

FINANCE & AUDIT COMMITTEE (F&AC)

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

September 30, 2021
3:00 p.m.
Telephonic Meeting

Minutes (Approved (TBD))

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)

T – Jennifer Rebolz (President – Board of Governors)

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 – Patricia Seguin

Minutes taken by: Jessica Iennarella

I. CALL TO ORDER:

Called to Order by: David Rosenbaum

Time: 3:00 p.m.

II. CALL TO THE PUBLIC:

Individuals addressing the Committee: None

Discussion: None

III. Presentation – Mayer Hoffman McCann P.C.

Individuals addressing the Committee: Allan Klose, CPA

Discussion: Allan K. presented the consolidated State Bar of Arizona and Client Protection Fund 2020 audited financial statements, including an overview of the audit process.

IV. Presentation – Lockton Companies

Individuals addressing the Committee: Andy Forsell

Discussion: Andy F. presented the proposed insurance renewal rates and related coverage for the policy period 2021-2022, including an overview of the insurance market.

V. Action/Vote – Approval of Meeting Minutes – 8/26/2021

Individual(s) addressing the Committee: David Rosenbaum

Discussion: David R. presented the meeting minutes from August 26, 2021 for review and approval.

Motion/moved by: Mignonne H. motioned to approve the meeting minutes as presented.

Seconded by: Kelsi L.

Motion: Passed unanimously

VI. Action/Vote – Contract Approval - Fastcase

Individual(s) addressing the Committee: Kathy Gerhart & Roberta Tepper

Discussion: Kathy G. discussed details of Fastcase services and renewal terms proposed, including rate information and duration of contract. Roberta T. provided additional insight on services provided by Fastcase.

Motion/moved by: Dave B. motioned to approval renewal of Fastcase contract as presented.

Seconded by: Mignonne H.

Motion: Passed unanimously

VII. Discussion – 2022 Budget Timeline - Update

Individual(s) addressing the Committee: Kathy Gerhart & Joel England

Discussion: Kathy G. & Joel E. provided an update regarding progress on 2022 budget development. On track to meet budget memorandum guidelines. First draft to be presented at October 14th F&AC meeting.

VIII. Information – August 2021 SBA Financial Statements

Individual(s) addressing the Committee: Kathy Gerhart & Jessica Iennarella

Discussion: Kathy G. & Jessica I. presented the financial statements for State Bar of Arizona for August 2021, including highlighting relevant projection information. Jennifer R. reminded F&AC of intention to evaluate establishment of third reserve given anticipated surplus for 2021.

IX. Information – Investment Update

Individual(s) addressing the Committee: Kathy Gerhart & Jessica Iennarella

Discussion: Jessica I. presented investment performance as of August 31, 2021. Kathy G. updated committee on need to have fourth quarter meeting of Investment Subcommittee to discuss policy updates. Kelsi L. volunteered to sit on Investment Subcommittee with Dave B.

X. Information – Find-A-Lawyer Discontinuation

Individual(s) addressing the Committee: Kathy Gerhart

Discussion: Kathy G. updated committee regarding Bar's decision to terminate relationship with Find-A-Lawyer and anticipation of issuing refunds to members whose membership periods are impacted.

Meeting adjourned by: David Rosenbaum at 4:21 p.m.