

MINUTES
HAWAII STATE BAR ASSOCIATION
BOARD MEETING

1100 Alakea Street, Suite 1000
Honolulu, HI 96813

Friday, October 26, 2012

1. **CALL TO ORDER**

President Carol Muranaka called the meeting to order at 11:32 a.m. with a quorum present. The following persons were present for all or part of the meeting:

Officers Present

Carol Muranaka
Craig Wagnild
Calvin Young
Ronette Kawakami (by phone)
Jodi Kimura Yi

Directors Present

Nadine Ando
Russ Awakuni
Steven Chow
Vladimir Devens
David Farmer
Rhonda Griswold
Geraldine Hasegawa
Carol Kitaoka
Derek Kobayashi
Laurel Loo
Gregory Markham
Timothy McNulty
Mark Murakami
Alika Piper
Suzanne Terada (by phone)

Board Members Absent

John Roth

Others Present

James Kawachika
Sheri Tomishima
Deana Awa

HSBA Staff

Patricia Mau-Shimizu
Iris Ito
Debra White
Levi Ho'okano

2. **APPROVAL OF MINUTES** - A motion was made, seconded, and carried without opposition to approve the minutes of the September 20, 2012 board meeting. It was noted that the November 15, 2012 board meeting will start at 10:30 a.m.
3. **NEW BUSINESS** - due to the presence of guests, this item was taken out of order.

- a. **Review of Form 990** - Sheri Tomishima of Tomishima & Fukuhara CPA, Inc., independent auditor of the 2011 HSBA financials, presented highlights of the auditor's report. Deana Awa of KMH LLP, HSBA's tax return consultant, reviewed the Tax Form 990 which will be filed by November 15, 2012.

A revision to question 5 of Tax Form 990 page 3 relating to organization dues and lobbying activities was requested. The original response of "no" was changed to "yes" to reflect the HSBA's 2011 position on legislation regarding court fees collected for the benefit of nonprofit legal service providers who provide services for the indigent, poor and other disadvantaged individuals. While HSBA staff assisted in the preparation and delivery of comments to the Legislature, no direct lobbying expenses were incurred.

4. **UNFINISHED BUSINESS**

- a. **Goal Groups Project (Goal 6) for 2013**

Action taken: A motion was made and seconded to adopt the recommendation of the Finance and Executive Committees to increase amount of the Bench-Bar Conference to \$5,000 and approve the Neighbor Island Oral Argument project in the amount of \$1,300 for the 2013 budget. The motion and second was withdrawn after Maui Director Timothy McNulty explained that the costs will likely be more than the \$1,300 anticipated if the Hawaii Supreme Court decides to hold more oral arguments on the neighbor islands next year.

A motion was made, seconded, and carried without opposition to increase the amount in the 2013 budget for the Bench-Bar Conference to \$5,000 and to approve a request for the Neighbor Island Oral Argument project in the amount of \$5,000.

- b. **Proposed 2013 Budgets of HSBA Sections**

Action taken: A motion was made, seconded, and carried without opposition to adopt the Executive Committee's recommendation to approve the proposed 2013 budgets for HSBA Sections.

5. **TREASURER'S REPORT** - Treasurer Jodi Kimura Yi reported that as of September 30, 2012, the HSBA was approximately \$593,000 ahead of budget.

6. **UNFINISHED BUSINESS** (continued)

c. **Proposed 2013 HSBA Operating Budget**

Action taken: A motion was made and seconded to approve the proposed 2013 HSBA operating budget.

Board members discussed the budget and the budget process at length. Comments and issues raised:

- The level of Board participation during the budget preparation and review process, and the roles of the Finance and Executive Committees.
- The need for a better understanding of the general reserves and special reserves policies and Board Policy Manual Section 8.4 G.
- The desire to keep the dues and fees collected by the HSBA for HSBA operations reasonable and stable during difficult economic periods.
- The rationale for the proposed \$2 increase in processing fees.

Recommendations to improve the preparation process for the HSBA operating budget:

- Consider convening a special Board meeting for the review and approval of the HSBA operating budget.
- Undertake an in-depth discussion and analysis of the HSBA general and special reserves policy prior to the 2014 budget preparation.

The main motion was amended to approve the proposed budget excluding the additional \$2 in processing fees. This motion was seconded and carried without opposition.

7. **NEW BUSINESS** (continued)

- b. **Disclosure of HSBA Board Election Results** - Board members discussed the pros and cons of disclosing the election results to candidates and/or to all members.

Action taken: A motion was made, seconded, and carried by a vote of 17 to 2 to adopt the Executive Committee's recommendation to disclose the vote count, upon request by the candidate, for each particular race in the HSBA Board election.

- *c. **Supreme Court Oral Argument on Maui** - Director Timothy McNulty requested funds from the 2012 HSBA budget to defray expenses for student participation at the Neighbor Island Oral Argument on Maui in December. He noted that the initial request of \$3,000 would not cover additional expenses recently brought to his attention.

Action taken: A motion was made, seconded, and carried without opposition to approve a request for \$4,000 from the 2012 HSBA budget for the Neighbor Island Oral Arguments project to pay for transportation expenses and refreshments for Maui high school students to participate in the December 6, 2012 event at Baldwin High School.

*d. **Proposed State Constitutional Amendment**

Action taken: A motion was made, seconded, and carried without opposition to take no position on the proposed state constitutional amendment to allow the Chief Justice authority to appoint retired judges over the age of 70 for three-month interim bench appointments.

*Addendum to Agenda

8. **ADJOURNMENT**

The meeting adjourned at 1:41 p.m.

Submitted by:



Patricia Mau-Shimizu
HSBA Executive Director

Approved by:



Ronette M. Kawakami
HSBA Secretary