

January 31, 2003

MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS

A regular meeting of the Board of Governors of the State Bar of Nevada was convened by President Gloria J. Sturman on January 31, 2003, at the Brewery Arts Center in Carson City, Nevada.

The following members were in attendance:

| | | |
|-------------------------|-----|-----------------|
| Gloria J. Sturman | ... | President |
| N. Patrick Flanagan III | ... | President-Elect |
| Ann Price McCarthy | ... | Vice President |
| Nancy L. Allf | | |
| Bruce T. Beesley | | |
| James W. Bradshaw | | |
| Vincent A. Consul | | |
| John A. Curtas | | |
| Kathleen J. England | | |
| Dara J. Goldsmith | | |
| Rew R. Goodenow | | |
| Richard Morgan | | |
| Bridget Robb Peck | | |
| John P. Schlegelmilch | | |
| Bill Turner | | |

STATE BAR STAFF:

Allen W. Kimbrough
Rob Bare
Christopher Boadt
Patrice Eichman
Marla Hockfeld
Marc Mersol
Audrey Bath

GUESTS:

Shawn Pearson
John P. Fowler

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1. **CALL TO ORDER AND INTRODUCTIONS**

The meeting was called to order by the President at 9:05 a.m. Ms. Sturman welcomed the members of the Board to Carson City and reminded them of the schedule for the day.

2. **APPROVAL OF MINUTES OF PRIOR MEETING OF BOARD OF GOVERNORS**

The minutes of the December 6, 2002, meeting of the Board of Governors were approved with one correction (“Baucam” should be “Baucum”).

3. **REPORT ON ACTIONS AND RECOMMENDATIONS OF OPERATIONS COMMITTEE**

The Board reviewed the minutes of the December 3, 2002, and January 8, 2003 meetings of the Operations Committee. All actions taken by the Committee were unanimously ratified by the Board, including the awarding of \$1200 (rather than the customary \$600) for the Eighth Judicial District’s investiture of six new judges, which was held on January 24.

4. **REPORT OF CONTROLLER**

Ms. Sturman expressed the Board’s appreciation to the department heads for their diligence in controlling expenses during 2002.

Controller Marc Mersol reviewed the preliminary year-end financial statements for 2002 with the Board and responded to questions. He additionally reported that the Nevada Bar Foundation (the State Bar’s 501(c)(3) affiliate) was now operating on GAAP standards and that a more streamlined ability to report on the Foundation’s financial picture was being developed.

The Board accepted the Controller’s report.

5. **REPORT ON MEMBER BENEFITS**

The Board reviewed the monthly report of Orgill-Singer, the agency handling the State Bar-endorsed health insurance plan. Ms. Peck, Chair of the Member Benefits Committee, encouraged Board members to suggest other areas in which a Bar-sponsored program would be useful to the membership.

6. **CONSIDER MATTERS RELATED TO MIDYEAR MEETING OF THE STATE BAR**

Mr. Goodenow, Chair of the Bar Leadership Forum Planning Committee, reported on the meeting to be held on Saturday,

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February 22, at the National Judicial College in Reno. There were some concerns expressed regarding the number of responses received to date from section and committee chairs and the Board was encouraged to contact the groups to which they are the Board Liaison.

7. **CONSIDER MATTERS RELATED TO ELECTION OF BOARD OF GOVERNORS**

The Board considered the proposed ADKT petition modifying the rules for election of the Board of Governors. The Board unanimously approved the ADKT and authorized the President to execute it on its behalf.

8. **REPORT OF YOUNG LAWYERS SECTION**

Shawn Pearson, Chair-Elect of the Young Lawyers Section, appeared on the sections' behalf. He presented the proposed YLS Budget for 2003 and responded to questions from the Board regarding various aspects thereof. It was suggested that there be a YLS Budget meeting set up between the Controller, Staff Liaison Marcia Stribling, YLS Budget Officer Sandy Turner, Mr. Goodenow, and the YLS Board Liaisons (Ms. England and President-Elect Flanagan). The Controller agreed to convene the group as soon as practicable.

9. **REPORT OF FAMILY LAW SECTION**

Vice President McCarthy, in her capacity as Chair of the Family Law Section, presented the Section's 2003 Budget, which was approved unanimously.

Ms. McCarthy also reported that the Family Law Practice Manual would be published soon and will sell for \$139 each.

10. **REPORT ON 75th ANNIVERSARY CELEBRATION (STATE BAR DIAMOND JUBILEE)**

Ms. Sturman reported on continuing plans regarding the celebration of the 75th Anniversary of the State Bar. She reported that Randall Jones of Las Vegas had agreed to serve as Underwriting Chair for the project and that planning for the commemorative book and video were proceeding apace. The Board was reminded that the gala dinners would be held on May 3 (Reno) and May 9 (Las Vegas). She also advised the Board that funds were being sought from the United States District Court's Attorneys Admission Fund to finance the video and commemorative publication.

The Board unanimously ratified the list of the "Silver State 75" as proposed by the Diamond Jubilee Committee. These deceased members of the State Bar will be featured in the commemorative publication in a series of vignettes.

11. **CONSIDER LEGISLATIVE PACKAGE OF BUSINESS LAW SECTION**

John P. Fowler of Reno, Chair of the Business Law Section, appeared before the Board to present the Section's proposed package of statutory revisions for approval before submission to the Legislature. The Board unanimously agreed to endorse the revisions suggested by the Section and authorized Mr. Fowler to forward them to the Assembly and Senate.

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Mr. Fowler was requested to appear at the upcoming Bar Leadership Forum to discuss with attendees the process used by his Section to seek statutory changes.

12. CONSIDER MATTERS RELATED TO SARBANES-OXLEY ACT OF 2002

The Board engaged in a lengthy discussion regarding the provisions of the SEC Rules implementing the Sarbanes-Oxley Act of 2002, some of which appear to impinge on the attorney-client privilege and invade the ethical provinces historically reserved to the States. Bar Counsel Rob Bare stated that certain of the Rules are in direct conflict with SCR 162.

The Board agreed that a letter should be written to M. Peter Moser, chair of the ABA committee monitoring the new SEC Rules, expressing the opposition of the State Bar of Nevada to any administrative regulations which interfere with the ability of a state Supreme Court to regulate that practice of law within its borders and expressing special concerns regarding the apparent impingement of the attorney-client privilege by the SEC Rules.

13. CONSIDER APPOINTMENTS TO FEE DISPUTE ARBITRATION COMMITTEE

The Board reappointed the following attorneys and lay members to three-year terms on the Las Vegas Panel A of the Fee Dispute Arbitration Committee with the new expiration dates shown:

| | |
|------------------------------|---------------|
| Robert Apple | December 2005 |
| Trevor Atkin | December 2002 |
| Alan Buttell | May 2004 |
| Philip Dabney | October 2005 |
| Paul Larsen | March 2004 |
| Rea Melanson (lay member) | October 2004 |
| Edward R. Miley | March 2004 |
| Michael S. Rowe | May 2003 |
| Michael Sanders (lay member) | March 2005 |
| Richard Warren | October 2005 |

Luke Puschnig was reappointed as Chair of Las Vegas Panel A for a one-year term expiring August 2003.

The Board reappointed the following attorneys and lay members to three-year terms on the Las Vegas Panel B of the Fee Dispute Arbitration Committee with the new expiration dates shown:

| | |
|------------------|---------------|
| Michael Bohn | March 2004 |
| Robert Cottle | December 2005 |
| Eric Dobberstein | March 2004 |

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| | |
|------------------------------|---------------|
| Robert Ebinger | October 2005 |
| Fran Evans (lay member) | May 2004 |
| Kurt Faux | October 2005 |
| Morton Friedlander | December 2005 |
| Robert Gerard | January 2005 |
| Halina Jones | January 2005 |
| Lynn Kirsch | December 2005 |
| Patrick McKnight | March 2004 |
| Archie McRimmon (lay member) | January 2005 |
| Howard Miller | March 2004 |
| Irene Navis (lay member) | June 2005 |
| Matthew Peirce | June 2004 |
| Victor Perri | March 2004 |
| Brad Peterson (lay member) | May 2004 |
| E. Paul Richitt | October 2005 |
| Lawrence Rouse | October 2005 |
| Mark Solomon (lay member) | May 2004 |
| Thomas Tanksley | October 2005 |
| Robert Tarte | December 2005 |
| Charles Tucker (lay member) | May 2005 |
| Michael Villani | January 2005 |

Richard Scotti was reappointed as Chair of Las Vegas Panel B for a one-year term expiring April, 2003.

The Board reappointed the following attorneys and lay members to three-year terms on the Reno Panel of the Fee Dispute Arbitration Committee with the new expiration dates shown:

| | |
|----------------------------------|--------------|
| Blaine Cartlidge | May 2005 |
| Martin Crowley | May 2005 |
| David Dekay (lay member) | October 2005 |
| Gila Dekay (lay member) | October 2005 |
| Nicholas F. Frey | October 2005 |
| Susan Gaub (lay member) | June 2002 |
| Michael Langton | May 2005 |
| James Laughton, Jr. (lay member) | October 2005 |
| Margaret Manes | May 2005 |
| David Morris (lay member) | October 2005 |
| Kathleen T. Price | May 2005 |
| Sandra O. Wilson | October 2005 |

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Jarold Young

October 2005

John C. Hope was reappointed Chair of the Reno Panel for a one-year term expiring in August 2003.

Jeffrey J. Kump was reappointed as Chair of the Rural Panel for a term to expire in March 2004.

The Board made the following new appointments to the Panels indicated for three-year terms expiring in January 2005:

| | |
|------------------|-------------------|
| Kimberly Feldman | Las Vegas Panel A |
| James Rankl | Carson City Panel |
| David Loreman | Rural Panel |

14. CONSIDER APPOINTMENT TO CLIENT SECURITY FUND COMMITTEE

Ms. Goldsmith advised the Board that she was resigning as a member of the Client Security Fund Committee and recommended that the committee needed a probate lawyer in order to pursue claims. The Board expressed its appreciation to Ms. Goldsmith for her service on the committee.

Kari Oakes was appointed (with Ms. Goldsmith abstaining) to fill the vacancy on the committee for a three-year term expiring January 2005. A motion to reconsider this appointment failed on a divided vote.

15. CONSIDER FUNDING REQUEST FOR NATIONAL CLIENT PROTECTION ORGANIZATION MEETING

The Board approved a \$500 appropriation for the upcoming meeting in Las Vegas of the National Client Protection Organization, in which staff member Georgia Taylor is active.

16. CONSIDER REVISIONS TO SCR 199.1 (REGISTRATION OF MUTLI-STATE LAW FIRMS)

The Board approved an ADKT petition requesting clarifications to SCR 199.1 to make clear the intent of the drafters regarding certain administrative issues. The President was authorized to execute the ADKT on the Board's behalf.

17. REPORT OF BAR COUNSEL

Mr. Bare reported to the Board on various matters of interest. In Executive Session, he briefed the Board on the status of litigation pending against his office and/or the State Bar.

18. REPORT OF EXECUTIVE DIRECTOR

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Executive Director Allen Kimbrough gave an oral report to the Board in supplementation of his written report and responded to questions.

19. **REPORT OF PRESIDENT-ELECT**

Mr. Flanagan reported to the Board on preliminary plans for the 2004 Annual Meeting of the State Bar, to be held in Coronado, California. He also encouraged members of the Board to participate in the legal and cultural exchange program to Ireland in October 2003.

20. **REPORT OF PRESIDENT**

With respect to the 2003 Annual Meeting, Mr. Boadt advised the Board on various aspects of the planning underway for the convention.

At the President's request, the Board unanimously approved the Budget for the 2003 Annual Meeting as presented.

The Board also agreed unanimously to limit the amount of reimbursement for the Annual Meeting to members of the Board of Governors to a flat \$500.

21. **INFORMATIONAL ITEMS**

The Board reviewed various materials provided, including a preview of the upcoming ABA Midyear Meeting in Seattle. Dean Richard Morgan advised the Board that the vote to fully accredit the Boyd School of Law would be held in the ABA House of Delegates during this meeting and that all signs were favorable for its passage.

22. **ADJOURNMENT**

There being no further business, the meeting was adjourned at 11:48 a.m.

Respectfully submitted,

Gloria J. Sturman
President

Allen W. Kimbrough
Executive Director