



# Staff Memorandum

**HOUSE OF DELEGATES  
Agenda Item # 3**

Attached for your reference are the Association's financial statements through April 30, 2017.

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

**REVENUE**

	2017 BUDGET	ADJUST- MENTS	2017 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 4/30/2017	% RECEIVED 4/30/2017	2016 BUDGET	UNAUDITED RECEIVED 4/30/2016	% RECEIVED 4/30/2016
<b>MEMBERSHIP DUES</b>	10,925,000		10,925,000	9,729,197	89.05%	10,925,000	10,140,545	92.82%
<b>SECTIONS:</b>								
Dues	1,411,600		1,411,600	1,260,433	89.29%	1,416,400	1,309,144	92.43%
Programs	2,763,550		2,763,550	1,242,397	44.96%	2,606,550	1,016,044	38.98%
<b>INVESTMENT INCOME</b>	345,000		345,000	50,153	14.54%	390,000	50,974	13.07%
<b>ADVERTISING</b>	133,000		133,000	11,998	9.02%	125,000	51,488	41.19%
<b>CONTINUING LEGAL EDUCATION</b>	3,900,000		3,900,000	1,266,168	32.47%	4,050,000	1,398,274	34.53%
<b>USI AFFINITY PAYMENT</b>	2,269,000		2,269,000	734,985	32.39%	2,025,000	734,985	36.30%
<b>ANNUAL MEETING</b>	869,500		869,500	900,992	103.62%	919,500	868,120	94.41%
<b>HOUSE OF DELEGATES &amp; COMMITTEES</b>	108,100		108,100	30,496	28.21%	206,200	90,448	43.86%
<b>PUBLICATIONS, ROYALTIES AND OTHER</b>	274,200		274,200	22,260	8.12%	276,800	47,321	17.10%
<b>REFERENCE MATERIALS</b>	1,350,000		1,350,000	231,924	17.18%	1,450,000	338,581	23.35%
<b>TOTAL REVENUE</b>	<b>24,348,950</b>	<b>0</b>	<b>24,348,950</b>	<b>15,481,003</b>	<b>63.58%</b>	<b>24,390,450</b>	<b>16,045,924</b>	<b>65.79%</b>

**EXPENSE**

	2017 BUDGET	ADJUST- MENTS	2017 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 4/30/2017	% EXPENDED 4/30/2017	2016 BUDGET	UNAUDITED EXPENDED 4/30/2016	% EXPENDED 4/30/2016
<b>SALARIES &amp; FRINGE</b>	10,409,950		10,409,950	3,049,643	29.30%	10,365,900	3,221,423	31.08%
<b>BAR CENTER:</b>								
Rent	305,000		305,000	107,323	35.19%	288,000	96,745	33.59%
Building Services	283,250		283,250	59,863	21.13%	285,000	67,458	23.67%
Insurance	142,000		142,000	47,399	33.38%	150,000	45,021	30.01%
Taxes	5,250		5,250	-806	-15.35%	7,750	3,572	46.09%
Plant and Equipment	858,000		858,000	297,923	34.72%	620,000	247,444	39.91%
Administration	543,500		543,500	271,434	49.94%	539,700	177,682	32.92%
<b>SECTIONS</b>	4,171,175		4,171,175	1,808,093	43.35%	3,961,650	1,603,488	40.48%
<b>PUBLICATIONS:</b>								
Reference Materials	430,150		430,150	135,522	31.51%	491,050	98,698	20.10%
Journal	431,200		431,200	158,983	36.87%	489,200	183,840	37.58%
Law Digest	187,800		187,800	54,362	28.95%	221,000	60,201	27.24%
State Bar News	247,300		247,300	75,421	30.50%	254,300	69,121	27.18%
<b>MEETINGS:</b>								
Annual Meeting	348,200		348,200	337,245	96.85%	303,100	321,896	106.20%
House of Delegates, Officers and Executive Committee	520,600		520,600	230,555	44.29%	481,250	234,706	48.77%
<b>COMMITTEES:</b>								
Continuing Legal Education	1,767,875		1,767,875	611,185	34.57%	1,944,050	545,970	28.08%
LPM / Electronic Communication Committee	86,250		86,250	49,946	57.91%	85,300	57,009	66.83%
Marketing / Membership	971,200		971,200	248,560	25.59%	1,000,650	321,274	32.11%
Media Services	115,300		115,300	29,888	25.92%	267,750	65,831	24.59%
All Other Committees and Departments	2,489,075		2,489,075	850,277	34.16%	2,612,220	782,011	29.94%
<b>TOTAL EXPENSE</b>	<b>24,313,075</b>	<b>0</b>	<b>24,313,075</b>	<b>8,422,816</b>	<b>34.64%</b>	<b>24,367,870</b>	<b>8,203,390</b>	<b>33.66%</b>
<b>BUDGETED SURPLUS</b>	<b>35,875</b>	<b>0</b>	<b>35,875</b>	<b>7,058,187</b>		<b>22,580</b>	<b>7,842,534</b>	

NEW YORK STATE BAR ASSOCIATION  
STATEMENTS OF FINANCIAL POSITION  
AS OF APRIL 30, 2017

<u>ASSETS</u>	<u>UNAUDITED</u> <u>4/30/2017</u>	<u>UNAUDITED</u> <u>4/30/2016</u>	<u>UNAUDITED</u> <u>12/31/2016</u>
<b><u>Current Assets:</u></b>			
General Cash and Cash Equivalents	12,372,088	12,470,278	14,728,435
Accounts Receivable	146,012	121,169	157,953
Accrued interest receivable	0	0	0
Prepaid expenses	610,456	740,297	1,170,385
Royalties and Admin. Fees receivable	151,062	658,062	705,055
<b>Total Current Assets</b>	<b>13,279,618</b>	<b>13,989,806</b>	<b>16,761,828</b>
<b><u>Board Designated Accounts:</u></b>			
<b><u>Cromwell Fund:</u></b>			
Cash and Investments at Market Value	2,175,658	2,020,753	2,077,752
Accrued interest receivable	0	0	0
	<b>2,175,658</b>	<b>2,020,753</b>	<b>2,077,752</b>
<b><u>Replacement Reserve Account:</u></b>			
Equipment replacement reserve	1,116,777	1,116,443	1,116,667
Repairs replacement reserve	793,804	793,566	793,726
Furniture replacement reserve	219,794	219,729	219,773
	<b>2,130,375</b>	<b>2,129,738</b>	<b>2,130,166</b>
<b><u>Long-Term Reserve Account:</u></b>			
Cash and Investments at Market Value	20,990,403	19,027,773	19,835,080
Accrued interest receivable	0	0	119,404
	<b>20,990,403</b>	<b>19,027,773</b>	<b>19,954,484</b>
<b><u>Sections Accounts:</u></b>			
Section Accounts Cash equivalents and Investments at market value	3,600,852	3,524,420	3,527,130
Cash	694,737	721,700	8,273
	<b>4,295,589</b>	<b>4,246,120</b>	<b>3,535,403</b>
<b><u>Fixed Assets:</u></b>			
Furniture and fixtures	1,340,918	1,332,511	1,340,918
Leasehold Improvements	1,368,781	1,363,251	1,366,016
Equipment	8,511,919	8,402,075	8,466,905
Telephone	107,636	107,636	107,636
	<b>11,329,254</b>	<b>11,205,473</b>	<b>11,281,475</b>
Less accumulated depreciation	8,655,769	8,335,628	8,548,569
<b>Net fixed assets</b>	<b>2,673,485</b>	<b>2,869,845</b>	<b>2,732,906</b>
<b>Total Assets</b>	<b>45,545,128</b>	<b>44,284,035</b>	<b>47,192,539</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b><u>Current liabilities:</u></b>			
Accounts Payable & other accrued expenses	686,046	569,558	1,117,148
Deferred dues	0	0	7,921,620
Deferred income special	1,076,922	1,307,692	1,153,845
Deferred grant revenue	33,575	33,355	34,780
Other deferred revenue	103,132	111,640	797,941
Unearned Income - CLE	19,478	32,664	53,183
Payable To The New York Bar Foundation	3,731	17,313	35,845
<b>Total current liabilities &amp; Deferred Revenue</b>	<b>1,922,884</b>	<b>2,072,222</b>	<b>11,114,362</b>
<b><u>Long Term Liabilities:</u></b>			
Accrued Pension Costs	(14,115)	1,352,046	734,372
Accrued Other Postretirement Benefit Costs	7,312,723	6,955,303	7,212,723
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	149,200	229,399	381,559
<b>Total Liabilities &amp; Deferred Revenue</b>	<b>9,370,692</b>	<b>10,608,970</b>	<b>19,443,016</b>
<b><u>Board designated for:</u></b>			
Cromwell Account	2,175,658	2,020,753	2,077,752
Replacement Reserve Account	2,130,375	2,129,738	2,130,166
Long-Term Reserve Account	13,542,595	10,491,025	11,506,426
Section Accounts	4,295,589	4,246,120	3,535,403
Invested in Fixed Assets (Less capital lease)	2,673,485	2,869,845	2,732,906
Undesignated	11,356,734	11,917,584	5,766,870
<b>Total Net Assets</b>	<b>36,174,436</b>	<b>33,675,065</b>	<b>27,749,523</b>
<b>Total Liabilities and Net Assets</b>	<b>45,545,128</b>	<b>44,284,035</b>	<b>47,192,539</b>

**New York State Bar Association  
Statement of Activities  
For the Four Months Ending April 30, 2017**

	<u>April 2017</u>	<u>April 2016</u>	<u>December 2016</u>
<b>REVENUES AND OTHER SUPPORT</b>			
Membership dues	\$9,729,197	\$10,140,545	\$10,537,010
Section revenues			
Dues	1,260,433	1,309,144	1,360,835
Programs	1,242,397	1,016,044	2,223,618
Continuing legal education program	1,266,168	1,398,274	3,631,127
Administrative fee and royalty revenue	762,805	754,063	2,493,706
Annual meeting	900,992	868,120	865,217
Investment income	128,817	114,651	856,515
Reference Books, Formbooks and Disk Products	231,924	338,581	1,256,740
Other revenue	73,939	240,059	425,172
	<u>15,596,672</u>	<u>16,179,481</u>	<u>23,649,940</u>
<b>PROGRAM EXPENSES</b>			
Continuing legal education program	830,628	807,724	2,463,499
Graphics	664,386	651,928	1,951,609
Government relations program	205,222	200,068	632,713
Law, youth and citizenship program	59,259	67,704	210,082
Lawyer assistance program	63,408	77,221	206,129
Lawyer referral and information services	56,183	60,485	191,052
Law practice management services	69,045	72,494	208,606
Media / public relations services	151,833	150,504	382,731
Meetings services	11,125	116,014	274,929
Marketing and Membership services	516,544	599,010	1,718,802
Pro bono program	61,224	49,532	190,320
Local bar program	27,223	45,707	136,472
House of delegates	211,897	210,643	454,622
Executive committee	18,658	24,063	46,196
Other committees	255,684	304,816	762,377
Sections	1,808,093	1,603,488	3,576,180
Section newsletters	53,817	53,638	154,959
Reference Books, Formbooks and Disk Products	346,161	315,110	1,083,732
Publications	288,766	313,162	779,118
Annual meeting expenses	337,245	321,896	321,137
	<u>6,036,401</u>	<u>6,045,207</u>	<u>15,745,265</u>
<b>MANAGEMENT AND GENERAL EXPENSES</b>			
Salaries and fringe benefits	1,088,480	1,037,681	3,373,284
Pension plans and other employee benefit plan costs	221,610	221,593	44,928
Rent and equipment costs	320,493	282,296	919,372
Consultant and other fees	415,016	349,601	972,151
Depreciation and amortization	251,200	201,600	601,546
Other expenses	89,627	65,411	237,335
	<u>2,386,426</u>	<u>2,158,182</u>	<u>6,148,616</u>
<b>CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS</b>			
Realized and unrealized gain (loss) on investments	7,173,845	7,976,092	1,756,059
	1,251,071	334,568	629,058
<b>CHANGES IN NET ASSETS</b>	<b>8,424,916</b>	<b>8,310,660</b>	<b>2,385,117</b>
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>36,174,439</u></u>	<u><u>33,675,066</u></u>	<u><u>27,749,523</u></u>