

by Karen Denise Wilson

The WSBA is currently developing its FY17 budget and analyzing 2018-20 license fee options. In June, the Budget & Audit Committee reviewed the first draft budget and examined license fee options, which the Board of Governors will consider in July. Here is an overview of each.

FIRST DRAFT FY17 BUDGET

The WSBA budget is a policy document and management tool that allocates funds to fulfill our regulatory responsibilities, serve the public, and support nearly 38,000 legal professionals. Each year, we work to build a fiscally responsible budget designed to meet the needs of those we serve in a diverse, rapidly changing profession. We set budget parameters based on current and multi-year projections of revenues, expenses, and reserves.

The first draft FY17 budget assumes expenses of \$18.8 million supported by \$16.9 million in revenues, and, as anticipated, up to \$2 million in reserves.

FTE are reduced to 141.9 (the 2008-09 level). The draft budget includes modest investments in technology to increase our efficiency and enhance online resources for you. These include a redesign of www.wsba.org, introduction of a paperless accounts payable system, and updates or enhancements to the WSBA Admissions, Mandatory Continuing Legal Education, Discipline, and member management systems.

The budget continues to support all aspects of the disciplinary and disability system; licensing services; legal representation; communications and outreach; and WSBA operations. It enables us to provide you with member benefits and professional development opportunities such as the Ethics Line, Ethics School, Law Office Management Assistance Program, Lawyer Assistance Program, Mentorship Program, new and young lawyer training and leadership, and staff support to 850 WSBA volunteers. It supports the WSBA's efforts to advance diversity and equality in the legal profession. The budget also supports the Access to Justice Board and the WSBA's public service programs, including the Moderate Means Program, the Call to Duty Program, and

other pro and low bono initiatives.

SETTING LAWYER LICENSE FEES FOR 2018-20

License fees are the major source of funding for WSBA programs and operations. In 2017, they will support 70% of this work. Other revenue sources include investment and interest income; donations to the Washington State Bar Foundation; fees related to mandatory CLE, regulatory, and member services; pro hac vice fees; advertising and sponsorships; recovery of discipline costs; and reimbursement from sections.

In 2012, a license fee referendum reduced license fees from \$450 to \$325 (the 2001-02 license fee level) without regard to the actual cost of programs and services. We kept license fees at that level through 2015 by increasing operational efficiencies (e.g., reducing staff, expenses, and our footprint; reorganizing management; and changing how certain programs are administered), expanding non-license fee revenue, and making a deliberate decision to draw down the reserves, which had grown due to pre-referendum reductions based on efficiencies and member needs.

We also listened to member needs. On a reduced footprint, we introduced and enhanced needed programs while maintaining our regulatory systems to protect the public. Today, your WSBA membership gives you access to all this and more:

- Over 140 credit hours each year of free and low-cost CLE programs, webcast for your convenience
- Free help from our confidential Ethics Line
- Free employment tools, including the Job Seekers Group
- Free legal research on Casemaker, including expanded cite-checking ability
- Free mentorship resources
- Free law practice management guidance on technology, marketing, fir-



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I help individuals and businesses find the best resolution to their disputes with the IRS.

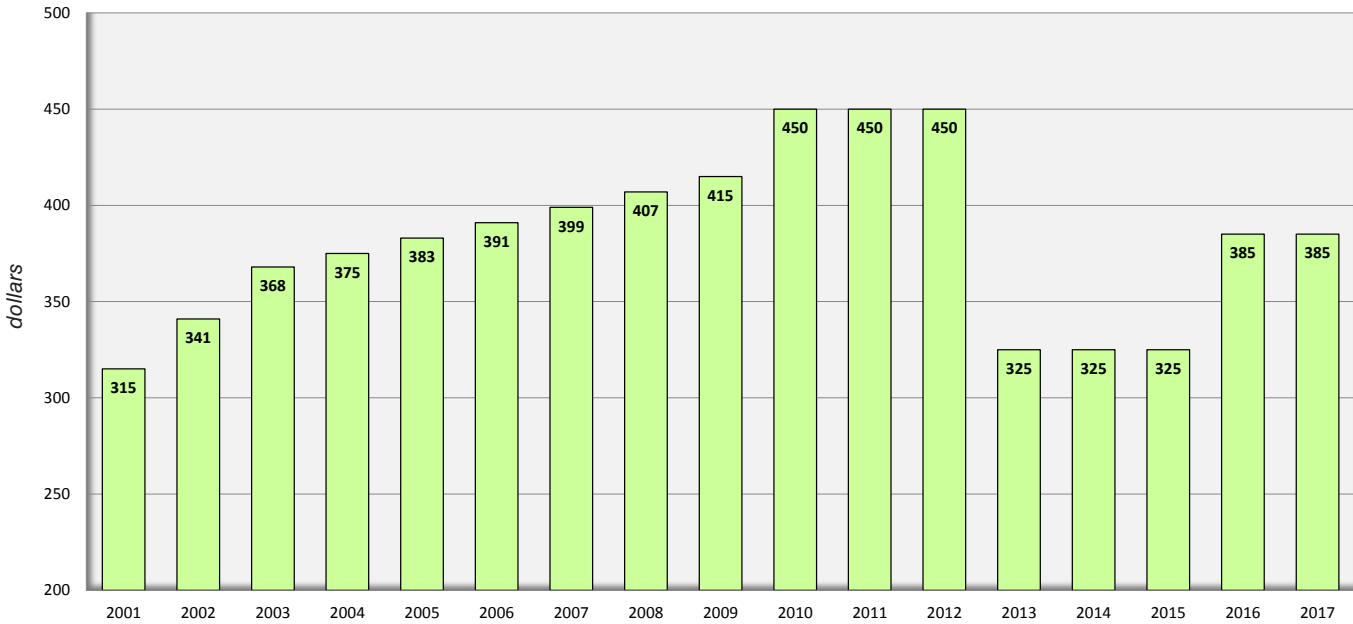
Masters of Laws (LL.M.) in Taxation

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WSBA License Fees: 2001-07



financial management, practice transition, and other areas, all designed to help you achieve and maintain a successful practice

- WSBA Connects, a 24/7 confidential, statewide wellness benefit to help you address issues related to mental health and addiction, career management, family, caregiving, daily living, health and well-being, and more
- Public service programs and training (such as Moderate Means and Call to Duty)
- Financial accommodations through the WSBA Hardship Option and Payment Plan
- Discounts on ABA publications and retirement plans; professional liability insurance; systems for billing, document management, file sharing, conflict check, cloud practice management, and merchant accounting; daily legal summary service; editing software; and live virtual receptionist services

To learn more about the scope and depth

of our work over the years, see the WSBA Context Chart found at <http://www.wsba.org/about-wsba>.

Last year, after considering the level of resources that would adequately support needed programming, examining the WSBA's reserves, and looking at the comparative total cost to practice in Washington as compared to other unified bars in the western United States, the Board raised 2016 and 2017 license fees to \$385. In doing so, the Board acknowledged that this increase would slow down — but would not stop — the need to draw down diminishing reserves to support WSBA programs and operations, and that license fees would need to increase in 2018.

As the Bar's fiduciaries, the Board must set license fees at a level that enables the WSBA to continue to meet our regulatory obligations, advance our mission, provide value to members at reasonable cost, and preserve a reasonable level of reserves. To continue to support our obligations to the public, to members, and to the profession, while maintaining a prudent level of reserves, the Board will consider models at

its July meeting that increase license fees for the period 2018–20. Proposed 2018 license fees range from \$434 to \$449 in 2018, \$453 in 2019, and \$458 in 2020.

As your treasurer, I am committed to fiscal stewardship and direct, transparent communication. I encourage you to contact me at bog@kdwilsonlaw.com if you have any thoughts or questions. **NWL**



At-large Governor **KAREN DENISE WILSON** joined the WSBA Board of Governors in October 2013. She was

appointed treasurer in October 2015. Wilson is a deputy public defender with the Skagit County Public Defender's office. She is a 2012 alumna of the Washington Leadership Institute and attended Tulane University Law School. She can be reached at bog@kdwilsonlaw.com.