAL EXPENSE	24,313,075	0	24,313,075	5,052,591	20.78%	24,367,870	4,319,784	17.73%
BUDGETED SURPLUS	35,875	0	35,875	7,912,791		22,580	8,772,104	

NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF FEBRUARY 28, 2017

<u>ASSETS</u>	<u>UNAUDITED</u> <u>2/28/2017</u>	<u>UNAUDITED</u> <u>2/29/2016</u>	<u>UNAUDITED</u> <u>12/31/2016</u>
<u>Current Assets:</u>			
General Cash and Cash Equivalents	13,215,910	14,009,716	14,728,435
Accounts Receivable	144,193	100,367	157,953
Accrued interest receivable	0	0	0
Prepaid expenses	577,900	1,493,745	1,170,385
Royalties and Admin. Fees receivable	329,031	329,031	705,055
Total Current Assets	14,267,034	15,932,859	16,761,828
<u>Board Designated Accounts:</u>			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	2,144,006	1,919,985	2,077,752
Accrued interest receivable	0	0	0
	2,144,006	1,919,985	2,077,752
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,116,692	1,116,387	1,116,667
Repairs replacement reserve	793,744	793,527	793,726
Furniture replacement reserve	219,778	219,718	219,773
	2,130,214	2,129,632	2,130,166
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	20,656,590	18,023,181	19,835,080
Accrued interest receivable	0	0	119,404
	20,656,590	18,023,181	19,954,484
<u>Sections Accounts:</u>			
Section Accounts Cash equivalents and Investments at market value	3,540,231	3,511,585	3,527,130
Cash	1,316,987	1,364,351	8,273
	4,857,218	4,875,936	3,535,403
<u>Fixed Assets:</u>			
Furniture and fixtures	1,340,918	1,332,511	1,340,918
Leasehold Improvements	1,368,781	1,363,251	1,366,016
Equipment	8,605,338	7,408,857	8,466,905
Telephone	107,636	107,636	107,636
	11,422,673	10,212,255	11,281,475
Less accumulated depreciation	8,602,169	8,282,028	8,548,569
Net fixed assets	2,820,504	1,930,227	2,732,906
Total Assets	46,875,566	44,811,820	47,192,539
<u>LIABILITIES AND FUND BALANCES</u>			
<u>Current liabilities:</u>			
Accounts Payable & other accrued expenses	1,273,554	1,179,203	1,117,148
Deferred dues	0	0	7,921,620
Deferred income special	1,115,384	1,346,153	1,153,845
Deferred grant revenue	33,725	31,710	34,780
Other deferred revenue	88,632	111,640	797,941
Unearned Income - CLE	20,883	31,940	53,183
Payable To The New York Bar Foundation	67,162	32,794	35,845
Total current liabilities & Deferred Revenue	2,599,340	2,733,440	11,114,362
<u>Long Term Liabilities:</u>			
Accrued Pension Costs	(14,115)	1,352,046	734,372
Accrued Other Postretirement Benefit Costs	7,262,723	6,905,303	7,212,723
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	441,559	538,400	381,559
Total Liabilities & Deferred Revenue	10,289,507	11,529,189	19,443,016
<u>Board designated for:</u>			
Cromwell Account	2,144,006	1,919,985	2,077,752
Replacement Reserve Account	2,130,214	2,129,632	2,130,166
Long-Term Reserve Account	12,966,423	9,227,432	11,506,426
Section Accounts	4,857,218	4,875,936	3,535,403
Invested in Fixed Assets (Less capital lease)	2,820,504	1,930,227	2,732,906
Undesignated	11,667,694	13,199,419	5,766,870
Total Net Assets	36,586,059	33,282,631	27,749,523
Total Liabilities and Net Assets	46,875,566	44,811,820	47,192,539

New York State Bar Association
Statement of Activities
For the Two Months Ending February 28, 2017

	<u>February 2017</u>	<u>February 2016</u>	<u>December 2016</u>
REVENUES AND OTHER SUPPORT			
Membership dues	\$8,910,827	\$9,108,742	\$10,537,010
Section revenues			
Dues	1,143,557	1,179,342	1,360,835
Programs	768,489	655,043	2,223,618
Continuing legal education program	693,296	706,999	3,631,127
Administrative fee and royalty revenue	379,993	371,317	2,493,706
Annual meeting	905,447	869,315	865,217
Investment income	1,166	(4,494)	856,515
Reference Books, Formbooks and Disk Products	126,568	109,706	1,256,740
Other revenue	39,391	125,592	425,172
	<u>12,968,734</u>	<u>13,121,562</u>	<u>23,649,940</u>
PROGRAM EXPENSES			
Continuing legal education program	217,742	181,415	2,463,499
Graphics	348,606	285,234	1,951,609
Government relations program	103,602	79,339	632,713
Law, youth and citizenship program	36,871	24,613	210,082
Lawyer assistance program	28,645	27,407	206,129
Lawyer referral and information services	28,034	27,429	191,052
Law practice management services	44,179	26,582	208,606
Media / public relations services	81,110	62,643	382,731
Meetings services	10,798	61,084	274,929
Marketing and Membership services	292,777	265,618	1,718,802
Pro bono program	31,277	18,911	190,320
Local bar program	23,216	16,879	136,472
House of delegates	111,897	102,522	454,622
Executive committee	1,526	826	46,196
Other committees	66,423	65,066	762,377
Sections	595,059	470,034	3,576,180
Section newsletters	25,371	17,367	154,959
Reference Books, Formbooks and Disk Products	178,604	108,285	1,083,732
Publications	129,564	138,052	779,118
Annual meeting expenses	1,458,984	1,378,953	321,137
	<u>3,814,285</u>	<u>3,358,259</u>	<u>15,745,265</u>
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	509,994	412,717	3,373,284
Pension plans and other employee benefit plan costs	110,966	110,637	44,928
Rent and equipment costs	141,261	147,390	919,372
Consultant and other fees	284,672	195,858	972,151
Depreciation and amortization	92,400	92,400	601,546
Other expenses	99,026	2,521	237,335
	<u>1,238,319</u>	<u>961,523</u>	<u>6,148,616</u>
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
Realized and unrealized gain (loss) on investments	7,916,130	8,801,780	1,756,059
	920,406	(883,555)	629,058
CHANGES IN NET ASSETS	8,836,536	7,918,225	2,385,117
Net assets, beginning of year	<u>27,749,523</u>	<u>25,364,406</u>	<u>25,364,406</u>
Net assets, end of year	<u><u>36,586,059</u></u>	<u><u>33,282,631</u></u>	<u><u>27,749,523</u></u>