

FINANCE & AUDIT COMMITTEE (F&AC)

State Bar of Arizona
4201 N. 24th Street, Suite 100
Phoenix, Arizona 85016

March 25, 2021
3:00 p.m.
Telephonic Meeting

Minutes (Approved (TBD))

MEMBER ATTENDANCE:

P = present in person; T = present telephonically; A= absent.

T – Benjamin Taylor, Chair

T – David Rosenbaum, Vice Chair

T – Dave Byers

T – Lori Higuera

A – Kelsi Taylor Lane

A – Doreen McPaul

T – Sandra Etherton (Client Protection Fund Board Liaison/Non-voting F&AC member)

OTHER ATTENDEES:

State Bar Staff:

T - Joel England

T - Maret Vessella

T - Kathy Gerhart

T - Joe Hengemuehler

T – Deanna Commack

A - Lori Maxwell

T - Lisa Panahi

T – Lisa Deane

A – Carrie Sherman

T – Rachel Williams

T – Jessica Iennarella

Minutes taken by: Jessica Iennarella

I. CALL TO ORDER:

Called to Order by: Benjamin Taylor

Time: 3:01 p.m.

II. CALL TO THE PUBLIC:

Individuals addressing the Committee: None

Discussion: None

III. Action/Vote – Investment Subcommittee Update – Asset Allocation

Individual(s) addressing the Committee: Kathy Gerhart, Joel England, Michael Doyle & Jonathan Manfre of Vanguard

Discussion: Michael D. presented details of recommended asset allocation for SBA of 60% equities and 40% fixed income, including portfolio composition and related fees. Joel E. and Kathy G. also commented regarding benefit of recommended allocation. Investment Policy to be updated with assistance from Vanguard at a future date.

Motion/moved by: Dave B. motioned to approve investing SBA funds consistent with portfolio presented by Michael D.

Seconded by: Lori H.

Motion: Passed unanimously

IV. Action/Vote – Approve Meeting Minutes 1/21/2021 & 2/25/2021

Individual(s) addressing the Committee: Benjamin Taylor, Kathy Gerhart

Discussion: Kathy G. presented meeting minutes to be approved.

Motion/moved by: David R. motioned to approve the meeting minutes as presented for January 21, 2021 and February 25, 2021.

Seconded by: Dave B.

Motion: Passed unanimously

V. Action/Vote – 2024 Convention Overview

Individual(s) addressing the Committee: Lisa Deane

Discussion: Lisa D. presented regarding location options for 2024 Convention. Explained difficulty of obtaining comparative rates since SBA needs large quantity of meeting space but fills relatively small room block at venue. 2024 proposal from Sheraton Wild Horse Pass compared to 2021 contract. May have opportunity to apply portion of 2021 contract cancellation fee to deposit for 2024 event.

Motion/moved by: Dave B. motioned to approve SBA signing contract with Sheraton Wild Horse Pass for 2024 Convention.

Seconded by: Lori H.

Motion: Passed unanimously

VI. Discussion – 24th Street Leasing Update

Individual(s) addressing the Committee: Kathy Gerhart

Discussion: Kathy G. updated F&AC on potential new tenant for Ste 140. Negotiations in progress.

VII. Discussion – Annual Fees Payment Plan Research Update

Individual(s) addressing the Committee: Jessica Iennarella

Discussion: Jessica I. updated F&AC on progress made with evaluating a potential payment plan option for annual fees. Identified other mandatory bars of similar member size and budget who have implemented payment plan. No response from one bar. Call scheduled with the other to discuss questions regarding implementation and functionality of payment plan.

**I. Discussion – SBA Financial Information – January 2021 & February 2021
Financials, 4th Quarter 2020 Reports**

Individual(s) addressing the Committee: Kathy Gerhart

Discussion: Kathy updated F&AC on financials for January 2021 and February 2021, including discussion regarding anticipated timing differences versus permanent differences and update regarding collection of 2021 annual fees. Also reviewed 4th Quarter 2020 reports with F&AC.

Meeting adjourned by: Benjamin Taylor at 3:57 p.m.