

**HAWAII STATE BAR ASSOCIATION**  
**2020 Budget by Department**

10/21/2019  
 prepared

DESCRIPTION	2019 BUDGET	2019 YTD 8/31/19	2018 YTD final unaudited	2020 BUDGET
<b>INCOME-DUES</b>				
Membership Dues	\$1,327,280	1,235,665	1,251,477	\$1,332,830
Penalties	80,000	91,450	88,600	86,000
Processing Fee	187,175	171,148	182,275	197,780
<b>SUBTOTAL-DUES</b>	<b>1,594,455</b>	<b>1,498,263</b>	<b>1,522,352</b>	<b>1,616,610</b>
<b>NON-DUES</b>				
Dividend/Interest Income	12,000	31,244	24,605	35,000
Booth Income	17,000	7,100	21,808	17,000
Sponsorships	1,000	0	0	0
Lawyer Referral Income	21,000	21,734	21,521	21,000
Fees (IOLTA, Leadership, Mock Trial)	19,000	14,510	13,900	22,500
MCLE Fees	45,000	31,508	52,745	45,000
CLE Seminars/Registration	200,000	52,933	222,005	250,000
CLE Manuals	21,000	10,392	25,892	15,000
Mailing Label Income	0	0	2,136	0
Grants/Donations	0	0	680	0
Royalties	28,000	21,647	26,341	28,000
Products & Services	24,500	17,209	30,624	24,500
Miscellaneous Income	1,100	4,766	14,791	0
<b>SUBTOTAL-NON DUES</b>	<b>389,600</b>	<b>213,043</b>	<b>457,047</b>	<b>458,000</b>
<b>TOTAL INCOME</b>	<b>\$1,984,055</b>	<b>1,711,306</b>	<b>1,979,399</b>	<b>\$2,074,610</b>
<b>EXPENSES</b>				
<b>SUPREME COURT MANDATED</b>				
Atty Registration/Database Mgt.	220,572	142,728	189,302	282,685
Technology/Website	149,138	70,431	105,868	155,878
Indirect Admin/Executive Support	54,824	32,867	30,839	69,844
Non-Personnel Administrative Support	75,736	49,031	49,512	70,086
<b>TOTAL REGISTRATION EXPENSES</b>	<b>500,270</b>	<b>295,057</b>	<b>375,520</b>	<b>578,493</b>
<b>BOARD</b>				
Indirect Admin/Executive Support	50,523	30,289	30,111	60,428
Non-Personnel Administrative Support	69,794	45,184	48,344	60,638
Direct Admin/Executive Support	156,860	105,341	131,445	157,218
Printing,Mailing,Meals,Supplies,Other	12,330	12,407	8,716	13,320
N. I. Travel	17,350	6,469	12,353	17,750
Orientation/Annual Meeting	1,000	0	0	1,000
Conference Travel	9,025	4,665	3,869	9,885
Awards	2,000	0	474	2,000
President's Allowance	2,500	938	1,036	2,500
Insurance	8,180	6,713	6,418	7,180
<b>TOTAL BOARD EXPENSES</b>	<b>329,562</b>	<b>205,293</b>	<b>242,767</b>	<b>331,919</b>
<b>COMMITTEE</b>				
Indirect Admin/Executive Support	8,988	5,388	10,942	10,766
Non-Personnel Administrative Support	12,417	8,038	17,568	10,803
Direct Admin/Executive Support	27,906	19,140	45,988	28,010
Printing,Mailing,Meals,Supplies,Other	1,325	2,382	15	1,525
N. I. Travel	2,600	1,725	2,747	3,000
<b>TOTAL COMMITTEE</b>	<b>53,236</b>	<b>36,675</b>	<b>77,260</b>	<b>54,104</b>
<b>YLD ADMINISTRATION</b>				
Indirect Admin/Executive Support	8,872	5,319	6,191	11,056
Non-Personnel Administrative Support	12,256	7,934	9,939	11,095
Direct Admin/Executive Support	27,545	19,978	25,074	28,765
Printing,Mailing,Meals,Supplies,Other	1,375	292	1,225	1,375
N. I. Travel	12,100	1,821	2,212	12,500
Orientation/Annual Meeting	1,000	0	0	1,000
Conference Travel	8,800	0	1,952	15,010
Awards	400	105	459	400
President's Allowance	750	0	0	750
<b>TOTAL YLD ADMIN</b>	<b>73,098</b>	<b>35,449</b>	<b>47,051</b>	<b>81,951</b>

**HAWAII STATE BAR ASSOCIATION  
2020 Budget by Department**

10/21/2019  
prepared

DESCRIPTION	2019	2019	2018	2020
	BUDGET	YTD 8/31/19	YTD final unaudited	BUDGET
<b>SENIOR COUNSEL DIVISION</b>				
Indirect Admin/Executive Support	2,127	1,275	1,376	2,550
Non-Personnel Administrative Support	2,938	1,902	2,209	2,558
Direct Admin/Executive Support	6,603	4,123	6,022	6,633
Printing,Mailing,Meals,Supplies,Other	1,125	754	1,172	1,125
N. I. Travel	3,100	1,539	1,294	3,000
Orientation/Annual Meeting	750	0	0	750
Conference Travel	0	0	0	0
Awards	200	0	25	200
President's Allowance	0	0	0	0
<b>TOTAL SCD ADMIN</b>	<b>16,842</b>	<b>9,593</b>	<b>12,098</b>	<b>16,816</b>
<b>NI COUNTY BAR ADMIN/Local Projects</b>	<b>21,450</b>	<b>21,725</b>	<b>20,850</b>	<b>22,200</b>
<b>MEMBER SERVICES</b>				
<b>PROGRAMS</b>				
Bar Journal	48,711	29,902	37,998	49,115
Leadership Institute	12,986	7,900	8,809	14,210
MCLE	52,521	34,424	47,695	56,937
Continuing Legal Education	236,174	114,674	185,160	226,512
Membership Benefits	74,685	17,165	71,449	76,484
Bar Directory	6,000	0	0	0
Products & Services	28,071	12,513	10,020	28,739
<b>PROJECTS</b>				
Goal 1 (Organizational Struc.)	0	0	0	0
Goal 2 (Lawyer Competency)	2,800	0	2,183	1,800
Goal 3 (Discrim/Minority)	800	7	7	600
Direct Admin Support-Member Proj.	8,105	6,120	21,943	8,306
Indirect Administrative Support	68,800	41,246	61,737	85,134
Non-Personnel Administrative Support	95,044	61,530	100,608	85,430
<b>TOTAL MEMBER SERVICES</b>	<b>634,697</b>	<b>325,482</b>	<b>547,609</b>	<b>633,267</b>
<b>PUBLIC SERVICES</b>				
<b>PROGRAMS</b>				
Lawyer Referral Service	80,765	47,343	73,300	81,444
Communications & Public Rel.	54,214	33,008	46,715	54,390
<b>PROJECTS<sup>1</sup></b>				
Goal 6 (Judicial Administration)	5,210	0	3,723	6,400
Direct Admin Support-Public Proj.	12,932	8,871	18,069	13,839
Indirect Administrative Support	46,199	27,696	33,408	55,808
Non-Personnel Administrative Support	63,821	41,317	53,637	56,002
<b>TOTAL PUBLIC SERVICES</b>	<b>263,141</b>	<b>158,236</b>	<b>228,852</b>	<b>267,883</b>
<b>TOTAL EXPENSES (Before Taxes &amp; Depr)</b>	<b>\$1,892,296</b>	<b>1,087,509</b>	<b>1,552,007</b>	<b>\$1,986,634</b>
<b>NET INCOME(LOSS) before tax,capital&amp;depr</b>	<b>\$91,759</b>	<b>623,797</b>	<b>427,392</b>	<b>\$87,976</b>
Provision for Taxes				
Federal & State Income-Current	-	0	0	-
<b>Net Income/(Loss) After Taxes</b>	<b>\$91,759</b>	<b>623,797</b>	<b>427,392</b>	<b>\$87,976</b>
Capital Expenditures (Mortgage principal, asset pu	(91,759)	(40,330)	(176,793)	87,976 <sup>2</sup>
<b>Net Income after Capital Exp (Before Depr)</b>	<b>0</b>	<b>583,467</b>	<b>250,599</b>	<b>0</b>

<sup>1</sup> GG4 & GG5 Projects will be funded from HSBA's Special Reserves and HSBF Grant from 2019 Dinner Proceeds.

<sup>2</sup> Budgeted Loan Principal Payment: projected monthly payments (\$64,035.99) and budgeted pre-payment (\$23,940)

HAWAII STATE BAR ASSOCIATION  
 INCOME STATEMENT  
 MONTH ENDED December 31, 2019

Preliminary  
 2/6/2020

DESCRIPTION	December ACTUAL	December YTD ACTUAL	2019 YTD BUDGET	2019 BUDGET	YTD Actual to YTD Budget VARIANCE	December 2018 YTD
<b>DUES REVENUE</b>						
Licensing Fees	4,465	1,248,437	1,327,280	<b>1,327,280</b>	(78,843)	1,251,477
Penalties	600	93,650	80,000	<b>80,000</b>	13,650	88,600
Processing fees	<u>5,080</u>	<u>185,693</u>	<u>187,175</u>	<u><b>187,175</b></u>	<u>(1,482)</u>	<u>182,275</u>
<b>SUBTOTAL-DUES</b>	<b>10,145</b>	<b>1,527,780</b>	<b>1,594,455</b>	<b>1,594,455</b>	<b>(66,675)</b>	<b>1,522,352</b>
<b>NON-DUES REVENUE</b>						
Dividend/Interest Income	1,953	37,800	12,000	<b>12,000</b>	25,800	24,605
Booth Income	-	17,950	17,000	<b>17,000</b>	950	21,808
Sponsorships	-	-	1,000	<b>1,000</b>	(1,000)	-
Lawyer Referral Income	-	24,680	21,000	<b>21,000</b>	3,680	21,521
Fees (IOLTA, Leadership)	440	15,170	19,000	<b>19,000</b>	(3,830)	13,900
MCLE Fees	4,790	51,933	45,000	<b>45,000</b>	6,933	52,745
CLE Seminars/Registration	74,000	219,533	200,000	<b>200,000</b>	19,533	222,005
CLE Publications/Manuals	1,290	22,097	21,000	<b>21,000</b>	1,097	25,892
Mailing Label Income	-	1,139	-	-	1,139	2,136
Grants/Donations	-	-	-	-	-	680
Royalties	94	31,033	28,000	<b>28,000</b>	3,033	26,341
Products & Services	4,283	23,918	24,500	<b>24,500</b>	(582)	30,624
Miscellaneous Income	290	8,626	1,100	<b>1,100</b>	7,526	14,791
<b>SUBTOTAL-NON DUES</b>	<b>87,140</b>	<b>453,879</b>	<b>389,600</b>	<b>389,600</b>	<b>64,279</b>	<b>457,047</b>
<b>TOTAL INCOME</b>	<b>97,285</b>	<b>1,981,659</b>	<b>1,984,055</b>	<b>1,984,055</b>	<b>(2,396)</b>	<b>1,979,399</b>
<b>EXPENSES</b>						
<b>SUPREME COURT MANDATED</b>						
Atty Registration/Database Mgt.	16,558	197,305	220,572	<b>220,572</b>	(23,267)	189,302
Technology/Website	19,310	121,132	149,138	<b>149,138</b>	(28,006)	105,868
Admin/Executive Support	4,607	50,758	54,824	<b>54,824</b>	(4,066)	30,839
Non-Personnel Administrative Support	<u>5,739</u>	<u>71,132</u>	<u>75,736</u>	<u><b>75,736</b></u>	<u>(4,605)</u>	<u>49,512</u>
<b>TOTAL REGISTRATION EXPENSES</b>	<b>46,214</b>	<b>440,327</b>	<b>500,270</b>	<b>500,270</b>	<b>(59,943)</b>	<b>375,520</b>
<b>GOVERNANCE/BOD</b>						
Indirect Admin/Executive Support	4,246	46,776	50,523	<b>50,523</b>	(3,747)	30,111
Non-Personnel Administrative Support	5,288	65,551	69,794	<b>69,794</b>	(4,243)	48,344
Direct Admin/Executive Support	12,133	155,173	156,860	<b>156,860</b>	(1,687)	131,445
Other: Printing, Supplies, Meetings, etc	458	7,973	12,330	<b>12,330</b>	(4,357)	8,716
N. I. Travel	1,808	12,392	17,350	<b>17,350</b>	(4,958)	12,353
Planning Conference/Orientation	-	-	1,000	<b>1,000</b>	(1,000)	-
Conference Travel	1,188	5,853	9,025	<b>9,025</b>	(3,172)	3,869
Awards	696	1,543	2,000	<b>2,000</b>	(457)	474
President's Allowance	92	1,131	2,500	<b>2,500</b>	(1,369)	1,036
Insurance	-	6,713	8,180	<b>8,180</b>	(1,467)	6,418
<b>TOTAL BOD EXPENSES</b>	<b>25,910</b>	<b>303,104</b>	<b>329,562</b>	<b>329,562</b>	<b>(26,458)</b>	<b>242,767</b>
<b>COMMITTEE</b>						
Indirect Admin/Executive Support	755	8,322	8,988	<b>8,988</b>	(667)	10,942
Non-Personnel Administrative Support	941	11,662	12,417	<b>12,417</b>	(755)	17,568
Direct Admin/Executive Support	2,159	27,995	27,906	<b>27,906</b>	88	45,988
Other: Printing, Supplies, Meetings, etc	1	1	1,325	<b>1,325</b>	(1,325)	15
N. I. Travel	<u>11</u>	<u>2,520</u>	<u>2,600</u>	<u><b>2,600</b></u>	<u>(80)</u>	<u>2,747</u>
<b>TOTAL COMMITTEE</b>	<b>3,866</b>	<b>50,498</b>	<b>53,236</b>	<b>53,236</b>	<b>(2,738)</b>	<b>77,260</b>
<b>YLD ADMINISTRATION</b>						
Indirect Admin/Executive Support	746	8,214	8,872	<b>8,872</b>	(658)	6,191
Non-Personnel Administrative Support	929	11,511	12,256	<b>12,256</b>	(745)	9,939
Direct Admin/Executive Support	2,206	29,026	27,545	<b>27,545</b>	1,482	25,074
Other: Printing, Supplies, Meetings, etc	(2,631)	1,231	1,375	<b>1,375</b>	(144)	1,225
N. I. Travel	394	2,924	12,100	<b>12,100</b>	(9,176)	2,212
Planning Conference/Orientation	-	272	1,000	<b>1,000</b>	(728)	-
Conference Travel	4,477	8,933	8,800	<b>8,800</b>	133	1,952
Awards	414	579	400	<b>400</b>	179	459
President's Allowance	-	-	750	<b>750</b>	(750)	-
<b>TOTAL YLD ADMIN</b>	<b>8,752</b>	<b>62,691</b>	<b>73,098</b>	<b>73,098</b>	<b>(10,407)</b>	<b>47,051</b>

HAWAII STATE BAR ASSOCIATION  
 INCOME STATEMENT  
 MONTH ENDED December 31, 2019

Preliminary  
 2/6/2020

DESCRIPTION	December ACTUAL	December YTD ACTUAL	2019 YTD BUDGET	2019 BUDGET	YTD Actual to YTD Budget VARIANCE	December 2018 YTD
<b>SENIOR COUNSEL DIVISION**</b>						
Indirect Admin/Executive Support	179	1,969	2,127	2,127	(158)	1,376
Non-Personnel Administrative Support	223	2,759	2,938	2,938	(179)	2,209
Direct Admin/Executive Support	511	6,218	6,603	6,603	(385)	6,022
Other: Printing, Supplies, Meetings, etc	-	754	1,125	1,125	(371)	1,172
N. I. Travel	163	2,150	3,100	3,100	(950)	1,294
Planning Conference/Orientation	-	-	750	750	(750)	-
Conference Travel	-	-	-	-	-	-
Awards	-	-	200	200	(200)	25
President's Allowance	-	-	-	-	-	-
<b>TOTAL SCD</b>	<b>1,075</b>	<b>13,850</b>	<b>16,842</b>	<b>16,842</b>	<b>(2,992)</b>	<b>12,098</b>
<b>NI COUNTY BAR/Local Projects</b>	<b>-</b>	<b>21,725</b>	<b>21,450</b>	<b>21,450</b>	<b>275</b>	<b>20,850</b>
<b>MEMBER SERVICES</b>						
<b>PROGRAMS</b>						
Bar Journal	4,842	47,398	48,711	48,711	(1,313)	37,998
Leadership Institute	1,111	11,814	12,986	12,986	(1,171)	8,809
MCLE	4,214	51,589	52,521	52,521	(932)	47,695
Continuing Legal Education	12,020	210,171	236,174	236,174	(26,004)	185,160
Membership Benefits/Sp. Events	2,219	71,289	74,685	74,685	(3,395)	71,449
Bar Directory	-	-	6,000	6,000	(6,000)	-
Products & Services	164	19,683	28,071	28,071	(8,388)	10,020
<b>PROJECTS</b>						
Goal 1 (Organizational Struc.)	-	-	-	-	-	-
Goal 2 (Lawyer Competency)	516	1,121	2,800	2,800	(1,679)	2,183
Goal 3 (Minority in Profession)	-	7	800	800	(793)	7
Direct Admin Support-Member Proj.	636	8,730	8,105	8,105	625	21,943
Indirect Admin Support	5,782	63,698	68,800	68,800	(5,102)	61,737
Non-Personnel Administrative Support	7,202	89,266	95,044	95,044	(5,778)	100,608
<b>TOTAL MEMBER SERVICES</b>	<b>38,706</b>	<b>574,766</b>	<b>634,697</b>	<b>634,697</b>	<b>(59,931)</b>	<b>547,609</b>
<b>PUBLIC SERVICES</b>						
<b>PROGRAMS</b>						
Lawyer Referral Service	5,765	70,948	80,765	80,765	(9,817)	73,300
Communications/Public Rel.	4,062	49,665	54,214	54,214	(4,548)	46,715
<b>PROJECTS</b>						
Goal 6 (Judicial Admin.)	-	5,121	5,210	5,210	(89)	3,723
Direct Admin Support-Public Proj.	1,051	13,117	12,932	12,932	184	18,069
Indirect Admin Support	3,883	42,773	46,199	46,199	(3,426)	33,408
Non-Personnel Administrative Support	4,836	59,941	63,821	63,821	(3,880)	53,637
<b>TOTAL PUBLIC SERVICES</b>	<b>19,596</b>	<b>241,565</b>	<b>263,141</b>	<b>263,141</b>	<b>(21,576)</b>	<b>228,852</b>
<b>TOTAL EXPENSES</b>	<b>144,121</b>	<b>1,708,527</b>	<b>1,892,296</b>	<b>1,892,296</b>	<b>(183,769)</b>	<b>1,552,007</b>
NET INCOME(LOSS) before tax, capital&depr	(46,835)	273,132	91,759	91,759	181,373	427,392
<b>Provision for Taxes</b>						
Federal & State Income	-	-	-	-	-	-
Net Income After Taxes	(46,835)	273,132	91,759	91,759	181,373	427,392
Capital Exp (Mortgage principal, asset purchases, etc.)	(119,004)	(169,605)	(91,759)	(91,759)	(77,846)	(176,793)
Net Income after Tax & Capital Exp	(165,840)	103,527	0	0	103,527	250,599

Hawaii State Bar Association  
Statement of Assets, Liabilities and Net Assets  
December 31, 2019

Preliminary  
2/6/2020

ASSETS

Current Assets

Cash Held for Operations	\$2,018,767	
Cash Held for Others	1,635,854	
BOH Hawaiian Airlines	0	
BOH Family Law as of 12/31/18	16,539	
Investments-CD/Money Mkt as of 12/31/18	647,183	
Petty Cash/Misc.	389	
Total Current Assets		\$4,318,731

Other Assets

Building & Equipment	3,041,016	
Accumulated Depreciation as of 12/31/18	-1,107,581	
Total Building & Equip net Depr.		1,933,435

**Total Assets**

**\$6,252,166**

LIABILITIES

Current Liabilities

Office of Disciplinary Counsel	1,170,850	
Attorney & Judges Assistance Program	180,294	
Lawyers' Fund For Client Protection	165,668	
Volunteer Legal Services	88,503	
Hawaii State Bar Foundation	(15)	
County Bar/Specialty Bar Associations	30,554	
Federal/State Taxes	0	
Accrued Payroll	2,410	
HSBA Deferred Revenues	1,134,177	
Section Deferred Revenues	48,685	
Total Current Liabilities		\$2,821,125

Long-Term Liabilities

Acquisition Loan		790,000
Construction Buildout Loan		0
Total Long-Term Liabilities		790,000

**Total Liabilities**

**\$3,611,125**

Fund Balance (Net Assets)

Retained Earnings		2,641,040
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**Total Liabilities & Fund Balance**

**\$6,252,166**

## ***Keller* Notice**

Under *Keller v. California State Bar*, 110 S.Ct. 2228, 110 L.Ed.2d 1 (1990), the expenditure of mandatory bar dues for political or ideological purposes that are not "necessarily or reasonably incurred" for purposes germane to the purposes of the State Bar is not constitutionally permitted. The HSBA Board feels that the positions taken and unified funds expended this year were within the purposes of the HSBA, which include the improvement of the system of justice and its administration, and the enhancement of professional competence. Legislation is monitored, and proposed HSBA positions on bills are developed by volunteer attorneys. No dues money was expended on lobbying legislative bills, other than nominal amounts spent on staff support for submission of testimonies. Therefore, no dues rebate is being offered pursuant to *Keller*.

If you disagree and feel that the HSBA has expended mandatory dues money for purposes outside of the activities permitted by *Keller*, you may file an objection and seek a rebate of such portion of your dues as may be found to have been used for purposes not permitted under *Keller*, plus interest. Written objections to a particular position or political or ideological expenditure must be filed with the Executive Director within 45 days of publication of this notice. For detailed procedures on objecting to the use of dues, please refer to Article VI, Section 2 (Objections to Use of Dues) of the [HSBA Constitution and Bylaws](#).

March 19, 2020