

FINANCE & AUDIT COMMITTEE (F&AC)

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

March 24, 2022
3:00 p.m.
Telephonic Meeting

Minutes (Approved (9/22/22))

MEMBER ATTENDANCE:

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

T – David Rosenbaum, Chair

T – Kelsi Taylor Lane, Vice Chair

T – Dave Byers

T – Mignonne Hollis

A – Eric Ruchensky

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

A - Joe Hengemuehler

T – Deanna Commack

A - Lori Maxwell

T - Lisa Panahi

T – Roberta Tepper

A – Carrie Sherman

T – Rachel Williams

T – Jessica Iennarella

T – Nick Gustin

Minutes taken by: Jessica Iennarella

I. CALL TO ORDER:

Called to Order by: David Rosenbaum

Time: 3:01 p.m.

II. CALL TO THE PUBLIC:

Individuals addressing the Committee: None

Discussion: None

III. Action/Vote – Approval of Meeting Minutes – 2/24/2022

Individual(s) addressing the Committee: David Rosenbaum

Discussion: David R. presented the meeting minutes for February 24, 2022 for review and approval.

Motion/moved by: Dave B. motioned to approve the meeting minutes as presented.

Seconded by: Kelsi L.

Motion: Passed unanimously

IV. Discussion – Annual Payment Plan Update

Individual(s) addressing the Committee: Kathy Gerhart

Discussion: Kathy G. provided update regarding research into an annual payment plan – project is currently on hold due to staff bandwidth. Identified next steps for when research resumes.

V. Information – Vanguard Investment Performance Update

Individual(s) addressing the Committee: Kathy Gerhart

Discussion: Kathy G. provided February 2022 reserve fund balances with notes regarding performance, including current outlook as of mid-March 2022.

VI. Information – State Bar of Arizona December 2021 Year-End Financial Update

Individual(s) addressing the Committee: Jessica Iennarella

Discussion: Jessica I. provided updated high-level projections for 2021 year-end financial statements – anticipated surplus continuing to be around \$2.5 million. Compliance with ASC 606 continues to be largest remaining unknown.

VII. Information – State Bar of Arizona January & February 2022 Financial Update

Individual(s) addressing the Committee: Jessica Iennarella

Discussion: Jessica I. provided high-level projections for January and February 2022 financial statements. Anticipated deficit less than budgeted based on current information. Provided detailed annual fees update – current fees collection is less than prior years.

Meeting adjourned by: David Rosenbaum at 3:00 p.m.