



TANNER

Independent Auditors' Report

To the Board of Commissioners of the Utah State Bar

Opinion

We have audited the accompanying financial statements of Utah State Bar (a nonprofit organization) (the Bar), which comprise the statement of financial position as of June 30, 2023, the related statements of activities and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Utah State Bar as of June 30, 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Utah State Bar and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bar's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bar's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Utah State Bar's 2022 financial statements and we expressed an unmodified opinion on those financial statements in our report dated November 3, 2022. In our opinion, the summarized comparative information presented herein as of June 30, 2022 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 of continuing legal education and conferences revenue and expenses, member services revenues and expenses, public services revenues and expenses, bar sections revenues and expenses, mandatory continuing education advisory board, and facilities revenues and expenses 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 18, 2023

Statements of Financial Position

As of June 30, 2023

(with Summarized Financial Information as of June 30, 2022)

	Bar Operations	Bar Sections	Client Security Fund	Mandatory Continuing Legal Education Fund	Total 2023	Total 2022
Assets						
Current assets:						
Cash and cash equivalents	\$ 5,960,858	\$ -	\$ 129,668	\$ 155,745	\$ 6,246,271	\$ 4,934,297
Investments, at fair value	3,502,083	1,178,329	170,117	576,515	5,427,044	5,823,519
Receivables	81,226	-	-	85	81,311	16,980
Prepaid expenses	301,735	-	-	-	301,735	249,664
Total current assets	9,845,902	1,178,329	299,785	732,345	12,056,361	11,024,460
Property and equipment, net	1,511,385	-	-	15,466	1,526,851	1,392,290
Total assets	\$ 11,357,287	\$ 1,178,329	\$ 299,785	\$ 747,811	\$ 13,583,212	\$ 12,416,750
Liabilities and Net Assets						
Current liabilities:						
Accounts payable and accrued liabilities	\$ 1,056,374	\$ 13,202	\$ 456	\$ 5,470	\$ 1,075,502	\$ 926,375
Deferred revenue	3,905,580	-	55,706	-	3,961,286	2,895,316
Interfund payable (advance)	(52,764)	82,277	(55,706)	26,193	-	-
Total current liabilities	4,909,190	95,479	456	31,663	5,036,788	3,821,691
Commitments and contingencies						
Net assets:						
Net assets without donor restrictions - undesignated	2,570,275	-	-	-	2,570,275	4,054,136
Net assets without donor restrictions - board designated	3,877,822	1,082,850	299,329	716,148	5,976,149	4,540,923
Total net assets without donor restrictions	6,448,097	1,082,850	299,329	716,148	8,546,424	8,595,059
Total liabilities and net assets	\$ 11,357,287	\$ 1,178,329	\$ 299,785	\$ 747,811	\$ 13,583,212	\$ 12,416,750

Statements of Activities

For the Year Ended June 30, 2023 (with Summarized Financial Information for the Year Ended June 30, 2022)

	Bar Operations	Bar Sections	Client Security Fund	Mandatory Continuing Legal Education Fund	In-Kind & Interfund	Total 2023	Total 2022
Changes in net assets without donor restrictions:							
Revenues:							
Licensing	\$ 4,803,145	\$ -	\$ -	\$ -	\$ -	\$ 4,803,145	\$ 4,766,133
Admissions	478,722	-	-	-	-	478,722	467,847
New lawyer training program	56,289	-	-	-	-	56,289	52,885
Office of Professional Conduct	31,399	-	-	-	-	31,399	44,829
Continuing legal education and conferences	1,096,756	-	-	-	-	1,096,756	910,391
Member services	318,620	-	-	-	(85,974)	232,646	233,315
Public services	7,862	-	-	-	-	7,862	15,942
Bar sections	-	478,025	-	-	-	478,025	410,778
Client Security Fund	-	-	23,477	-	(101,780)	(78,303)	42,770
Mandatory Continuing Legal Education Fund	-	-	-	639,096	(67,731)	571,365	442,636
Facilities	147,417	-	-	-	(121,506)	25,911	18,752
Net investment income	228,466	-	8,473	19,064	-	256,003	2,260
Grant revenue	140,739	-	-	-	-	140,739	27,178
Total revenues	\$ 7,309,415	\$ 478,025	\$ 31,950	\$ 658,160	\$ (376,991)	\$ 8,100,559	\$ 7,435,716

Statements of Activities – Continued

For the Year Ended June 30, 2023 (with Summarized Financial Information for the Year Ended June 30, 2022)

	Bar Operations	Bar Sections	Client Security Fund	Mandatory Continuing Legal Education Fund	In-Kind & Interfund	Total 2023	Total 2022
Changes in net assets without donor restrictions (continued) :							
Expenses:							
Licensing	\$ 301,755	\$ -	\$ -	\$ -	\$ (848)	\$ 300,907	\$ 211,982
Admissions	430,450	-	-	-	(15,389)	415,061	361,262
New lawyer training program	60,495	-	-	-	-	60,495	63,475
Office of Professional Conduct	1,589,587	-	-	-	(1,463)	1,588,124	1,473,244
Continuing legal education and conferences	1,259,186	-	-	-	(82,420)	1,176,766	756,232
Member services	816,929	-	-	-	(7,389)	809,540	648,241
Public services	651,955	-	-	-	(9,914)	642,041	558,140
Bar sections	-	455,621	-	-	(113,201)	342,420	290,694
Client Security Fund	-	-	47,452	-	-	47,452	86,275
Mandatory Continuing Legal Education Fund	-	-	-	560,133	(8,677)	551,456	491,329
Bar operations	1,973,795	-	-	-	(117,855)	1,855,940	1,982,097
Facilities	378,827	-	-	-	(19,835)	358,992	345,171
Total expenses	7,462,979	455,621	47,452	560,133	(376,991)	8,149,194	7,268,142
Increase (decrease) in net assets without donor restrictions	(153,564)	22,404	(15,502)	98,027	-	(48,635)	167,574
Change in net assets with donor restrictions:							
Grant revenue	140,739	-	-	-	-	140,739	27,178
Net assets released from restrictions	(140,739)	-	-	-	-	(140,739)	(27,178)
Increase in net assets with donor restrictions	-	-	-	-	-	-	-
Increase (decrease) in net assets	(153,564)	22,404	(15,502)	98,027	-	(48,635)	167,574
Net assets:							
Beginning of the year	6,601,661	1,060,446	314,831	618,121	-	8,595,059	8,427,485
End of the year	\$ 6,448,097	\$ 1,082,850	\$ 299,329	\$ 716,148	\$ -	\$ 8,546,424	\$ 8,595,059

Statements of Cash Flows

For the Year Ended June 30, 2023 (with Summarized Financial Information for the Year Ended June 30, 2022)

	Bar Operations	Bar Sections	Client Security Fund	Mandatory Continuing Legal Education Fund	Total 2023	Total 2022
Cash flows from operating activities:						
Change in net assets	\$ (153,564)	\$ 22,404	\$ (15,502)	\$ 98,027	\$ (48,635)	\$ 167,574
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities:						
Depreciation and amortization	138,117	-	-	3,835	141,952	151,742
Net unrealized gain (loss) on investments	(20,485)	(4,229)	(1,338)	(1,693)	(27,745)	141,710
Loss on disposal of assets	209	-	-	-	209	7,373
Changes in assets and liabilities:						
Receivables	(64,322)	-	-	(10)	(64,332)	4,773
Prepaid expenses	(52,071)	-	-	-	(52,071)	(115,628)
Accounts payable and accrued liabilities	138,670	9,681	-	2,481	150,832	107,104
Deferred revenue	1,010,264	-	55,706	-	1,065,970	167,986
Interfund advance	63,335	34,033	(55,706)	(41,663)	(1)	-
Net cash and cash equivalents provided by (used in) operating activities	1,060,153	61,889	(16,840)	60,977	1,166,179	632,634
Cash flows from investing activities:						
Purchases of property and equipment	(267,611)	-	-	(9,547)	(277,158)	(112,632)
Purchases of investments	(4,325,611)	(847,386)	(108,809)	(374,973)	(5,656,779)	(6,136,967)
Proceeds from sale of investments and reinvested income	5,566,000	415,000	25,000	75,000	6,081,000	5,941,000
Net cash and cash equivalents provided by (used in) investing activities	972,778	(432,386)	(83,809)	(309,520)	147,063	(308,599)
Cash flows from financing activities:						
Payments on finance lease obligation	(1,268)	-	-	-	(1,268)	(4,941)
Net increase (decrease) in cash and cash equivalents	2,031,663	(370,497)	(100,649)	(248,543)	1,311,974	319,094
Cash and cash equivalents as of beginning of the year	3,929,195	370,497	230,317	404,288	4,934,297	4,615,203
Cash and cash equivalents as of end of the year	\$ 5,960,858	\$ -	\$ 129,668	\$ 155,745	\$ 6,246,271	\$ 4,934,297
Supplemental disclosure of cash flow information:						
Cash paid for interest	\$ 3,205	\$ -	\$ -	\$ -	\$ 3,205	\$ 144

See accompanying notes to financial statements.

Notes to Financial Statements

1. Description of Organization and Summary of Significant Accounting Policies

Description of Organization

The Utah State Bar (the Bar or the Organization) 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 13,700, are considered members of the Bar.

Basis of Presentation and Fund Accounting

The assets, liabilities and net assets of the Bar have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which require the Bar to report information regarding its financial position and activities according to the following net asset classifications, as applicable:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Bar. These net assets may be used at the discretion of the Bar's management and Board of Directors.

Net assets with donor restrictions: Net assets subject to restrictions imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Bar or by the passage of time. Other donor restrictions are perpetual in nature, where the donor stipulates the funds be maintained in perpetuity.

Net assets without donor restrictions are presented as designated or undesignated. 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 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 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, 2022, 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, 2023 and 2022, the Organization had cash and cash equivalents balances in excess of federally insured limits. To date, the Organization has not experienced a loss or lack of access to its invested cash; however, no assurance can be provided that access to the Organization's invested cash and cash equivalents will not be impacted by adverse conditions in 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, 2023, these cash equivalents consisted of money market accounts totaling \$4,540,821.

Investments

Investments consist primarily of corporate bonds. Investments are reported at their fair values in the statement of financial position. Realized and unrealized gains or losses are reflected currently in the statements of activities.

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
Computers and computer software	3-5 years
Office furniture, equipment and leased equipment	3-7 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 statements of activities.

Revenue Recognition and Deferred Revenue

The Bar recognizes revenue from licensing, admissions, continuing legal education, services and programs, conventions, bar examinations, room rental and catering and other services when the Organization has (1) identified the customer contract, (2) identified the performance obligation in the contract, (3) determined the transaction price, (4) allocated the entire transaction price to the single performance obligation, and (5) recognized revenue when the performance obligation has been satisfied. 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).

Grant Revenue

Grants received are recorded as with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Revenue from grants with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

If a donor restriction expires in the same reporting period in which the grant revenue was initially recognized that revenue is reported as an increase in net assets without donor restriction. All other donor-restricted revenue is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

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 statements 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, 2023.

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, 2023, 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, 2023 through October 18, 2023, which is the date the financial statements were available.

2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following as of June 30:

	2023	2022
Cash and cash equivalents	\$ 6,246,271	\$4,934,297
Investments	5,427,044	5,823,519
Receivables	81,311	16,980
	<u>11,754,626</u>	<u>\$10,774,796</u>
Less amounts not available to be used within one year or otherwise restricted:		
Board designated funds	(5,976,149)	(4,540,923)
	<u>\$ 5,778,477</u>	<u>\$6,233,873</u>

The Bar regularly monitors liquidity required to meet its operating needs and other contractual commitments using budgets and cash flow projections, while also striving to maximize the investment of its available funds. The Bar's excess cash is invested in a portfolio of corporate bonds. Additionally, the Bar's governing board has designated a portion of its unrestricted resources for contingencies, which is identified as board-designated in the table above (Note 7).

3. Investments and Net Investment Income

Investments consisted of the following as of June 30, 2023:

	Amortized Cost	Cumulative Net Unrealized Gains (Losses)	Fair Value
Corporate bonds	\$ 5,421,473	5,571	\$ 5,427,044

Investment income for the year ended June 30, 2023, consisted of the following:

	Undesignated	Designated	Total
Net investment income (loss) and interest	\$ 212,755	28,003	\$ 240,758
Net unrealized gain (loss)	15,712	(467)	15,245
	<u>\$ 228,467</u>	<u>27,536</u>	<u>\$ 256,003</u>

Investments consisted of the following as of June 30, 2022:

	Cumulative Net		Fair Value
	Amortized Cost	Unrealized Gains (Losses)	
Corporate bonds	\$ 5,821,808	1,711	\$ 5,823,519

Investment income for the year ended June 30, 2022, consisted of the following:

	Undesignated	Designated	Total
	Net investment income (loss) and interest	\$ 33,516	3,578
Net unrealized gain (loss)	(32,788)	(2,046)	(34,834)
	\$ 728	1,532	\$ 2,260

4. Fair Value Measurements

The Bar's financial instruments consist of investments as of June 30, 2023 and 2022. 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 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 from third-party sources, which determine the net asset values for the Bar's accounts using quoted market prices and reportable trades.

5. Property and Equipment

Property and equipment consisted of the following as of June 30:

	2023	2022
Building and building improvements	\$ 3,472,236	\$ 3,346,705
Computers and computer software	920,065	877,279
Office furniture, equipment and leased equipment	770,777	832,072
Land	633,142	633,142
	5,796,220	5,689,198
Less accumulated depreciation and amortization	(4,269,369)	(4,296,908)
	\$ 1,526,851	\$ 1,392,290

Depreciation and amortization expense for property and equipment totaled \$141,952 and \$151,742 for the years ended June 30, 2023 and 2022, respectively.

6. Employee Benefit Plans

The Bar sponsors a defined contribution 401(k) plan (the Plan). Upon hiring, employees who have completed one year of service with the Bar and have attained the age of 21 or older may elect to contribute a portion of their compensation, subject to Internal Revenue Code limitations, to the Plan. Following employees' one year anniversary, the Bar contributes to the Plan an amount equal to 10% of the compensation of all Plan participants. Contributions to the Plan were \$303,495 and \$286,987 for the years ended June 30, 2023 and 2022, respectively.

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

7. Board Designated Net Assets Without Donor Restrictions

Board designated net assets without donor restrictions 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 net assets without donor restrictions consisted of the following as of June 30:

	2023	2022
Bar operations reserves :		
Four-month operating expense reserve	\$ 2,699,822	\$ 1,747,525
Capital replacement reserve – building	600,000	600,000
Capital replacement reserve – equipment	200,000	200,000
Update Member Database to cloud services	100,000	-
New OPC Database	50,000	-
Wellbeing Program	228,000	-
Total Bar operations reserves	3,877,822	2,547,525
Bar sections	1,082,850	1,060,446
Client security fund	299,329	314,831
Mandatory continuing legal education fund	716,148	618,121
	\$ 5,976,149	\$ 4,540,923

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. As the Bar determined it would supply the Fund \$101,780 from its cash reserves, no fee was collected from member attorneys for the year ended June 30, 2023. No fee was collected in 2022.

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. Expenses By nature and Function

The accompanying financial statements include certain expenses that are attributable to both program and supporting functions of the Bar. These expenses include salaries and wages, employee benefits, and supplies and other office expenses, which are allocated based on head count; and depreciation, utilities, and maintenance, which are allocated based on estimated square footage.

Expenses by natural classification for the year ended June 30, 2023 are as follows:

	Program Services							Support Services		Total
	Regulatory	Member Services	Public Services	Education	Building Usage	MCLE	CSF	Sections	General & Administrative	
Program	\$ 88,285	\$ 464,226	\$ 166,738	\$ 907,694	\$ 66,064	\$ -	\$ 46,729	\$ 342,420	\$ 139,602	\$ 2,221,758
Salaries and benefits	1,762,085	153,796	386,082	162,008	162,983	426,573	-	-	1,335,773	4,389,300
General and administrative	397,408	186,944	74,761	92,617	(22,350)	57,382	723	-	315,657	1,103,142
Overhead and depreciation	116,809	4,574	14,460	14,447	152,295	67,501	-	-	64,908	434,994
	\$ 2,364,587	\$ 809,540	\$ 642,041	\$ 1,176,766	\$ 358,992	\$ 551,456	\$ 47,452	\$ 342,420	\$ 1,855,940	\$ 8,149,194

Expenses by natural classification for the year ended June 30, 2022 were as follows:

	Program Services							Support Services		Total
	Regulatory	Member Services	Public Services	Education	Building Usage	MCLE	CSF	Sections	General & Administrative	
Program	\$ 54,033	\$ 309,982	\$ 131,915	\$ 474,503	\$ 28,367	\$ -	\$ 85,650	\$ 290,694	\$ 389,108	\$ 1,764,252
Salaries and benefits	1,700,569	137,069	353,864	197,414	151,100	367,688	-	-	1,244,599	4,152,303
General and administrative	252,293	196,362	59,602	69,524	2,112	42,917	625	-	295,007	918,442
Overhead and depreciation	103,068	4,828	12,759	14,791	163,592	80,724	-	-	53,383	433,145
	\$ 2,109,963	\$ 648,241	\$ 558,140	\$ 756,232	\$ 345,171	\$ 491,329	\$ 86,275	\$ 290,694	\$ 1,982,097	\$ 7,268,142

10. 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.

11. 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

Schedule of Continuing Legal Education and Conferences

Revenues and Expenses

For the Year Ended June 30, 2023

	Summer Convention	Fall Forum	Spring Convention	CLE Events	Total
Revenues	\$ 171,058	\$ 46,875	\$ 115,495	\$ 763,328	\$ 1,096,756
Expenses:					
Program	256,657	72,460	102,416	558,579	990,112
Salaries and benefits	2,247	2,060	4,362	153,339	162,008
General and administrative	11,351	6,067	9,805	79,841	107,064
Interfund facilities	(3,552)	-	-	(20,312)	(23,864)
MCLE fees	(4,636)	(1,709)	(3,213)	(48,996)	(58,554)
Total expenses	262,067	78,878	113,370	722,451	1,176,766
Excess (deficiency) of revenues over expenses	\$ (91,009)	\$ (32,003)	\$ 2,125	\$ 40,877	\$ (80,010)

Schedule of Member Services

Revenues and Expenses

For the Year Ended June 30, 2023

	Bar Journal	Member Services	Legislative	Public Education	Young Lawyers Division	Total
Revenues	\$ 204,929	\$ 27,376	\$ -	\$ -	\$ 341	\$ 232,646
Expenses:						
Program	43,680	330,194	65,374	2,224	30,144	471,616
Salaries and benefits	41,764	-	14,915	97,117	-	153,796
General and administrative	147,188	-	65	42,637	1,628	191,518
Interfund facilities	(4,118)	-	-	-	(3,272)	(7,390)
MCLE fees	-	-	-	-	-	-
Total expenses	228,514	330,194	80,354	141,978	28,500	809,540
Deficiency of revenues over expenses	\$ (23,585)	\$ (302,818)	\$ (80,354)	\$ (141,978)	\$ (28,159)	\$ (576,894)

Schedule of Public Services

Revenues and Expenses

For the Year Ended June 30, 2023

	Committees	Consumer Assistance	Access to Justice	Tuesday Night Bar	Total
Revenues	\$ 2,091	\$ -	\$ 146,510	\$ -	\$ 148,601
Expenses:					
Salaries and benefits	169,072	-	7,581	-	176,653
Program	33,820	117,008	235,254	-	386,082
General and administrative	5,819	10,181	73,221	-	89,221
Interfund facilities	(6,799)	-	(3,116)	-	(9,915)
Total expenses	201,912	127,189	312,940	-	642,041
Deficiency of revenues over expenses	\$ (199,821)	\$ (127,189)	\$ (166,430)	\$ -	\$ (493,440)

Schedule of Bar Sections

Revenues and Expenses

For the Year Ended June 30, 2023

	Balance June 30, 2022	Revenues	Expenses	Balance June 30, 2023	Net Increase (Decrease)
Bar Section Funds:					
Antitrust/Unfair Competition	\$ 7,817	\$ 1,100	\$ 307	\$ 8,610	\$ 793
Appellate Practice	34,357	19,938	8,897	45,398	11,041
Banking and Finance	16,019	6,295	6,489	15,825	(194)
Bankruptcy	17,962	6,018	3,040	20,940	2,978
Business Law	76,669	29,140	20,560	85,249	8,580
Collection Law	34,705	3,805	3,359	35,151	446
Constitutional Law	10,773	2,500	988	12,285	1,512
Construction Law	10,953	11,584	10,195	12,342	1,389
Corporate Counsel	34,855	28,500	70,987	(7,632)	(42,487)
Criminal Law	38,864	13,300	3,894	48,270	9,406
Cyber Law	36,345	5,975	5,427	36,893	548
Community Association Law	6,844	2,194	1,040	7,998	1,154
Cannabis Law	3,152	2,730	1,125	4,757	1,605
Dispute Resolution	21,890	10,609	3,203	29,295	7,405
Education Law	5,472	5,134	2,256	8,350	2,878
Elder Law	13,347	18,550	8,088	23,809	10,462
Environmental Law	26,783	8,853	25,512	10,124	(16,659)
Entertainment Law	(3,806)	8,675	813	4,056	7,862
Family Law	75,418	45,468	27,573	93,313	17,895
Franchise Law	7,116	870	204	7,782	666
Government/Administrative Law	31,367	11,580	6,742	36,205	4,838
Health Law	25,710	5,070	5,380	25,400	(310)
Intellectual Property	93,877	29,727	32,745	90,859	(3,018)
International Law	7,063	4,580	1,562	10,081	3,018
Indian Law	8,500	5,722	2,493	11,729	3,229
Juvenile Law	11,406	3,375	8,222	6,559	(4,847)
Labor and Employment Law	39,841	12,410	6,521	45,730	5,889
Legal Entrepreneurs	3,107	800	224	3,683	576
Litigation	101,108	74,353	80,947	94,514	(6,594)
Limited Scope	2,715	260	91	2,884	169
Military Law	4,205	780	273	4,712	507
Non-profit/Charitable Law	11,061	2,775	777	13,059	1,998
Probate/Estate Planning	55,176	22,196	10,949	66,423	11,247
Real Property	53,186	35,370	51,027	37,529	(15,657)
Securities	52,527	11,720	12,629	51,618	(909)
Senior Lawyers	1,803	680	238	2,245	442
Solo, Small Firm, Rural Practice	23,262	4,725	1,323	26,664	3,402
Tax	23,447	14,650	17,209	20,888	(2,559)
Total Bar Section Funds	1,024,896	472,011	443,311	1,053,596	28,700
Paralegal Division	35,550	13,190	19,486	29,254	(6,296)
	\$ 1,060,446	\$ 485,201	\$ 462,797	\$ 1,082,850	\$ 22,404

Schedule of Mandatory

Continuing Education Advisory Board

For the Year Ended June 30, 2023

Revenues:		
Compliance fees from attorneys	\$	341,345
Continuing Legal Education (provider attendance fees)		297,751
Investment income		19,064
Interfund revenue		<u>(67,731)</u>
Total revenues		<u>590,429</u>
Expenses:		
Salaries, payroll taxes, and benefits		426,573
Office overhead		76,178
Travel		16,421
Board meetings		40,961
Interfund facilities		<u>(8,677)</u>
Total expenses		<u>551,456</u>
Excess of revenues over expenses	\$	<u>38,973</u>

Schedule of Facilities

Revenues and Expenses

For the Year Ended June 30, 2023

Revenues:	
Outside parties	\$ 25,911
In-kind and interfund revenues:	
Interdepartmental charges	66,990
Sections	26,003
Utah Bar Foundation and other in-kind	19,835
MCLE	8,677
Total in-kind and interfund revenues	<u>121,505</u>
Total revenues	<u>147,416</u>
Expenses:	
Building overhead	152,295
Food, beverage and AV costs	66,064
Salaries and benefits	162,983
General and administrative	(22,350)
	<u>358,992</u>
In-kind expenses	<u>19,835</u>
Total expenses	<u>378,827</u>
Deficiency of revenues over expenses	<u>\$ (231,411)</u>