



# Staff Memorandum

## ANNUAL MEETING Agenda Item #4

Attached for your reference are the financial statements for the period ending November 30, 2018.



**NEW YORK STATE BAR ASSOCIATION  
2018 OPERATING BUDGET  
ELEVEN MONTHS OF CALENDAR YEAR 2018**

**REVENUE**

	2018 BUDGET	ADJUST- MENTS	2018 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 11/30/2018	% RECEIVED 11/30/2018	2017 BUDGET	UNAUDITED RECEIVED 11/30/2017	% RECEIVED 11/30/2017
<b>MEMBERSHIP DUES</b>	10,050,000		10,050,000	9,900,372	98.51%	10,925,000	10,046,645	91.96%
<b>SECTIONS:</b>								
Dues	1,341,574		1,341,574	1,292,065	96.31%	1,411,600	1,306,791	92.58%
Programs	2,894,561		2,894,561	2,518,970	87.02%	2,763,550	2,458,564	88.96%
<b>INVESTMENT INCOME</b>	477,000		477,000	348,780	73.12%	345,000	334,772	97.04%
<b>ADVERTISING</b>	296,000		296,000	220,018	74.33%	133,000	71,346	53.64%
<b>CONTINUING LEGAL EDUCATION</b>	3,635,000		3,635,000	3,089,637	85.00%	3,900,000	2,987,843	76.61%
<b>USI AFFINITY PAYMENT</b>	2,262,000		2,262,000	2,013,705	89.02%	2,269,000	2,021,210	89.08%
<b>ANNUAL MEETING</b>	930,000		930,000	838,838	90.20%	869,500	897,247	103.19%
<b>HOUSE OF DELEGATES &amp; COMMITTEES</b>	211,500		211,500	186,707	88.28%	108,100	74,718	69.12%
<b>PUBLICATIONS, ROYALTIES AND OTHER</b>	296,500		296,500	265,750	89.63%	274,200	177,786	64.84%
<b>REFERENCE MATERIALS</b>	1,310,000		1,310,000	830,117	63.37%	1,350,000	909,368	67.36%
<b>TOTAL REVENUE</b>	<b>23,704,135</b>	-	<b>23,704,135</b>	<b>21,504,959</b>	<b>90.72%</b>	<b>24,348,950</b>	<b>21,286,290</b>	<b>87.42%</b>

**EXPENSE**

	2018 BUDGET	ADJUST- MENTS	2018 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 11/30/2018	% EXPENDED 11/30/2018	2017 BUDGET	UNAUDITED EXPENDED 11/30/2017	% EXPENDED 11/30/2017
<b>SALARIES &amp; FRINGE</b>	10,105,550		10,105,550	8,213,687	81.28%	10,409,950	8,739,838	83.96%
<b>BAR CENTER:</b>								
Rent	287,000		287,000	258,437	90.05%	305,000	258,437	84.73%
Building Services	238,250		238,250	189,910	79.71%	283,250	183,868	64.91%
Insurance	142,000		142,000	146,452	103.14%	142,000	148,656	104.69%
Taxes	5,250		5,250	4,395	83.71%	5,250	11,605	221.05%
Plant and Equipment	904,600		904,600	748,479	82.74%	858,500	837,307	97.53%
Administration	607,600		607,600	330,887	54.46%	543,500	502,756	92.50%
<b>SECTIONS</b>	4,198,850		4,198,850	3,734,511	88.94%	4,171,175	3,565,105	85.47%
<b>PUBLICATIONS:</b>								
Reference Materials	389,050		389,050	193,376	49.70%	430,150	272,532	63.36%
Journal	378,200		378,200	351,265	92.88%	431,200	404,932	93.91%
Law Digest	187,800		187,800	150,786	80.29%	187,800	146,116	77.80%
State Bar News	242,300		242,300	130,307	53.78%	247,300	171,193	69.22%
<b>MEETINGS:</b>								
Annual Meeting	345,800		345,800	272,996	78.95%	348,200	337,543	96.94%
House of Delegates, Officers and Executive Committee	526,950		526,950	458,836	87.07%	520,600	522,561	100.38%
<b>COMMITTEES:</b>								
Continuing Legal Education	1,711,950		1,711,950	1,404,883	82.06%	1,767,875	1,488,560	84.20%
LPM / Electronic Communication Committee	72,800		72,800	42,493	58.37%	86,250	61,623	71.45%
Marketing / Membership	798,100		798,100	634,732	79.53%	971,200	665,698	68.54%
Media Services	98,900		98,900	38,209	38.63%	115,300	33,159	28.76%
All Other Committees and Departments	2,556,410		2,556,410	2,223,298	86.97%	2,489,075	2,165,349	86.99%
<b>TOTAL EXPENSE</b>	<b>23,797,360</b>	-	<b>23,797,360</b>	<b>19,527,939</b>	<b>82.06%</b>	<b>24,313,575</b>	<b>20,516,838</b>	<b>84.38%</b>
<b>BUDGETED SURPLUS</b>	<b>(93,225)</b>	-	<b>(93,225)</b>	<b>1,977,020</b>		<b>35,375</b>	<b>769,452</b>	

NEW YORK STATE BAR ASSOCIATION  
STATEMENTS OF FINANCIAL POSITION  
AS OF NOVEMBER 30, 2018

<u>ASSETS</u>	<u>UNAUDITED</u> <u>11/30/2018</u>	<u>UNAUDITED</u> <u>11/30/2017</u>	<u>UNAUDITED</u> <u>12/31/2017</u>
<b><u>Current Assets:</u></b>			
General Cash and Cash Equivalents	14,817,623	12,590,609	13,900,890
Accounts Receivable	176,628	136,438	135,391
Prepaid expenses	833,489	590,975	1,212,640
Royalties and Admin. Fees receivable	318,479	288,671	710,605
<b>Total Current Assets</b>	<b>16,146,219</b>	<b>13,606,693</b>	<b>15,959,526</b>
<b><u>Board Designated Accounts:</u></b>			
<b><u>Cromwell Fund:</u></b>			
Cash and Investments at Market Value	2,325,603	2,344,935	2,365,477
Accrued interest receivable	0	0	0
	<u>2,325,603</u>	<u>2,344,935</u>	<u>2,365,477</u>
<b><u>Replacement Reserve Account:</u></b>			
Equipment replacement reserve	1,117,309	1,116,973	1,117,002
Repairs replacement reserve	794,182	793,944	793,964
Furniture replacement reserve	219,899	219,833	219,839
	<u>2,131,390</u>	<u>2,130,750</u>	<u>2,130,805</u>
<b><u>Long-Term Reserve Account:</u></b>			
Cash and Investments at Market Value	23,093,470	22,689,442	22,901,794
Accrued interest receivable	0	0	123,864
	<u>23,093,470</u>	<u>22,689,442</u>	<u>23,025,658</u>
<b><u>Sections Accounts:</u></b>			
Section Accounts Cash equivalents and Investments at market value	3,665,665	3,631,161	3,629,262
Cash	100,402	200,250	76,245
	<u>3,766,067</u>	<u>3,831,411</u>	<u>3,705,507</u>
<b><u>Fixed Assets:</u></b>			
Furniture and fixtures	1,432,266	1,373,307	1,377,127
Leasehold Improvements	1,407,496	1,368,781	1,368,781
Equipment	8,181,562	8,298,834	8,298,344
Telephone	107,636	107,636	107,636
	<u>11,128,960</u>	<u>11,148,558</u>	<u>11,151,888</u>
Less accumulated depreciation	9,130,786	8,843,369	8,839,286
<b>Net fixed assets</b>	<b>1,998,174</b>	<b>2,305,189</b>	<b>2,312,602</b>
<b>Total Assets</b>	<b>49,460,923</b>	<b>46,908,420</b>	<b>49,499,575</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b><u>Current liabilities:</u></b>			
Accounts Payable & other accrued expenses	785,099	598,914	1,247,871
Deferred dues	6,448,959	5,288,263	7,717,027
Deferred income special	711,538	942,307	923,076
Deferred grant revenue	32,406	55,413	34,630
Other deferred revenue	568,237	445,801	852,291
Unearned Income - CLE	101,899	114,705	47,819
Payable To The New York Bar Foundation	24,939	26,568	0
<b>Total current liabilities &amp; Deferred Revenue</b>	<b>8,673,077</b>	<b>7,471,971</b>	<b>10,822,714</b>
<b><u>Long Term Liabilities:</u></b>			
Accrued Pension Costs	0	0	0
Accrued Other Postretirement Benefit Costs	7,826,026	7,487,723	7,551,026
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	330,000	330,000	309,739
<b>Total Liabilities &amp; Deferred Revenue</b>	<b>16,829,103</b>	<b>15,289,694</b>	<b>18,683,479</b>
<b><u>Board designated for:</u></b>			
Cromwell Account	2,325,603	2,344,935	2,365,477
Replacement Reserve Account	2,131,390	2,130,750	2,130,805
Long-Term Reserve Account	14,937,444	14,871,719	15,041,029
Section Accounts	3,766,067	3,831,411	3,705,507
Invested in Fixed Assets (Less capital lease)	1,998,174	2,305,189	2,312,602
Undesignated	7,473,142	6,134,722	5,260,676
<b>Total Net Assets</b>	<b>32,631,820</b>	<b>31,618,726</b>	<b>30,816,096</b>
<b>Total Liabilities and Net Assets</b>	<b>49,460,923</b>	<b>46,908,420</b>	<b>49,499,575</b>

**New York State Bar Association**  
**Statement of Activities**  
**For the Eleven Months Ending November 30, 2018**

	<b>November 2018</b>	<b>November 2017</b>	<b>December 2017</b>
<b>REVENUES AND OTHER SUPPORT</b>			
Membership dues	9,900,372	10,046,645	10,053,580
Section revenues			
Dues	1,292,065	1,306,791	1,306,781
Programs	2,518,970	2,458,564	2,464,057
Continuing legal education program	3,089,637	2,987,843	3,154,300
Administrative fee and royalty revenue	2,255,287	2,186,882	2,475,953
Annual meeting	838,838	897,247	897,247
Investment income	664,156	618,749	1,034,947
Reference Books, Formbooks and Disk Products	830,117	909,368	1,204,335
Other revenue	465,909	145,746	167,602
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Total revenue and other support	21,855,351	21,557,835	22,758,802
<b>PROGRAM EXPENSES</b>			
Continuing legal education program	2,184,991	2,206,545	2,449,563
Graphics	1,733,162	1,698,086	1,795,789
Government relations program	464,156	573,662	614,867
Law, youth and citizenship program	71,634	180,613	181,679
Lawyer assistance program	104,262	172,442	173,693
Lawyer referral and information services	116,233	166,099	173,154
Law practice management services	80,168	94,474	94,752
Media / public relations services	326,566	402,661	424,720
Marketing and Membership services	1,417,879	1,393,393	1,554,945
Pro bono program	198,603	203,852	222,562
Local bar program	98,371	93,659	103,500
House of delegates	407,420	465,394	480,754
Executive committee	51,416	57,167	57,647
Other committees	608,210	572,411	589,813
Sections	3,734,511	3,565,105	3,694,593
Section newsletters	155,258	132,800	144,813
Reference Books, Formbooks and Disk Products	735,621	884,985	965,600
Publications	632,358	722,241	789,495
Annual meeting expenses	272,996	337,543	338,205
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Total program expenses	13,393,815	13,923,132	14,850,144
<b>MANAGEMENT AND GENERAL EXPENSES</b>			
Salaries and fringe benefits	2,958,720	3,151,367	3,893,223
Pension plans and other employee benefit plan costs	604,601	608,897	651,939
Rent and equipment costs	1,012,825	941,853	1,047,999
Consultant and other fees	791,442	927,964	1,004,809
Depreciation and amortization	619,300	690,800	722,019
Other expenses	147,238	272,832	312,701
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Total management and general expenses	6,134,126	6,593,713	7,632,690
<b>CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS</b>			
	<b>2,327,410</b>	<b>1,040,990</b>	<b>275,968</b>
Realized and unrealized gain (loss) on investments	(511,632)	2,838,721	2,790,613
<b>CHANGES IN NET ASSETS</b>			
	<b>1,815,778</b>	<b>3,879,711</b>	<b>3,066,581</b>
Net assets, beginning of year	<hr/>	<hr/>	<hr/>
	30,816,103	27,749,522	27,749,522
Net assets, end of year	<hr/>	<hr/>	<hr/>
	32,631,881	31,629,233	30,816,103

