

**TREASURER'S REPORT  
FOR THE MEETING OF THE BUSINESS LAW SECTION  
DECEMBER 7, 2023**

The Business Law Section of the State Bar (the "**Section**") operates on a fiscal year that runs from October 1 to September 30. The most recent financial information available for the Section is:

-- *Income Statement and Expense Detail Report* for one month ended October 2023 (**Appendix A**).

--*List of Approved Invoices* for October 2023 to present (**Appendix B**). Note: Appendix B is basically my personal notes of invoices that I approved. Normally, the state bar would provide a "trial balance" of expenditures during the period, but apparently it is currently going through an audit and could not provide that to me before I needed to complete this report.

You will note that the income statement indicates that the Section had \$261,154.93 on hand at end of October. This reflects the receipt of \$55,790 of Section dues (roughly half of the budgeted amount, but remember that this is only through the end of October) but does not include any expenses for the Business Law Institute, for which I am still awaiting final bills.

Also attached as **Appendix C** is the fiscal 2023-24 budget that the Section council approved at the October 2023 meeting. As you know, this budget projects a \$112,150 loss for the fiscal year. To try to address this shortfall, I have been working on some ideas discussed below.

**Dues Increase and/or Tiered Dues.** Although it obviously is too late to increase dues for the 2023-24 fiscal year, the Section council did discuss at the October meeting whether to increase dues in the future. No action was taken, but the council members did seem generally agreeable to this idea, especially given that our dues have not increased in many years and several other sections charge higher dues. If Section dues are increased from \$35 to, say, \$50, then the Section would have an extra \$50,000 or so of additional revenue in future years, assuming no attrition.

Another idea that was discussed is having tiered Section dues, that is, higher dues for members who want physical copies of the *Michigan Business Law Journal* (MBLJ). Darrin Day, Director of Outreach at the state bar, tells me that the bar is working on implementing new software that should make this possible. He indicated that he would know more in early December and I will report back what I learn.


**Michigan Business Law Journal.** As you know, the MBLJ is published three times a year. Printed copies of each issue are mailed to over 3,200 section members. The 2023-24 budget allocates \$75,000 to the MBLJ. The most recent bill from the printer (for the fall 2023 edition) was \$13,110.45. Together with ICLE's annual fee of \$33,344, this translates to roughly \$72,675 (assuming printing costs don't increase for the new few editions). While this is within the annual budget, it is still very high; the budget for the MBLJ in the 2022-23 fiscal year was only \$54,000.

I have asked Shaynie Feinauer at the printer, FP Horak, for ideas to reduce costs, such as printing on cheaper paper. She indicated that she should have some proposals soon and I will report on them later. I will also discuss them with ICLE and Brendan Cahill.

Nonetheless, the Section may want to consider other ideas, such as only publishing the MBLJ digitally (although that would contradict a passage in the recently approved Strategic Plan) or charging higher dues for members who want paper copies, as discussed above.

***Small Business Forum (also known as Privately Held Business Forum).*** This event will be held on February 8, 2024 at the Guardian Building in Detroit. The 2023-24 budget allocates \$10,000 to it. I understand from Mark Rossman that he continues to expect to be able to secure enough sponsorships so that the forum will not need more than \$10,000 from the Section.

***Lobbying Report Late Fees.*** One unexpected expense that happened in the two months that I have been Treasurer is that we had to pay \$1,302 in late fees for lobbying reports to the Michigan Bureau of Elections (\$870 for the summer 2023 form and \$432 for the summer 2022 form), despite my best (but ultimately unsuccessful) efforts to try to get the bureau to waive the late fees. Terri and I have discussed changing the section's procedures so that these reports will not be filed late in the future.



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Michael Molitor  
November 30, 2023

## **APPENDIX A**

State Bar of Michigan  
Parent Company : State Bar of Michigan : Sections  
**Sections Income Statement - Business Law**  
**Oct 2023**

Financial Row	Amount (Oct 2023)	Amount YTD (Oct 2023)	Last FY YTD (Oct 2022)
Income			
42768 - Business Law Institute	\$0.00	\$0.00	\$9,000.00
40085 - Section Affiliate Dues	\$70.00	\$70.00	\$70.00
40080 - Section Dues	\$55,790.00	\$55,790.00	\$55,265.00
42010 - Sponsorships	\$7,500.00	\$7,500.00	\$0.00
Total Income	\$63,360.00	\$63,360.00	\$64,335.00
Expenses			
65060 - Awards	\$1,350.00	\$1,350.00	\$2,975.00
67035 - Business Boot Camp	\$650.00	\$650.00	\$0.00
67065 - Community Support, Donations & Sponsorships	\$0.00	\$0.00	\$10,000.00
64010 - Postage	\$61.22	\$61.22	\$52.86
61200 - Travel	\$214.95	\$214.95	\$777.95
Total Expenses	\$2,276.17	\$2,276.17	\$13,805.81
Increase or Decrease in Net Position	\$61,083.83	\$61,083.83	\$50,529.19
Net Position, Beginning Of year	\$200,071.10	\$200,071.10	\$250,531.37
Net Position, End of Period	\$261,154.93	\$261,154.93	\$301,060.56

State Bar of Michigan  
Parent Company : State Bar of Michigan : Sections  
Business Law Section Expense Detail Report  
Oct 2023

Account	Date	Type	Document Number	Name	Memo	Description	Debit	Credit	Total Net Amount
60000 - Operating Expenses - Non-Labor							\$0.00	\$0.00	\$0.00
61200 - Travel							\$0.00	\$0.00	\$0.00
Total - 61200 - Travel	10/12/2023	Journal	JE1361		10/7/2023 travel	10/7/2023 travel	\$214.95	\$0.00	\$214.95
64010 - Postage							\$0.00	\$0.00	\$0.00
Total - 64010 - Postage	10/10/2023	Journal	JE1433		10/11/2023 postage	10/11/2023 postage	\$61.22	\$0.00	\$61.22
65060 - Awards							\$0.00	\$0.00	\$0.00
Total - 65060 - Awards	10/10/2023	Journal	JE1392		Nov 2023 BLS Schulman Award MBJ Advertising	Nov 2023 BLS Schulman Award MBJ Advertising	\$1,000.00	\$0.00	\$1,000.00
67035 - Business Boot Camp							\$350.00	\$0.00	\$350.00
Total - 67035 - Business Boot Camp	10/05/2023	Journal	JE1585		BLS Flyer Boot Camp	BLS Flyer Boot Camp	\$1,350.00	\$0.00	\$1,350.00
	10/01/2023	Journal	JE1748		October 2023 E Blast Expense	E Blast 10/5 Business Boot Camp i: Basic Training For Every Business Lawyer (sent to Young Lawyers Section)	\$400.00	\$0.00	\$400.00
	10/01/2023	Journal	JE1748		October 2023 E Blast Expense	E Blast 10/20 Reminder - Business Boot Camp i: Basic Training For Every Business Lawyer (only sent to RPLS and YLS)	\$150.00	\$0.00	\$150.00
Total - 60000 - Operating Expenses - Non-Labor							\$2,276.17	\$0.00	\$2,276.17

## APPENDIX B



## APPROVED INVOICES

[illegible]

NOTE: \$5,000 payment to Michigan Legislative Consultants in October 2023 was booked to FY23 as it was supposed to have been paid in FY22, but FY22 is closed, so FY23 was the next best thing.

## APPENDIX C



**Business Law Section of the State Bar of Michigan**  
**Draft 2024 Budget (October 1, 2023 - September 30, 2024)**

<b>Date</b>	<b>Fund Balance</b>	
9/30/2022		\$250,531.37
9/30/2023 (projected)	\$174,041.37	8/31/2023 (actual) \$ 208,815.90
9/30/2024 (projected)	\$61,891.37	

<b>Revenue</b>		<b>2023 Budget</b>	<b>2024 Budget</b>	<b>Variance</b>
1-7-99-325-1006	Business Law Institute Sponsorships	\$ 10,500.00	\$ 10,500.00	\$ -
1-7-99-325-1050	Business Law Section Dues	\$ 108,000.00	\$110,000	\$ 2,000.00
1-7-99-325-1055	Business Law Student/Affil Dues			
1-7-99-325-1125	Seminars	\$ 1,000.00	\$ -	\$ (1,000.00)
1-7-99-325-1130	Continuing Legal Education			
1-7-99-325-1135	Business Law Institute^			
1-7-99-325-1140	Business Boot Camp^	\$ 19,000.00	\$ -	\$ (19,000.00)
1-7-99-325-1240	Cmt - General			
1-7-99-325-1330	Subscription to Newsletter			
1-7-99-325-1400	Cmt - Commerical Litigation	\$ 2,000.00	\$ 2,000.00	\$ -
1-7-99-325-1401	Cmt - Corporate Laws	\$ -		
1-7-99-325-1402	Cmt - Debtor/Creditor Rights	\$ -		
1-7-99-325-1403	Cmt - Financial Institutions	\$ -		
1-7-99-325-1404	Cmt - In-House Counsel	\$ -		
1-7-99-325-1405	Cmt - Law Schools	\$ -		
1-7-99-325-1406	Cmt - Nonprofit Corporations	\$ -		
1-7-99-325-1407	Cmt - Regulation of Securities	\$ -		
1-7-99-325-1408	Cmt - Uniform Commercial Code	\$ -		
1-7-99-325-1409	Cmt - LLC & Partnership	\$ -	\$0.00	\$ 4,000.00
1-7-99-325-1410	Cmt - Ad Hoc Committees	\$ -		
1-7-99-325-1411	Privately Held Businesses Forum	\$ 1,000.00	\$ -	\$ 29,000.00
1-7-99-325-1935	Miscellaneous Income			
	<b>Total Revenue</b>	<b>\$ 141,500.00</b>	<b>\$ 122,500.00</b>	<b>\$ 15,000.00</b>

<b>Expenses</b>		<b>2023 Budget</b>	<b>2024 Budget*</b>	<b>Variance</b>
1-9-99-325-1111	Administrative**	\$ 19,900.00	\$ 14,000.00	\$ 4,100.00
1-9-99-325-1139	Legislation			
1-9-99-325-1145	ListServ	\$ 750.00	\$ 750.00	\$ -
1-9-99-325-1202	Continuing Legal Education Programs			
1-9-99-325-1276	Meetings - Section	\$ 3,500.00	\$ 3,500.00	\$ -
1-9-99-325-1278	Cmt - General			
1-9-99-325-1280	Business Boot Camp^^	\$ 33,000.00	\$ 39,250.00	\$ 6,250.00
1-9-99-325-1283	General Interest Seminars	\$ 3,000.00	\$ -	\$ (3,000.00)
1-9-99-325-1284	Business Law Institute^^	\$ 19,000.00	\$ 32,000.00	\$ 13,000.00
1-9-99-325-1297	Annual Meeting			
1-9-99-325-1339	Sponsorships	\$ 12,500.00	\$ 2,500.00	\$ (10,000.00)
1-9-99-325-1346	Access to Justice & Charities	\$ 10,000.00	\$ 7,500.00	\$ -
1-9-99-325-1400	Cmt - Commercial Litigation	\$ 3,000.00	\$ 4,000.00	\$ 1,000.00
1-9-99-325-1401	Cmt - Corporate Laws	\$ 5,000.00	\$ 5,000.00	\$ -
1-9-99-325-1402	Cmt - Debtor/Creditor Rights	\$ 2,500.00	\$ 2,000.00	\$ -
1-9-99-325-1403	Cmt - Financial Institutions		0	
1-9-99-325-1404	Cmt - In-House Counsel	\$ 4,500.00	\$ -	\$ (4,500.00)
1-9-99-325-1405	Cmt - Law Schools***	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00
1-9-99-325-1406	Cmt - Nonprofit Corporations	\$ 1,000.00	\$ -	
1-9-99-325-1407	Cmt - Regulation Securities		0	
1-9-99-325-1408	Cmt - Uniform Commerical Code		\$ 500.00	\$ 500.00
1-9-99-325-1409	Cmt - LLC & Partnership	\$ 5,000.00	\$ 6,000.00	\$ 10,000.00
1-9-99-325-1410	Cmt - Ad Hoc Committees	\$ 1,000.00	0	\$ (1,000.00)
1-9-99-325-1411	Cmt - Privately Held Businesses Forum	\$ 10,000.00	\$ 10,000.00	\$ 40,000.00

1-9-99-325-1458	Speaker Expense				
1-9-99-325-1493	Travel****		\$0.00	\$	3,250.00
1-9-99-325-1528	Telephone-Administration	\$ 1,200.00	\$ 2,400.00	\$	1,200.00
1-9-99-325-1549	Books & Subscriptions				
1-9-99-325-1689	Section Development*****	\$ 5,000.00	\$ 5,000.00	\$	5,000.00
1-9-99-325-1749	Awards	\$ 5,000.00	\$3,750.00	\$	(1,250.00)
1-9-99-325-1826	Copying				
1-9-99-325-1833	Newsletter	\$ 140.00	\$ 250.00	\$	110.00
1-9-99-325-1854	Business Law Journal	\$54,000.00	\$75,000.00	\$	21,000.00
1-9-99-325-1861	Printing				
1-9-99-325-1868	Postage		\$250.00	\$	250.00
1-9-99-325-1987	Miscellaneous	\$ 3,000.00	\$ 3,000.00	\$	-
1-9-99-325-xxxx	Business Courts Committee		\$2,000.00	\$	2,000.00
1-9-99-325-xxxx	Diversity & Inclusion	\$ 15,000.00	\$ 15,000.00	\$	-
	<b>Total Expenses</b>	\$ 217,990.00	\$ 234,650.00	\$	89,910.00
	<b>Net Income / (Loss)</b>	\$ (76,490.00)	\$ (112,150.00)	\$	(71,410.00)

\*As requested by committee chairs and largely without adjustment for anticipated revenue

\*\*Includes anticipated expenses for Section Administrator and Officer Training per the proposed Strategic Plan

\*\*\*Per proposed Strategic Plan

\*\*\*\*Includes Section Administrator travel plus expected cost to increase non-Detroit or GR attorney participation per Strategic Plan

\*\*\*\*\*Includes Communications and Development Directorship budget request and estimated data analysis cost per Strategic Plan

^Business Law Institute and Business Boot Camp revenue is netted against expense to determine the total due to ICLE for the event

^^Total anticipated expense after application of revenue