

**December 8, 2005**

**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 on December 8, 2005, at the State Bar Center in Las Vegas, Nevada.

The following members were in attendance:

|                      |     |                          |                |
|----------------------|-----|--------------------------|----------------|
| Vincent A. Consul    | ... | President                |                |
| Rew R. Goodenow      | ..  | President-Elect          |                |
| Nancy L. Alf         | ... | Vice President           |                |
| Ann Price McCarthy   | ... | Immediate Past President |                |
| Constance L. Akridge |     |                          |                |
| Bruce T. Beesley     |     |                          | (by telephone) |
| James Bradshaw       |     |                          |                |
| Michael Buchanan     |     |                          |                |
| Kathleen J. England  |     |                          |                |
| Cam Ferenbach        |     |                          |                |
| Francis Flaherty     |     |                          |                |
| Dara J. Goldsmith    |     |                          |                |
| Gregory J. Kamer     |     |                          | (by telephone) |
| Bradley L. Kenny     |     |                          |                |
| Richard Morgan       |     |                          |                |
| Bridget Robb Peck    |     |                          |                |
| William C. Turner    |     |                          |                |
| Robert W. Witek      |     |                          |                |

**STATE BAR STAFF PRESENT:**

Allen W. Kimbrough  
Rob Bare  
Marc Mersol  
Georgia Taylor

**GUESTS PRESENT:**

David Amesbury  
Laurie Diefenbach  
Nancy Downey  
Jennifer Sloan Hilsabeck  
Mark Hinueber

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A. D. Hopkins  
Thomas Mitchell  
John Shook

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**1. CALL TO ORDER AND INTRODUCTIONS**

The meeting was called to order by the President at 9:35 a.m. and a quorum was declared. Mr. Consul welcomed the Board to the meeting and reviewed the schedule for the day.

**2. CONSENT ITEMS**

The Board agreed that the following items should be removed from the list of Consent Items: 2 and 11. The remainder of the Consent Items were accepted or approved unanimously, as follows:

3. Report of Director of Finance and Information Systems

4. Report of Young Lawyers Section

5. Appointments to Disciplinary Boards

No appointments were required at this time.

6. Appointments to Fee Dispute Arbitration Committee

- Reappointments for terms ending December 2008:

|                        |                   |
|------------------------|-------------------|
| Robert M. Apple        | Las Vegas Panel A |
| Trevor L. Atkin        | Las Vegas Panel A |
| Morton Friedlander     | Las Vegas Panel A |
| Lynn Kirsch            | Las Vegas Panel B |
| Robert D. Tarte        | Las Vegas Panel B |
| William "Brad" Bennett | Las Vegas Panel C |

- David F. Sarnowski was appointed the Carson City Panel for a term ending December 2008.

7. Appointment to Ethics and Professional Responsibility Committee

Jedidiah Bodger of Reno was appointed to the Committee for a term ending December 2008

8. Appointments to Lawyer Referral and Information Service Committee

- Reappointments for terms ending December 2008: Kendall Sue Bird, Susan M. Sherrod, both of Las Vegas.

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9. Report of Director of Admissions
10. Report of Director of Bar Services
12. Report of Midyear Meeting Committee

Item 2 (Minutes of October 19, 2005 Meeting).

- The entry on page 3 of the Minutes regarding Herb Michel was discussed but no changes were made
- In section 6, the first phrase of the third paragraph should read: "The Board approved marketing of the following insurance programs to the members of the State Bar:"

With those comments and revisions the Minutes were approved unanimously.

Item 11 (Report of Director of Operations and Education)

The Board noted the absence of a written report in the Agenda Book. It was explained that there was no formal report, but that issues relating to the operations of the State Bar would be covered in a subsequent agenda item.

**3. CONSIDER REPORT OF COMPENSATION AND PERSONNEL COMMITTEE**

Based on the recommendations of the Committee, the Board approved a 3% cost of living adjustment for all State Bar staff effective January 1, 2006 and a merit pool of either 3% (if the dues increase is granted) or 2% (if it is not).

A brief discussion was held regarding potential revisions to staff leave policies which are being reviewed by the Committee.

**4. CONSIDER REPORT OF FINANCE COMMITTEE**

Vice President Alf presented the report of the Committee to the Board and the proposed alternative 2006 Operating Budgets for the State Bar (one based on the increase in dues, the other without such increase). The Director of Finance and the Executive Director responded to questions and outlined the contents of the Budgets.

Upon motion made and seconded, the Board unanimously approved the

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alternative budgets subject to the granting of the dues increase and affirming the Board's desire for a five-year dues cycle.

**5. CONSIDER REPAIRS AND RENOVATIONS TO LAS VEGAS OFFICE**

The Executive Director discussed with the Board the need for new wallcovering in the office due both to wear and tear and also the recent water intrusion resulting from roof repairs and presented a proposal for new wallpaper at an approximate cost of \$40,000. The Board discussed whether or not wallpaper was the proper medium or whether paint should be considered.

Upon motion made and seconded, the Board unanimously approved an amendment to the 2006 Operating Budget for Las Vegas Capital Improvements of \$40,000, and appointed a committee composed of Ms. Goldsmith (chair), Ms. Akridge, and Mr. Turner to consult with State Bar staff as needed on this project.

There was also a discussion regarding the need to create a "set aside" for needed major repairs.

**6. REPORT OF YOUNG LAWYERS SECTION**

Following its removal from the Consent Items, the Board received an oral and written report from Jennifer Sloan Hilsabeck, Chair-Elect of the Young Lawyers Section and responded to questions regarding the section's budget for 2006.

**7. CONSIDER CLARK COUNTY JUDICIAL EVALUATION POLL**

The Board was joined by representatives of the *Las Vegas Review-Journal* (Thomas Mitchell, A. D. Hopkins, Mark Hineuber) and its outside research consultant Nancy Downey to discuss the newspaper's request for access to the State Bar's membership data.

The Board engaged in an extensive dialogue with the guests regarding the judicial evaluation poll, its publication, and the manner of gathering data.

The Board returned to this subject following Item 13 below. A motion to sell the membership mailing list to the *Review-Journal* subject to their written agreement to only use the list once and to not use the name of the State Bar in conjunction with the poll was approved by a vote of 11-0 with Ms. Alf abstaining. A proffered amendment to require in the written agreement that the survey would not solicit comments or quotes was defeated by a vote of 3-9.

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**8. CONSIDER APPOINTMENTS TO SUPREME COURT TASK FORCE ON COURT SECURITY**

The Board appointed Terry Rankin of Carson City and John Paul Schlegelmilch of Yerington to the newly-formed Task Force.

**9. CONSIDER MATTERS RELATED TO CLIENTS' SECURITY FUND**

The Board was joined by representatives of the Client's Security Fund Committee (David Amesbury, Chair, Laurie Diefenbach, and John Shook) and by its Coordinator, Georgia Taylor.

The Board was advised that the total available funds for potential distribution to applicants was \$103,000 and that such amount was not sufficient to make proper restitution to this year's claimants, due to the large defalcations of Lawrence Davidson and Robert Knott. The Committee presented three possible scenarios for dealing with the claim: (1) waive the limit of \$25,000 per attorney as to Davidson and Knott, (2) waive the limit of \$25,000 per attorney as to Davidson only, or (3) pay the claims per the current rules of procedure for a total of approximately \$88,000. In scenarios 1 and 2, an infusion of roughly \$50,000 would be required from general revenues to meet the suggested payouts.

After lengthy discussion, the Board denied any supplemental funding for 2005 by a vote of 6-7 (the President voting no). A motion to permit the Committee to allocate all of the \$103,000 available to 2005 claimants and a suspension of the \$25,000 per attorney limit was approved by a vote of 7-5.

**10. CONSIDER MATTERS RELATED TO NEVADA LAWYER**

Vice President Alf briefed the Board on various matters related to the State Bar's magazine, including her increased role as liaison, revitalization of the Editorial Board. She also asked for input from the Board as changes are made to the magazine under its new Editor, Audrey Bath.

Consideration of a new disclaimer for the magazine (as discussed at the October 19 meeting) was deferred until the Editorial Board could review it and provide comments.

**11. CONSIDER MATTERS RELATED TO LEGAL ASSISTANTS DIVISION**

A request to carry over 2005 section funds to 2006 was denied by the Board

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with two members dissenting.

**12. CONSIDER MATTERS RELATED TO GAMING LAW SECTION**

The Board denied a request from the Gaming Law Section (with one member dissenting) that the costs of the Section's last newsletter for 2005 be paid from general revenues, as there were section funds available for such purpose.

**13. CONSIDER SUSPENSION OF MEMBERS FOR NON-PAYMENT OF DUES**

The Board suspended Marjorie M. Alvord and Elliott Arthur Sattler for non-payment of dues and penalties owed to the State Bar.

**14. REPORT OF BAR COUNSEL**

Mr. Bare reported to the Board on various matters of interest, including the need for lay members on the Northern Nevada Board, the indictment of Lawrence Davidson, and upcoming CLE programs.

In Executive Session, the Board and Mr. Bare discussed current pending and threatened litigation against the State Bar.

**15. REPORT OF EXECUTIVE DIRECTOR**

Mr. Kimbrough responded to questions in supplementation of his written report.

**16. REPORT OF THE PRESIDENT**

Mr. Consul discussed with the Board the issue of endorsement of judicial candidates by State Bar leadership. Further discussion of this matter was postponed to the January 25, 2006 meeting.

The Board approved Mr. Consul's proposed settlement with Kevin Sewell regarding Mr. Sewell's unpaid bar dues.

**17. ANNUAL REVIEW OF EXECUTIVE DIRECTOR**

In Executive Session the Board considered the recommendations of the Officers Committee regarding the annual review of Mr. Kimbrough and his compensation package for 2006. The Board then established the compensation

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package as modified.

**18. ADJOURNMENT**

The meeting was adjourned at 4:40 p.m.

Respectfully submitted,

Vincent A. Consul  
President

Allen W. Kimbrough  
Executive Director