



Staff Memorandum

**HOUSE OF DELEGATES
Agenda Item #3**

Attached for your convenient reference are the financial statements through February 29, 2012.

**NEW YORK STATE BAR ASSOCIATION
2012 OPERATING BUDGET
TWO MONTHS OF CALENDAR YEAR 2012**

REVENUE

	2012 BUDGET	ADJUST- MENTS	2012 BUDGET AS ADJUSTED	UNAUDITED RECEIVED 2/29/2012	% RECEIVED 2/29/2012	2011 BUDGET	UNAUDITED RECEIVED 2/28/2011	% RECEIVED 2/28/2011
MEMBERSHIP DUES	11,792,500		11,792,500	10,568,442	89.62%	10,550,000	9,580,229	90.81%
SECTIONS:								
Dues	1,459,300		1,459,300	1,322,887	90.65%	1,479,400	1,308,685	88.46%
Programs	2,271,575		2,271,575	849,591	37.40%	2,186,550	641,947	29.36%
INVESTMENT INCOME	88,000		88,000	-3,369	-3.83%	187,880	-3,313	-1.76%
ADVERTISING	242,000		242,000	76,352	31.55%	341,500	67,041	19.63%
CLE	6,205,000		6,205,000	873,041	14.07%	6,135,000	644,840	10.51%
USI AFFINITY PAYMENT	1,917,000		1,917,000	332,333	17.34%	1,820,000	319,500	17.55%
ANNUAL MEETING	848,000		848,000	893,994	105.42%	887,500	843,901	95.09%
HOUSE OF DELEGATES & COMMITTEES	144,500		144,500	54,526	37.73%	134,100	54,174	40.40%
PUBLICATIONS ROYALTIES & OTHER	384,000		384,000	64,974	16.92%	467,300	139,351	29.82%
TOTAL REVENUE	25,351,875	0	25,351,875	15,032,771	59.30%	24,189,230	13,596,355	56.21%

EXPENSE

	2012 BUDGET	ADJUST- MENTS	2012 BUDGET AS ADJUSTED	UNAUDITED EXPENDED 2/29/2012	% EXPENDED 2/29/2012	2011 BUDGET	UNAUDITED EXPENDED 2/28/2011	% EXPENDED 2/28/2011
SALARIES & FRINGE	10,123,150		10,123,150	1,597,908	15.78%	10,029,350	1,639,288	16.34%
BAR CENTER:								
Rent	270,000		270,000	44,870	16.62%	270,000	50,315	18.64%
Building Services	342,500		342,500	39,977	11.67%	390,500	67,559	17.30%
Insurance	135,000		135,000	20,301	15.04%	138,000	21,151	15.33%
Taxes	150,750		150,750	26,830	17.80%	151,000	23,089	15.29%
Plant and Equipment	605,500		605,500	87,458	14.44%	466,000	112,803	24.21%
Administration	627,500		627,500	139,243	22.19%	663,500	108,710	16.38%
SECTIONS	3,709,985		3,709,985	418,951	11.29%	3,653,465	398,568	10.91%
PUBLICATIONS:								
Journal	611,600		611,600	106,169	17.36%	603,100	138,352	22.94%
Law Digest	301,100		301,100	54,276	18.03%	293,300	59,605	20.32%
State Bar News	297,800		297,800	6,113	2.05%	268,550	64,505	24.02%
MEETINGS:			0					
Annual Meeting	349,000		349,000	1,385,572	397.01%	332,200	1,358,271	408.87%
House of Delegates, Officers and Executive Committee	461,950		461,950	88,436	19.14%	447,550	112,817	25.21%
COMMITTEES:								
CLE	3,219,000		3,219,000	233,752	7.26%	3,256,300	249,740	7.67%
LPM/ECTF	105,850		105,850	11,111	10.50%	102,650	6,549	6.38%
MARKETING	102,750		102,750	5,636	5.49%	193,500	65,560	33.88%
MEDIA SERVICES	295,850		295,850	32,658	11.04%	298,300	30,731	10.30%
MEMBERSHIP	635,050		635,050	100,828	15.88%	663,500	87,965	13.26%
ALL OTHERS	2,582,385		2,582,385	317,339	12.29%	2,317,465	308,681	13.32%
TOTAL EXPENSE	24,926,720	0	24,926,720	4,717,428	18.93%	24,538,230	4,904,259	19.99%
BUDGETED SURPLUS	425,155	0	425,155	10,315,343		(349,000)	8,692,096	

**NEW YORK STATE BAR ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF FEBRUARY 29, 2012**

<u>ASSETS</u>	<u>UNAUDITED</u> <u>2/29/2012</u>	<u>UNAUDITED</u> <u>2/28/2011</u>	<u>UNAUDITED</u> <u>12/31/2011</u>
Current Assets:			
General Cash and Cash Equivalents	11,235,988	9,752,480	11,212,729
Accounts Receivable	155,931	67,807	70,963
Accrued interest receivable			
Prepaid expenses	707,320	581,913	1,318,990
Inventories	296,891	367,545	339,342
Royalties and Admin. Fees receivable	381,413	319,500	726,955
Total Current Assets	12,777,544	11,089,245	13,668,980
Board Designated Accounts:			
<u>Cromwell Fund:</u>			
Cash and Investments at Market Value	1,638,759	1,626,658	1,537,683
Accrued interest receivable	0	0	0
	1,638,759	1,626,658	1,537,683
<u>Replacement Reserve Account:</u>			
Equipment replacement reserve	1,110,385	1,105,620	1,109,657
Repairs replacement reserve	789,260	785,874	788,743
Furniture replacement reserve	218,599	217,707	218,474
	2,118,244	2,109,201	2,116,874
<u>Long-Term Reserve Account:</u>			
Cash and Investments at Market Value	14,338,888	13,987,633	13,360,318
Accrued interest receivable			24,650
	14,338,888	13,987,633	13,384,968
<u>Sections Accounts:</u>			
Section Accounts Cash equivalents and Investments at market value	2,703,888	2,645,199	2,708,451
Cash	1,753,527	1,552,064	142,781
	4,457,415	4,197,263	2,851,232
Other Assets	0	1,666	0
Fixed Assets:			
Capital Leases	149,219	149,219	149,219
Furniture and fixtures	1,319,292	1,319,292	1,319,292
Leasehold Improvements	1,363,251	1,354,733	1,363,251
Equipment	6,478,289	6,242,708	6,475,941
Capital Lease - Telephone	154,165	154,165	154,165
	9,464,217	9,220,117	9,461,869
Less accumulated depreciation	6,945,762	6,556,016	6,879,096
Net fixed assets	2,518,454	2,664,101	2,582,773
Total Assets	37,849,305	35,675,766	36,142,510
<u>LIABILITIES AND FUND BALANCES</u>			
Current liabilities:			
Accounts Payable & other accrued expenses	1,220,507	1,237,331	1,014,395
Deferred dues			9,571,782
Deferred grant revenue	28,910	123,159	29,390
Other deferred revenue	91,073	75,204	499,911
Unearned Income CLE	123,164	114,638	135,781
Income Taxes Payable			
Payable To The New York Bar Foundation	42,034	21,725	21,351
Total current liabilities & Deferred Revenue	1,505,687	1,572,058	11,272,610
Long Term Liabilities:			
Accrued Pension Costs	3,163,121	1,250,305	3,203,221
Accrued Other Postretirement Benefit Costs	5,331,217	6,340,049	5,284,550
Accrued Supplemental Plan Costs and Defined Contribution Plan Costs	517,368	708,788	479,113
Total Liabilities & Deferred Revenue	10,517,394	9,871,199	20,219,494
Board designated for:			
Cromwell Account	1,638,759	1,626,658	1,537,683
Replacement Reserve Account	2,118,244	2,109,201	2,116,874
Long-Term Reserve Account	5,327,182	5,688,491	4,413,433
Section Accounts	4,457,415	4,197,263	2,851,232
Invested In Fixed Assets (Less capital lease)	2,518,454	2,664,101	2,582,773
Undesignated	11,271,856	9,518,853	2,421,019
Total Net Assets	27,331,911	25,804,567	15,923,015
Total Liabilities and Net Assets	37,849,305	35,675,766	36,142,510

New York State Bar Association
Statement of Activities
For the Two Months Ending February 29, 2012

	<u>February 2012</u>	<u>February 2011</u>	<u>December 2011</u>
REVENUES AND OTHER SUPPORT			
Membership dues	\$10,568,442	\$9,580,229	\$10,611,070
Section revenues			
Dues	1,322,887	1,308,685	1,456,511
Programs	849,591	641,947	1,847,696
Continuing legal education program and publications	873,041	644,840	5,656,421
Administrative fee and royalty revenue	338,516	399,669	2,277,053
Annual meeting	893,994	843,901	844,156
Investment income	20,657	18,780	519,713
Other revenue	189,670	226,205	450,355
Total revenue and other support	15,056,798	13,664,256	23,662,975
PROGRAM EXPENSES			
Continuing legal education program	484,910	580,367	4,231,814
Graphics	345,088	378,046	1,834,801
Government relations program	84,564	56,726	326,255
Law, youth and citizenship program	33,830	36,319	193,097
Lawyer assistance program	30,198	30,637	180,743
Lawyer referral and information services	21,422	20,929	120,287
Law practice management services	22,804	22,298	120,137
Media / public relations services	61,265	63,254	291,765
Meetings services	60,051	74,458	342,871
Membership services	163,764	174,147	954,197
Pro bono program	29,420	31,673	167,997
Local bar program	0	27,511	87,341
House of delegates	85,375	108,765	423,628
Executive committee	3,061	4,052	44,022
Other committees	132,432	176,155	1,203,599
Sections	418,951	398,568	3,161,426
Section newsletters	18,172	18,474	103,791
Publications	166,557	262,462	1,207,996
Annual meeting expenses	1,385,572	1,358,271	332,148
Total program expenses	3,547,436	3,823,112	15,327,915
MANAGEMENT AND GENERAL EXPENSES			
Salaries and fringe benefits	714,065	641,597	5,624,598
Rent and equipment costs	199,510	215,252	1,171,140
Consultant and other fees	139,032	110,905	761,294
Depreciation and amortization	66,667	81,195	405,940
Other expenses	50,722	32,196	376,913
Total management and general expenses	1,169,996	1,081,145	8,339,885
CHANGES IN NET ASSETS BEFORE INVESTMENT TRANSACTIONS AND OTHER ITEMS			
Realized and unrealized gain (loss) on Investments	10,339,366	8,759,999	(4,825)
	1,069,530	510,548	(606,180)
CHANGES IN NET ASSETS	11,408,896	9,270,547	(611,005)
Net assets, beginning of year	15,923,015	16,534,020	16,534,020
Net assets, end of year	27,331,911	25,804,567	15,923,015