

# GOVERNMENT LAW SECTION OF THE TEXAS STATE BAR

## TREASURER'S REPORT

September 15, 2019

Colleagues:

A review of the Government Law Section's financial statements for fiscal year end 2017-18 and the current quarter (June 2018- August 2018) establish the Section is in excellent financial condition. Here are a few highlights:

### **Fiscal Year End – June 2017 through May 2018**

Our FYE 2018 budget projected total income of \$24,600. We exceeded our income projection by \$2,060, ending the fiscal year with the actual total income of \$26,660. To achieve this result, the Section added 62 new members and \$1,240 in dues income. The Section also exceeded its projected fee income by \$800.

Our FYE 2018 budget projected total expenses of \$21,650. We only spent \$19,768 in total actual expenditures, thereby adding \$1,884 to the bottom line.

Our FYE 2018 net income was \$6,891 or \$3,941 over our projected net income.

In sum, even with expenses related to the ongoing development of the Section's website and Roadshow seminars, Section leadership continues to demonstrate excellent financial stewardship of the resources entrusted to it.

### **Current Financial Quarter – June 2018 through August 2018**

For the three months ending August 2018, our Section remains on track with the Proposed Budget for FYE 19.

We anticipate total revenues of \$24,600 in FYE 19. At the end of the first financial quarter, we have actual total revenues of \$17,411. We budgeted \$500 in contributions and fee revenue, but have already exceeded the revenue expectations in this category with \$1,500. We also budgeted \$20,000 in dues income for FYE 19. At the end of the first quarter, we have deposited \$15,880 in dues income. We continue to receive annual dues payments from Section members; therefore I remain confident that we will retain or add the 206 Section memberships needed to meet our FYE 19 dues projection within the next quarter.

We anticipate that the successful management of Section expenses will continue. We have budgeted \$21,650 in total expenses for FYE 19. At the end of the first financial quarter, we have paid \$13,401 in total expenses. In reviewing the anticipated reimbursements that remain outstanding, we are on track to meet our total budgeted expenditures objective for FYE 19.

For FYE 19, the Section budget projects a net income of \$2,950. At the end of the first financial quarter, we had \$4,010 in net income.

### **One Financial Issue Outstanding**

At present, there is only one financial issue that needs further research. Our account shows we have a balance of \$92,377. I will work to reconcile the account. A look at the reported fund balances (See budget worksheet) shows consistent, but modest growth of net income and the fund balance of the past four years. Even with the difference in reporting dates, the reported ending fund balance on 4/30/2017 was \$69,325.20. If you add the prior fund balance on 5/31/2016 with the reported net income of \$6,480.73, the sum should total \$68,074.93 and not the reported \$69,325.20. The difference is + \$1,250.27. For FYE 18, we show a net income of \$6,891.38. If you add the reported net income to the prior fund balance of \$69,325.20 as reported on 4/30/2017, the fund balance on 5/31/2018 should total \$76,216.58. The reported fund balance, however, is \$70,174.07. The difference is (\$6,042.51). The reported fund balance for August is \$92,377 or approximately + \$22,203 over the stated fund balance for FYE 18. I am sure there is a simple explanation for the discrepancy, and we will accurately report any future adjustment or correction. But, it appears that the Section will enjoy a favorable increase in its fund balance for FYE 19.

### **Approval of Proposed FYE 19 Budget**

I respectfully request and vote for approval of the Government Law Section's proposed FYE 19 Budget.