

Executive Director's Message

by Karen A. Gould



Making Progress on Relocation

AS YOU KNOW, the Virginia State Bar must leave its offices at 707 E. Main St. by next April. We're making progress on finding a new home.

A request for proposals was posted in April seeking proposals from commercial real estate firms to represent the VSB. We received several that were excellent. After interviewing the top candidates, CB Richard Ellis (CBRE), a licensed real estate brokerage firm with extensive experience in commercial real estate in downtown Richmond, was chosen.

CBRE posted an RFP on May 15, 2013, with responses due by May 29. Prospective landlords responded to a detailed questionnaire about their available office space, including such factors as lease term, square footage, which floors are available, number and location of parking spaces, availability of a large conference room, tenant improvement allowance, and moving allowance. Tours were arranged for the following week of those we rated the highest. The tours helped narrow the field down to the serious contenders.

We concentrated our search to the downtown Richmond central business district. We need to stay as near as possible to our current location. Every month we use the courtrooms in the State Corporation Commission, the General Assembly building, or the federal courthouse. Our staff walks to those courtrooms. We also prefer to remain near the Supreme Court and the General Assembly.

We rated the buildings on a matrix that included economics, location, parking, security, and access. We will chose several to do "fit plans" to see how our space needs fit within the buildings' configuration. After we make a tentative selection of the building, the broker will commence lease negotiations. We hope to be able to make an announcement on the new VSB home in the fall of 2013.

Our current lease was extended to April 30, 2014. According to the different brokers we spoke with, we are on a tight schedule. Our target date to move is April 1.

Update on Alps, the Bar's Endorsed LPL Carrier

ALPS Property & Casualty Insurance Company is the VSB's endorsed lawyers' professional liability carrier, a position it has held since October 2000. ALPS has an A.M. Best financial strength rating of A- (Excellent). In June 2012, ALPS notified the VSB that while its financial strength rating had been reaffirmed by Best at A- (Excellent), its outlook had been changed from Stable to Negative. On May 28, 2013, ALPS notified us that A.M. Best again revised its ALPS outlook, this time from Negative to Stable. The A.M. Best press release noted that the designation comes "on the heels of a record-breaking year for ALPS, with 2012 recording the highest policyholder surplus in company history," \$34.4 million.

In 2012 year-end results, ALPS reported a net combined ratio of 96.10 percent overall with the Virginia book at 99.66 percent. Of its total 12,643 insured, 3,405 were Virginia attorneys as of December 31, 2012. Claims frequency in 2012 was 4.88 percent in Virginia, compared to 4.04 percent overall. Gross written premium from the Virginia book was \$8,952,606, and overall was \$40,497,693. Net written premium from Virginia was \$6,159,085, and overall was \$27,861,019.

ALPS continues to move forward with plans to relinquish its Risk Retention Group status and become an admitted carrier in all states in which it does business. In consultation with the Virginia State Corporation Commission, it withdrew its Virginia application in February, but plans to re-file later this year after the completion of a triennial financial examination. Acceptance of ALPS as an admitted carrier in Virginia will require it to be part of the Virginia Guarantee Fund.

On the risk management front, pursuant to its endorsement agreement with the VSB, ALPS contributed 3 percent of its Virginia gross written premium in 2012, or \$233,000, to support a variety of VSB risk management activities. Those dollars, administered by the Virginia Lawyers Malpractice Insurance Committee, supported a statewide fall risk management tour (where 1,400 Virginia

attorneys earned three hours of CLE ethics credit), a Hanging Out a Shingle mini-tour, three webinars, nine programs uploaded into a Virginia on-demand library and the retention of a dedicated, full-time Virginia risk manager able to serve as a risk management resource with local bars and engage in article publication, blogging, and fielding Virginia lawyer calls.

Finally, long-time ALPS CEO Robert W. Minto Jr. recently transitioned into his new role as executive chair of the ALPS board of directors, making way for insurance industry veteran David Bell to take the reins as CEO. Bell was previously ALPS' president and chief operating officer.

Council Election Results

Uncontested Elections

The following circuits did not have contested elections for a three-year term beginning July 1, 2013.

Circuit 2: Daniel Schieble (replaces Kevin Martingayle who will become president-elect)

Circuit 3: Nicholas D. Renninger (replaces George Willson)

Circuit 4: David Lannetti (re-election)

Circuit 13: Christy E. Kiely (replaces Brian Buniva)

Circuit 16: Alex R. Gulotta (replaces Ron Tweel)

Circuit 19: Sean P. Kelly (re-election)

Circuit 23: Mark K. Cathey (re-election)

Circuit 26: W. Andrew Harding (re-election)

Circuit 27: Richard L. Chidester (re-election)

Circuit 31: Gifford R. Hampshire (re-election)

Contested Elections by Mail Ballot (winners denoted by *)

Circuit 5: (one position to replace Bill Riddick)

*Carl Phillips "Phil" Ferguson 56

Fred D. Taylor 31

Circuit 11: (one position to replace Ray Lupold who was elevated to the bench)

Harry O. Brown 3

*Dale W. Pittman 24

Joseph M. Teefey Jr. 19

Circuit 17: (three positions to replace Mark Cummings and Greg Hunter; Ray Benzinger can be re-elected)

Timothy B. Beason 91

*Raymond B. Benzinger 92

*John H. Crouch 104

*Harry A. Dennis III 103

Circuit 20: (one Council position to replace Peter Burnett)

*Christine Mouglin-Boal 129

Thomas K. Plofchan Jr. 45

Elections by Meetings

A third category of Council elections are those circuits that vote at a meeting. This category further breaks down into two categories — Council members that can be re-elected and those that cannot. In the 22nd and 29th circuits, Mark Holland and Gene Compton, respectively, cannot be re-elected. In the 6th and 24th circuits, Peter Eliades and Ted Craddock can be re-elected and serve another term. The chief judge of these circuits convened a circuit meeting to vote on Council representation for their circuits.

Circuit 6: Peter D. Eliades (Hopewell) (re-elected)

Circuit 22: Lee H. Turpin (Chatham)

Circuit 24: David B. Neumeyer (Lynchburg)

Circuit 29: Joseph M. Bowen (Tazewell)

New and Reappointed At-Large Members

Michael HuYoung (Richmond) and Beverly Powell Leatherbury (Eastville) have been reappointed by the Supreme Court of Virginia to serve again as at-large members of Council for a second three-year term. Nancy C. Dickenson (Abingdon) was appointed to replace Margaret A. Nelson (Lynchburg), effective July 1, 2013, for her first three year-term.