



American College of Trial Lawyers

Treasurer's Report of Financial Highlights

For Fiscal Year Ending June 30, 2025

The following are the highlights of the College's financial affairs as of June 30, 2025, the end of our current fiscal year.

Statement of Financial Position

The College's Statement of Financial Position is, in essence, a balance sheet for a not-for-profit organization.

Here are the highlights as of the June 30, 2025, report:

Assets

- \$13,358,635 - up by \$215,645 from a year earlier. In reviewing the balance sheet, you will see that our cash balance is lower by \$1,397,933. This is a result of the timing of opening registration for the annual meetings. In 2024 registration opened at the end of June whereas in 2025 we didn't open registration until July. This lower cash balance was offset by the increase in our investment portfolio of \$1,197,880. This, along with minor changes in other asset categories, netted an increase in assets of \$215,645.
- Prepaid expenses include monies paid for planning future meetings and providing deposits, which will be captured in future budgets.

Liabilities

- \$2,367,688 - a decrease of \$312,236 from a year earlier. This is also due to the timing of receipt of annual meeting registration revenue.

Net Income after Investments

- \$527,882 - down from the previous year by \$858,214.

Net Assets

- \$10,990,947 - up by \$527,882 from a year earlier. Once again, this is due to increases in our investment portfolio.

Operations (Other Than National Meetings)

The College collects revenues from dues and other sources and expends monies in support of its mission. The Operations Budget is a report that shows the budgeted amount of anticipated revenues and expenditures for each month for the fiscal year and how actual revenues and expenditures are compared with budgeted numbers.

Here are the highlights from operations for the fiscal year ending June 30, 2025:

Operating Revenue for the Year

- \$3,525,025 (\$68,775 more than budgeted). Dues collection was 2% higher than budgeted. Interest income was over \$15,577 higher than budgeted.
- In one sense, the Operating Revenue figure is slightly misleading. The 2024-25 budget and the revenue figure above assumes a transfer of \$250,104 (4%) from our investment portfolio to our operations account to cover revenue shortfalls projected by the Long-Range Financial Planning Committee ("LRFPC") in May 2017.¹ The cash flow from College operations in FY 24-25 was such that we did not need to draw any money from the investment account, and the planned withdrawal amount remains in the Investment account.

Thus, our actual operating revenue for the fiscal year was \$3,274,921.

Operating Expenses

- Overall operating expenses were \$3,951,717 (\$340,308 less than budgeted).

Administrative Expenses

- \$1,961,039 (\$53,502 less than budgeted). Credit card fees were higher than budgeted, as were dues, subscriptions, supplies, printing, office expenses, telephone, professional fees and employee benefits and retirement. Rent,

¹ The LRFPC studied the financial affairs of the College, including membership trends, and recommended a plan to increase dues greater than necessary in the short run but required that the accumulated excess revenue be placed into an investment account. The plan contemplated that those "excess revenues" (and interest and dividends earned on monies in the investment account) would be used to meet the College's future financial needs given expected future revenue shortfalls secondary to the aging fellowship.

computer expenses, bank charges and depreciation expense was lower than budgeted, "saving" \$138,445.

Membership Expenses

- \$379,820, (\$89,010 less than budgeted). Induction expense was \$ 40,625 lower than budgeted and the new format of the Roster resulted in savings of \$27,685.

Committee Expenses

- \$504,939 (\$57,629 less than budgeted), with cost overruns for the National Trial Competition (29% over budget) and National Moot Court Competition (23% over budget). Both competitions celebrated milestone anniversaries, NMCC was 75 and NTC was 50 years. Money was saved on Honorary Fellowships and General Committee Expenses (40% below budget).

Meeting Expenses

- \$303,164 (\$52,697 lower than budget). The Leadership Workshop in Salt Lake City, Utah was 13% below budget.

Board of Regents and President's Expenses

- \$802,754 (\$87,471 below budget). The Annual Board Meeting expenses and President's expenses were 27% below budget.

Net Operations

- As indicated above, the financial reports show we budgeted for a loss of \$835,775 for the year but the actual loss was only \$426,692. The favorable result arose from an increase (\$68,775) over budgeted revenue and a decrease (\$340,308) in anticipated expenditures.

However, as noted previously in the Operating Revenue section, the amount of the surplus is slightly misleading because it assumes that we transferred \$250,104 in funds from our investment account. As noted above, the College's cash flow did not require that transfer, so (a) our actual loss from operations was \$676,796, and (b) our investment account is \$250,104 higher than it would have been had we transferred the funds.

Capital Expenditures

Our capital expenditure for the last fiscal year was very modest. However, the capital expenditure for FY 2025-26 will be more than \$200,000 because of necessary database updates, a total revamp of our website, and computer/furniture replacements and upgrades.

Spring and Annual Meeting Revenue and Expenses

Our national meetings serve an essential part of our mission but are not included in our normal operations budget. Registration and other fees are set so that each national meeting will break even.

2024 Annual Meeting – Nashville

- The meeting had the following numbers of attendees:
 - Full Pay – 439 attendees at \$1,200 per person
 - Spouse/Guest attendees – 327 attendees at \$600 per person
 - Judicial Fellows – 14 attendees at \$175 per person
 - Judicial Fellow Spouse/Guest – 11 attendees at \$175 per person
 - Public Service Fellows – 28 attendees at \$175 per person
 - Public Service Fellow Spouse/Guest – 21 attendees at \$175 per person
- Total revenues were \$1,114,690 (\$97,215 more than anticipated).
- Total expenses were \$1,062,849 (\$64,494 more than anticipated).
- Net income was \$51,841, which was \$32,721 more than anticipated.

2024 Spring Meeting - Maui

- The meeting had the following numbers of attendees:
 - Full Pay – 327 attendees at \$1,900 per person
 - Spouse/Guest attendees – 220 at \$825 per person
 - Judicial Fellows – 5 attendees at \$300 per person
 - Judicial Fellow Spouse/Guest – 3 attendees at \$300 per person
 - Public Service Fellows – 25 attendees at \$300 per person
 - Public Service Fellow Spouse/Guest – 21 attendees at \$300 per person
 - Honorary – 1 attendee at no charge
- Total revenues were \$1,237,933 (\$2,142 less than budgeted).
- Total expenses were \$1,414,367 (\$42,980 more than budgeted).
- Net loss was \$176,434, which was \$45,122 more than the anticipated loss of \$131,312.

Investment Account

The College's investment portfolio status is stated as of September 30, 2025. The College did not deposit additional principal or withdraw funds from the account in FY 2024-25. Figures are net of fees.

Total Assets and Changes in Value:

- Balance: \$12,219,156
- Return Year to Date: +11.20%
- Return Past Year: +12.76%
- Return Since Inception (04/20/2017): +9.79%

Asset Mix as of September 30, 2025

- Stock Mutual Funds (USA): 67.6%
- Fixed Income Products: 21.2%
- Cash: 11.2%

Transfers of Monies from Investment Account to Fund College Operations

- Excess revenues generated by the 2018 dues increase were placed in the investment account with the understanding that those monies will be available to help fund College operations in later years.
- Up to 4.0 % of the rolling five-year average of the balance of the investment account may be shifted to the College Operating Budget to fund current operations.
- The formula permitted the College to use \$250,109 to fund operations in FY 2024-25.
- The College's cash flow did not require it to use any of the available funds in FY 2024-25. (Indeed, it has never been necessary to access available funds.) Therefore, these monies remain in the investment account.
- The formula permits the College to use \$308,195 in investment account funds for operations in FY 2025-26, and the potential receipt of those funds is included in the budget for this year. The cash needs of the College will likely require an injection of funds from this account in late October or November 2025

Sincerely,

