

MISSOURI BAR FINANCES

The integrated Missouri Bar was created by Supreme Court Rule 7 in 1944. Supreme Court Rule 6 sets the bar fee and gives the Board of Governors the authority to fix the amount of the fee paid by each person licensed to practice law in this state. The fee set by the Board of Governors goes into affect unless the Supreme Court by order disapproves the same in whole or in part.

The current fee structure is as follows:

- Category 1 All persons licensed and not included in Category 2 and 3.
- Category 2 Persons licensed less than three years, except those admitted to the bar without examination.
- Category 3 Persons licensed but who neither reside, nor practice, nor are employed in this state

The fee for each category is as follows:

	Bar Fee	Advisory Committee	Total Annual Enrollment Fee
Category 1	\$157.00	\$68.00	\$225.00
Category 2	102.00	68.00	170.00
Category 3	72.00	68.00	140.00

In 2003, the Board of Governors authorized a \$20 increase in the bar fee that is passed directly through to the legal aid offices in Missouri to help provide legal services to the poor.

The current fee allocated for operation of The Missouri Bar was last increased in 1993 for the 1994 year and remains among the lowest in the country.

At the conclusion of 2005, The Missouri Bar will have operated 12 years without an increase in the fee allocated for its operations. The Missouri Bar budget anticipates revenue of approximately \$6.9 million for 2005. Of the budgeted revenues, approximately one-half is derived from bar dues. The second largest source of revenue, which is estimated to be \$2.5 million for this year, is from CLE activities. Other significant sources include meeting registration fees, grants and awards, advertising revenue from the *Journal of The Missouri Bar*, and investment income.

Budgeted expenses for the current year are expected to be approximately \$7.7 million. These funds are disbursed for programs and activities that have been authorized by the Board of Governors. For 2005, expenses of The Missouri Bar are expected to be approximately \$800,000 more than revenues.

The Missouri Bar expects to have approximately \$3.2 million in reserves at the conclusion of 2005. Since The Missouri Bar is at that point in the dues cycle when expenses exceed revenues, a dues increase will need to be considered in the near future if The Missouri Bar is to continue funding existing programs and projects. If reserves are depleted before a dues increase is authorized, then the increase will need to be significantly larger than if the dues are increased while significant reserves remain.

In the past, the Board of Governors has attempted to set dues so the bar could operate for approximately five years after the increase. When to adjust dues is regularly considered by the Finance Committee, which then makes a recommendation to the Board of Governors.

The annual budget of The Missouri Bar for the next calendar year is considered by the Finance Committee in the fall and is presented to the Board of Governors for their approval during the Board meeting concurrent with the Fall Committee Meetings.