

FINANCE & AUDIT COMMITTEE (F&AC)

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

October 20, 2022
3:00 p.m.
Telephonic Meeting

Minutes (Approved (1/19/2023))

MEMBER ATTENDANCE:

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

T – Kelsi Lane, Chair

T – Sam Saks, Vice Chair

A – Dave Byers

T – Marcus Reinkensmeyer (Arizona Supreme Court Alternative Representative)

A – Denis Fitzgibbons

T – Mignonne Hollis

A – David Rosenbaum

T – Eric Ruchensky

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

T – Jessica Sanchez (President – Board of Governors)

T – Sandra Bensley (HR Subcommittee Chair)

OTHER ATTENDEES:

State Bar Staff:

T - Joel England

T - Maret Vessella

T - Kathy Gerhart

A - Joe Hengemuehler

T – Deanna Commack

T - Lori Maxwell

T - Lisa Panahi

T – Roberta Tepper

T – Carrie Sherman

T – Rachel Williams

T – Jessica Iennarella

Minutes taken by: Jessica Iennarella

I. CALL TO ORDER:

Called to Order by: Kelsi Lane

Time: 3:01 p.m.

II. CALL TO THE PUBLIC:

Individuals addressing the Committee: None

Discussion: None

III. Action/Vote – Approval of Meeting Minutes – 7/28/2022, 8/25/2022, 9/22/2022

Individual(s) addressing the Committee: Kathy Gerhart

Discussion: Kathy G. presented the meeting minutes for July 28, 2022, August 25, 2022 and September 22, 2022 for review and approval.

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

Seconded by: Eric R.

Motion: Passed unanimously

IV. Action/Vote – 2022 Sponsorship Request

Individual(s) addressing the Committee: Kathy Gerhart

Discussion: Kathy G. presented a request for a table sponsorship of the 2022 Los Abogados Gala on October 29, 2022, totaling \$3,000.

Motion/moved by: Marcus R. motioned to approve sponsorship as requested.

Seconded by: Mignonne H.

Motion: Passed unanimously

V. Action/Vote – 2023 Section Dues Decrease Request

Individual(s) addressing the Committee: Kathy Gerhart

Discussion: Kathy G. presented a request from the Alternative Dispute Resolution section to decrease annual membership fees from \$45 to \$35. Included update regarding current carryover balance, and comparison of section's current annual fee relative to other annual fees.

Motion/moved by: Marcus R. motioned to approve the annual section fee reduction for the Alternative Dispute Resolution section from \$45 to \$35.

Seconded by: Eric R.

Motion: Passed unanimously

VI. Discussion – HR Annual Compensation & Benefit Review

Individual(s) addressing the Committee: Sandra Bensley

Discussion: Sandra B. presented information reviewed by the HR Subcommittee with regards to the 2023 wages, merit pool and benefits. Joel E., Kathy G., and Rachel W. also highlighted various aspects of the package as approved by the HR Subcommittee.

VII. Discussion – 2023 Budget 1st Draft

Individual(s) addressing the Committee: Joel England, Jessica Iennarella

Discussion: Joel E. provided a high-level update to the Committee regarding the trends and plans considered in preparing the first draft of the 2023 budget. Jessica I. reviewed the 1st draft of the

budget in detail, including highlighting key areas which will be evaluated in detail prior to November. Also presented comparative data to 2022 projections.

VIII. Discussion – 24th Street Leasing Update

Individual(s) addressing the Committee: Kathy Gerhart

Discussion: Kathy G. discussed current leasing activity involving suites 140, 220 and 240.

IX. Information – State Bar of Arizona August 2022 Financial Update

Individual(s) addressing the Committee: Jessica Iennarella

Discussion: Jessica I. provided high-level projections for financial statements through August 2022. Actual surplus larger than budgeted based on current information, which is primarily being driven by higher than anticipated revenues.

X. Information – State Bar of Arizona Investment Performance Update

Individual(s) addressing the Committee: Kathy Gerhart

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

Meeting adjourned by: Kelsi Lane at 4:12 p.m.