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TANNER

BUSINESS ADVISORS AND
CERTIFIED PUBLIC ACCOUNTANTS

CRITICAL KNOWLEDGE



PROACTIVE INSIGHT

Utah State Bar

**Financial Statements and Supplemental Schedules
As of and for the Year Ended June 30, 2018
(with Summarized Financial Information
as of and for the Year Ended June 30, 2017)**

Together with Independent Auditors' Report

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners of the Utah State Bar

We have audited the accompanying financial statements of the Utah State Bar (a nonprofit corporation) (the Bar), which comprise the statement of financial position as of June 30, 2018, the related statements of activities and cash flows for the year then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. In making those risk assessments, the auditors consider internal control relevant to the Bar's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bar's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bar as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

The summarized comparative information presented herein as of June 30, 2017 and for the year then ended is consistent, in all material respects, with the audited financial statements from which it was derived.

Report on Supplemental Schedules

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules are presented for the purpose of additional analysis and are not a required part of the financial statements. These schedules are the responsibility of the Bar's management and are derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such schedules have been subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such schedules directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, such schedules are fairly stated in all material respects in relation to the financial statements as a whole.

Tanner LLC

October 12, 2018

UTAH STATE BAR
Statement of Financial Position

As of June 30, 2018
(with Summarized Financial Information as of June 30, 2017)

	<u>Bar Operations</u>	<u>Bar Sections</u>	<u>Client Security Fund</u>	<u>Mandatory Continuing Legal Education Fund</u>	<u>Total 2018</u>	<u>Total 2017</u>
Assets						
Current assets:						
Cash and cash equivalents	\$ 3,668,246	\$ 161,439	\$ 155,122	\$ 188,782	\$ 4,173,589	\$ 2,004,284
Investments, at fair value	3,582,635	470,445	120,781	520,920	4,694,781	6,544,130
Receivables	10,737	969	-	90	11,796	14,536
Prepaid expenses	96,732	-	-	-	96,732	101,132
Total current assets	7,358,350	632,853	275,903	709,792	8,976,898	8,664,082
Property and equipment, net	1,500,192	-	-	2,605	1,502,797	1,628,687
Total assets	<u>\$ 8,858,542</u>	<u>\$ 632,853</u>	<u>\$ 275,903</u>	<u>\$ 712,397</u>	<u>\$10,479,695</u>	<u>\$10,292,769</u>
Liabilities and Net Assets						
Current liabilities:						
Accounts payable and accrued liabilities	\$ 589,518	\$ -	\$ -	\$ 1,628	\$ 591,146	\$ 646,092
Deferred revenue	2,824,642	-	-	-	2,824,642	2,907,099
Current portion of Client Security Fund claims payable	-	-	-	-	-	3,196
Current portion of capital lease obligation	3,485	-	-	-	3,485	2,739
Interfund advance	(38,064)	18,169	-	19,895	-	-
Total current liabilities	3,379,581	18,169	-	21,523	3,419,273	3,559,126
Capital lease obligation, net of current portion	11,686	-	-	-	11,686	14,786
Total liabilities	3,391,267	18,169	-	21,523	3,430,959	3,573,912
Commitments and contingencies (Notes 5, 7, 8 and 9)						
Net assets - unrestricted:						
Undesignated	2,956,275	-	-	-	2,956,275	2,877,916
Board designated	2,511,000	614,684	275,903	690,874	4,092,461	3,840,941
Total net assets	5,467,275	614,684	275,903	690,874	7,048,736	6,718,857
Total liabilities and net assets	<u>\$ 8,858,542</u>	<u>\$ 632,853</u>	<u>\$ 275,903</u>	<u>\$ 712,397</u>	<u>\$10,479,695</u>	<u>\$10,292,769</u>

See accompanying notes to financial statements.

UTAH STATE BAR
Statement of Activities

For the Year Ended June 30, 2018
(with Summarized Financial Information for the Year Ended June 30, 2017)

	<u>Bar Operations</u>	<u>Bar Sections</u>	<u>Client Security Fund</u>	<u>Mandatory Continuing Legal Education Fund</u>	<u>Total 2018</u>	<u>Total 2017</u>
Revenues:						
Licensing	\$ 4,334,919	\$ -	\$ -	\$ -	\$ 4,334,919	\$ 4,231,420
Admissions	434,620	-	-	-	434,620	459,651
New lawyer training program	62,017	-	-	-	62,017	69,643
Office of Professional Conduct	21,288	-	-	-	21,288	16,741
Continuing legal education and conferences	1,056,114	-	-	-	1,056,114	1,065,487
Member services	183,554	-	-	-	183,554	172,389
Public services	14,323	-	-	-	14,323	15,350
Bar sections	-	411,606	-	-	411,606	458,368
Client Security Fund	-	-	58,568	-	58,568	44,778
Mandatory Continuing Legal Education Fund	-	-	-	350,288	350,288	297,466
Facilities	92,039	(56,008)	-	(7,674)	28,357	29,795
In-kind and interfund	22,322	56,008	-	7,674	86,004	86,462
Net investment income	112,285	-	3,754	8,389	124,428	75,886
Total revenues	<u>\$ 6,333,481</u>	<u>\$ 411,606</u>	<u>\$ 62,322</u>	<u>\$ 358,677</u>	<u>\$ 7,166,086</u>	<u>\$ 7,023,436</u>

See accompanying notes to financial statements.

UTAH STATE BAR
Statement of Activities

For the Year Ended June 30, 2018
(with Summarized Financial Information for the Year Ended June 30, 2017)

(Continued)

	<u>Bar Operations</u>	<u>Bar Sections</u>	<u>Client Security Fund</u>	<u>Mandatory Continuing Legal Education Fund</u>	<u>Total 2018</u>	<u>Total 2017</u>
Expenses:						
Licensing	\$ 157,183	\$ -	\$ -	\$ -	\$ 157,183	\$ 100,057
Admissions	465,885	-	-	-	465,885	461,090
New lawyer training program	62,554	-	-	-	62,554	83,473
Office of Professional Conduct	1,323,166	-	-	-	1,323,166	1,325,501
Continuing legal education and conferences	1,015,755	-	-	-	1,015,755	931,941
Member services	605,717	-	-	-	605,717	517,274
Public services	413,404	-	-	-	413,404	408,768
Bar sections	-	250,264	-	-	250,264	281,685
Client Security Fund	-	-	-	-	-	26,658
Mandatory Continuing Legal Education Fund	-	-	41,971	286,168	328,139	258,849
Bar operations	1,631,264	-	-	-	1,631,264	1,552,971
Facilities	496,872	-	-	-	496,872	510,290
In-kind and interfund	22,322	56,008	-	7,674	86,004	86,462
Total expenses	<u>6,194,122</u>	<u>306,272</u>	<u>41,971</u>	<u>293,842</u>	<u>6,836,207</u>	<u>6,545,019</u>
Increase in net assets	139,359	105,334	20,351	64,835	329,879	478,417
Net assets:						
Beginning of the year	5,327,916	509,350	255,552	626,039	6,718,857	6,240,440
End of the year	<u>\$ 5,467,275</u>	<u>\$ 614,684</u>	<u>\$ 275,903</u>	<u>\$ 690,874</u>	<u>\$ 7,048,736</u>	<u>\$ 6,718,857</u>

See accompanying notes to financial statements.

UTAH STATE BAR
Statement of Cash Flows

For the Year Ended June 30, 2018
(with Summarized Financial Information for the Year Ended June 30, 2017)

	<u>Bar Operations</u>	<u>Bar Sections</u>	<u>Client Security Fund</u>	<u>Mandatory Continuing Legal Education Fund</u>	<u>Total 2018</u>	<u>Total 2017</u>
Cash flows from operating activities:						
Change in net assets	\$ 139,359	\$ 105,334	\$ 20,351	\$ 64,835	\$ 329,879	\$ 478,417
Adjustments to reconcile change in net assets to net cash provided by operating activities:						
Depreciation and amortization	243,588	-	-	977	244,565	235,779
Net unrealized losses on investments	65,118	3,846	1,560	5,254	75,778	27,012
Changes in assets and liabilities:						
Prepaid expenses	4,400	-	-	-	4,400	121,630
Receivables	3,799	(969)	-	(90)	2,740	(5,201)
Accounts payable and accrued liabilities	(51,518)	-	-	(3,428)	(54,946)	49,092
Deferred revenue	(82,457)	-	-	-	(82,457)	582,237
Client Security Fund claims payable	-	-	(3,196)	-	(3,196)	(46,804)
Interfund advance	(5,367)	6,604	-	(1,237)	-	-
Net cash provided by operating activities	<u>316,922</u>	<u>114,815</u>	<u>18,715</u>	<u>66,311</u>	<u>516,763</u>	<u>1,442,162</u>
Cash flows from investing activities:						
Purchases of property and equipment	(115,932)	-	-	(2,744)	(118,676)	(118,874)
Purchases of investments	(4,005,436)	(464,146)	(50,145)	(409,968)	(4,929,695)	(8,359,349)
Proceeds from sale of investments and reinvested income	5,729,527	405,010	130,000	438,730	6,703,267	6,375,201
Net cash provided by (used in) investing activities	<u>1,608,159</u>	<u>(59,136)</u>	<u>79,855</u>	<u>26,018</u>	<u>1,654,896</u>	<u>(2,103,022)</u>
Cash flows from financing activities:						
Payments on capital lease obligation	(2,354)	-	-	-	(2,354)	(3,664)
Net increase (decrease) in cash and cash equivalents	1,922,727	55,679	98,570	92,329	2,169,305	(664,524)
Cash and cash equivalents as of beginning of the year	1,745,519	105,760	56,552	96,453	2,004,284	2,668,808
Cash and cash equivalents as of end of the year	<u>\$ 3,668,246</u>	<u>\$ 161,439</u>	<u>\$ 155,122</u>	<u>\$ 188,782</u>	<u>\$ 4,173,589</u>	<u>\$ 2,004,284</u>

See accompanying notes to financial statements.

UTAH STATE BAR
Statement of Cash Flows

For the Year Ended June 30, 2018
(with Summarized Financial Information for the Year Ended June 30, 2017)
(Continued)

	<u>Bar Operations</u>	<u>Bar Sections</u>	<u>Client Security Fund</u>	<u>Mandatory Continuing Legal Education Fund</u>	<u>Total 2018</u>	<u>Total 2017</u>
Supplemental disclosure of cash flow information:						
Cash paid for interest	\$ 701	\$ -	\$ -	\$ -	\$ 701	\$ 395
Supplemental disclosures of non-cash investing and financing activities:						
Purchase of property and equipment through capital lease	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,470



June 30, 2018

1. **Description of Organization and Summary of Significant Accounting Policies** *Description of Organization*

The Utah State Bar (the Bar) is an organization created by statute in 1931 under the laws of the state of Utah. The Bar's purpose was amended and clarified by the Utah State Constitution and by court order on June 30, 1981, and the Bar was incorporated as a 501(c)(6) organization on June 24, 1991. All attorneys licensed under the laws of the state of Utah, which approximate 12,600, are considered members of the Bar.

Basis of Presentation and Fund Accounting

The assets, liabilities and net assets of the Bar are reported using the accrual method of accounting. The undesignated fund is used for the general operations of the Bar. The designated funds are used for activities of the various Bar sections, the Client Security Fund, and the Mandatory Continuing Legal Education Fund (MCLE Fund), including overhead charges to defray the costs of administering those funds.

The financial statements include the prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America (US GAAP). Accordingly, such information should be read in conjunction with the Bar's financial statements as of and for the year ended June 30, 2017, from which the summarized information was derived.

Concentrations of Risk

The Bar maintains its cash and cash equivalents in bank deposit accounts which, at times, exceed federally insured limits. As of June 30, 2018, the Bar had \$3,937,877 of cash and cash equivalents that exceeded federally insured limits. To date, the Bar has not experienced a loss or lack of access to its invested cash and cash equivalents; however, no assurance can be provided that access to the Bar's invested cash and cash equivalents will not be impacted by adverse conditions in the financial markets.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash Equivalents

The Bar considers all highly liquid investments purchased with original maturities to the Bar of three months or less to be cash equivalents. As of June 30, 2018, these cash equivalents consisted of money market accounts and certificates of deposit totaling \$3,622,624.



1. Description of Investments

Organization and Summary of Significant Accounting Policies Investments consist primarily of corporate bonds and certificates of deposit. Realized and unrealized gains or losses are reflected currently in the statement of activities.

Policies
(Continued)

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated using the straight-line method over the estimated economic useful lives of the assets or over the related lease terms (if shorter), as follows:

Building	25 years
Building improvements	10-25 years
Office furniture, equipment and leased equipment	3-7 years
Computers and computer software	3-5 years

Expenditures for routine maintenance and repairs are charged to operating expenses as incurred. Major renewals and betterments are capitalized and depreciated over their estimated useful lives. Upon retirement or other disposition of property and equipment, the cost and accumulated depreciation and amortization are removed from the accounts and any gain or loss is recorded as income or expense in the statement of activities.

Revenue Recognition and Deferred Revenue

The Bar recognizes revenue from services and programs, conventions, bar examinations, room rental and catering and other services at the time of sale or at the time services are provided. Licensing fees are assessed in June for the following fiscal year. All fees collected prior to the current fiscal year-end are recorded as deferred revenue. Deferred revenue is recognized as income in the year in which it is earned (i.e., benefits provided to members).

Income Taxes

On June 24, 1991, the Bar was incorporated as a 501(c)(6) organization and has received a determination letter from the Internal Revenue Service exempting the Bar from federal income taxes. Management believes that the Bar is designed and operated in compliance with the applicable requirements of the Internal Revenue Code and, accordingly, no provision for federal and state income taxes has been provided for in the accompanying statement of activities.

The Bar is subject to income tax at current corporate rates on net income from unrelated business activities. Income taxes on unrelated business activities have not been significant. The Bar paid no income taxes for the year ended June 30, 2018.



1. Description of *Income Taxes (continued)*

Organization and Summary of Significant Accounting Policies (Continued) A liability for uncertain tax positions is recognized in the financial statements when it is more likely than not the position will not be sustained upon examination by the tax authorities. As of June 30, 2018, the Bar had no uncertain tax positions that qualified for either recognition or disclosure in the financial statements. The Bar is subject to routine audits by tax jurisdictions; however, there are no audits for any tax periods in progress.

Subsequent Events

Management has evaluated events occurring subsequent to June 30, 2018 through October 12, 2018 (the date the financial statements were available to be issued) for possible disclosures or accounting impact.

2. Investments and Net Investment Income Investments consisted of the following as of June 30, 2018:

	Amortized Cost	Net Unrealized Gains	Fair Value
Corporate bonds	\$ 3,444,871	\$ 29,236	\$ 3,474,107
Certificates of deposit	1,219,753	921	1,220,674
	<u>\$ 4,664,624</u>	<u>\$ 30,157</u>	<u>\$ 4,694,781</u>

Investment income related to investments for the year ended June 30, 2018, consisted of the following:

	Undesignated	Designated	Total
Net investment income and interest	\$ 178,222	\$ 21,984	\$ 200,206
Net unrealized losses	(68,964)	(6,814)	(75,778)
	<u>\$ 109,258</u>	<u>\$ 15,170</u>	<u>\$ 124,428</u>



3. Property and Equipment Property and equipment consisted of the following as of June 30, 2018:

Building and improvements	\$ 3,002,765
Computers and computer software	936,986
Office furniture, equipment and leased equipment	923,370
Land	<u>633,142</u>
	5,496,263
Less accumulated depreciation and amortization	<u>(3,993,466)</u>
Property and equipment, net	<u>\$ 1,502,797</u>

Depreciation and amortization expense for property and equipment totaled \$244,565 for the year ended June 30, 2018.

4. Fair Value Measurements The Bar's financial instruments include cash equivalents and investments as of June 30, 2018. Management believes that the recorded value of each financial instrument approximates its fair value.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measures, the following hierarchy prioritizes the inputs to valuation methodologies used to measure fair value:

Level 1	Valuations based on quoted prices for identical assets or liabilities in active markets
Level 2	Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.
Level 3	Valuations based on unobservable inputs reflecting the Bar's own assumptions, applied consistently with reasonably available assumptions made by other market participants. These valuations require significant judgment.

The Bar's cash equivalents and investments are considered Level 1 assets under the fair value hierarchy and are measured on a recurring basis. Bar management obtains valuation data for the corporate bonds and certificates of deposit from third-party sources, which determine the net asset values for the Bar's accounts using quoted market prices and reportable trades.



5. Lease Obligation

The Bar leases certain equipment under a capital lease obligation. The lease requires quarterly payments of \$1,064, has an effective interest rate of 16.6%, and is secured by the equipment being leased. As of June 30, 2018, equipment held under the capital lease had a cost of approximately \$18,000 and accumulated amortization of \$3,700. As of June 30, 2018, future minimum lease payments under the capital lease were as follows:

Year Ending June 30:

2019	\$	4,255
2020		4,255
2021		4,255
2022		4,256
Total		<u>17,021</u>
Less amount representing interest		<u>(1,850)</u>
		15,171
Less current portion		<u>(3,485)</u>
	\$	<u>11,686</u>

6. Employee Benefit Plans

The Bar sponsors a defined contribution 401(k) plan (the Plan). Employees who have completed one year of service with the Bar and have attained the age of 21 or older are eligible to participate, and may elect to contribute a portion of their compensation, subject to Internal Revenue Code limitations, to the Plan. The Bar contributes to the Plan an amount equal to 10% of the compensation of all Plan participants. Contributions to the Plan were \$270,024 for the year ended June 30, 2018.

The Bar sponsors a Section 125 cafeteria plan. All contributions to this plan are made by the participants.



7. Board Designated Net Assets Board designated unrestricted net assets consist of the Bar operation’s reserves for potential future liabilities and assets designated for Bar sections, client security fund, and the mandatory continuing legal education fund. Board designated unrestricted net assets consisted of the following as of June 30:

	2018	2017
Bar operations reserves:		
Three-month operating expense reserve	\$ 1,661,000	\$ 1,600,000
Capital replacement reserve – building	650,000	650,000
Capital replacement reserve – equipment	200,000	200,000
Total Bar operations reserves	2,511,000	2,450,000
Bar sections	614,684	509,350
Client security fund	275,903	255,552
Mandatory continuing legal education fund	690,874	626,039
	\$ 4,092,461	\$ 3,840,941

8. Client Security Fund On October 30, 1983, the Bar received approval from the Utah Supreme Court (USC) to collect up to \$20 per attorney per year to accumulate a client security fund (the Fund) in the base amount of \$200,000. The Fund was created to partially indemnify the public against losses incurred as a result of lawyers’ misappropriation of clients’ funds. Claims against the Fund are limited to \$20,000 per claimant. On April 20, 2015, the USC approved the reduction of the fee paid to the Fund by each member attorney from \$20 to \$5.

Cases must be reviewed and approved by the Fund Committee of the Bar and also by the Board of Commissioners of the Bar before they are considered to be claims payable by the Fund. The Fund Committee routinely reviews open matters. In the Fund Committee’s opinion, these open matters will not have a material adverse effect on the financial position, results of activities, or liquidity of the Bar.

9. Contingencies The Bar may, from time to time, be subject to legal proceedings arising in the normal course of business. Management does not believe the outcome of any matters currently pending will have a material impact on the financial position, results of activities, or liquidity of the Bar.

10. Related Parties The primary purpose of the Bar is to perform services on behalf of its members, which may result in related-party transactions arising through its regular activities.

SUPPLEMENTAL SCHEDULES

UTAH STATE BAR
Schedule of Continuing Legal Education and Conferences
Revenues and Expenses

For the Year Ended June 30, 2018

	Summer Convention	Fall Forum	Spring Convention	CLE Events	Total
Revenues	\$ 283,280	\$ 83,328	\$ 124,426	\$ 565,080	\$ 1,056,114
Expenses:					
Program	240,660	68,108	79,894	350,438	739,100
Salaries and benefits	24,308	10,636	14,402	134,302	183,648
General and administrative	19,062	12,245	13,624	80,790	125,721
Interfund facilities	(3,003)	(494)	(1,368)	(27,849)	(32,714)
Total expenses	281,027	90,495	106,552	537,681	1,015,755
Excess (deficiency) of revenues over expenses	\$ 2,253	\$ (7,167)	\$ 17,874	\$ 27,399	\$ 40,359

UTAH STATE BAR
Schedule of Member Services Revenues and Expenses

For the Year Ended June 30, 2018

	Bar Journal	Member Services	Legislative	Public Education	Young Lawyers Division	Total
Revenues	\$ 155,076	\$ 22,113	\$ -	\$ -	\$ 6,365	\$ 183,554
Expenses:						
Program	33,025	155,548	51,168	285	56,196	296,222
Salaries and benefits	35,535	638	2,108	59,028	834	98,143
General and administrative	109,824	3,584	7	106,933	3,572	223,920
Interfund facilities	(4,349)	(917)	(7,042)	-	(260)	(12,568)
Total expenses	174,035	158,853	46,241	166,246	60,342	605,717
Deficiency of revenues over expenses	\$ (18,959)	\$ (136,740)	\$ (46,241)	\$ (166,246)	\$ (53,977)	\$ (422,163)

UTAH STATE BAR
Schedule of Public Services Revenues and Expenses

For the Year Ended June 30, 2018

	Committees	Consumer Assistance	Access to Justice	Tuesday Night Bar	Total
Revenues	\$ 3,610	\$ -	\$ 10,713	\$ -	\$ 14,323
Expenses:					
Salaries and benefits	83,141	36	18,598	33,126	134,901
Program	30,519	121,603	110,302	2,856	265,280
General and administrative	4,525	8,979	43,328	714	57,546
Interfund facilities	(7,871)	-	(8,296)	(28,156)	(44,323)
Total expenses	110,314	130,618	163,932	8,540	413,404
Deficiency of revenues over expenses	\$ (106,704)	\$ (130,618)	\$ (153,219)	\$ (8,540)	\$ (399,081)

UTAH STATE BAR
Schedule of Bar Sections Revenues and Expenses

For the Year Ended June 30, 2018

	Balance June 30, 2017	Revenues	Expenses	Balance June 30, 2018	Net Increase (Decrease)
Bar Section Funds:					
Antitrust/Unfair Competition	\$ 8,845	\$ 1,325	\$ 595	\$ 9,575	\$ 730
Appellate Practice	9,938	7,695	4,437	13,196	3,258
Banking and Finance	6,558	5,380	7,256	4,682	(1,876)
Bankruptcy	7,469	7,117	6,412	8,174	705
Business Law	18,269	24,100	11,660	30,709	12,440
Collection Law	18,865	4,247	1,087	22,025	3,160
Communications Law	3,090	360	450	3,000	(90)
Constitutional Law	5,417	3,317	4,504	4,230	(1,187)
Construction Law	2,432	7,997	6,565	3,864	1,432
Corporate Counsel	9,792	18,356	8,210	19,938	10,146
Criminal Law	7,993	12,828	8,508	12,313	4,320
Cyber Law	14,604	9,755	2,856	21,503	6,899
Community Association Law	1,437	1,970	758	2,649	1,212
Dispute Resolution	21,773	7,909	5,152	24,530	2,757
Education Law	4,419	2,214	1,620	5,013	594
Elder Law	8,592	7,375	8,495	7,472	(1,120)
Entertainment Law	-	1,880	1,491	389	389
Environmental Law	5,806	12,165	6,835	11,136	5,330
Family Law	65,720	58,518	35,858	88,380	22,660
Franchise Law	2,620	1,410	545	3,485	865
Government/Administrative Law	22,117	8,120	12,614	17,623	(4,494)
Health Law	10,490	5,206	3,449	12,247	1,757
Intellectual Property	63,794	33,551	23,031	74,314	10,520
International Law	1,399	2,200	1,057	2,542	1,143
Indian Law	1,585	2,050	1,197	2,438	853
Juvenile Law	4,119	3,250	3,995	3,374	(745)
Labor and Employment Law	9,371	16,618	11,998	13,991	4,620
Legal Entrepreneurs	-	500	-	500	500
Litigation	82,022	43,729	45,066	80,685	(1,337)
Limited Scope	211	1,660	1,071	800	589
Military Law	1,875	720	253	2,342	467
Non-profit/Charitable Law	2,079	3,170	1,748	3,501	1,422
Probate/Estate Planning	16,846	21,633	22,122	16,357	(489)
Real Property	8,530	28,930	23,189	14,271	5,741
Securities	31,138	10,818	2,382	39,574	8,436
Senior Lawyers	-	-	-	-	-
Solo, Small Firm, Rural Practice	3,701	6,830	3,500	7,031	3,330
Tax	12,616	15,757	15,138	13,235	619
Total Bar Section Funds	495,532	400,660	295,104	601,088	105,556
Paralegal Division	13,818	10,946	11,168	13,596	(222)
	\$ 509,350	\$ 411,606	\$ 306,272	\$ 614,684	\$ 105,334

UTAH STATE BAR
Schedule of Mandatory Continuing Education Advisory Board

For the Year Ended June 30, 2018

Revenues:	
Compliance fees from attorneys	\$ 185,172
Continuing Legal Education (provider attendance fees)	165,116
Investment income	8,389
Total revenues	<u>358,677</u>
Expenses:	
Salaries, payroll taxes, and benefits	232,580
Office overhead	37,683
Interfund facilities	7,674
Travel	14,971
Board meetings	934
Total expenses	<u>293,842</u>
Excess of revenues over expenses	<u>\$ 64,835</u>

UTAH STATE BAR
Schedule of Facilities Revenues and Expenses

For the Year Ended June 30, 2018

Revenues:	
Outside parties	<u>\$ 28,357</u>
In-kind and interfund revenues:	
Interdepartmental charges	135,986
Sections	56,008
Utah Dispute Resolution and other in-kind	20,517
MCLE	<u>7,674</u>
Total in-kind and interfund revenues	<u>220,185</u>
Total revenues	<u>248,542</u>
Expenses:	
Building overhead	232,915
Food, beverage and AV costs	107,096
Salaries and benefits	148,711
General and administrative	<u>8,150</u>
	496,872
In-kind expenses	<u>22,322</u>
Total expenses	<u>519,194</u>
Deficiency of revenues over expenses	<u>\$ (270,652)</u>