

2017

State Bar of New Mexico
Client Protection Fund
ANNUAL REPORT

*Submitted to the
Supreme Court of New Mexico
and the State Bar of New Mexico
Board of Bar Commissioners*



STATE BAR
of NEW MEXICO
CLIENT PROTECTION FUND



STATE BAR
of **NEW MEXICO**
CLIENT PROTECTION FUND

20 First Plaza NW, Suite 710
Albuquerque, NM 87102
(505) 842-5781 • Fax (505) 766-6833
www.nmbar.org

2017 COMMISSION

Travis R. Steele
Chair

Frank N. Chavez
Secretary

Andrew J. Cloutier
Treasurer

December 31, 2017

Dear Colleagues:

I am pleased to report the conclusion of another productive and fulfilling year at the New Mexico Client Protection Fund. The purpose of the Client Protection Fund is to promote public confidence in the administration of justice and the integrity of the legal profession by reimbursing losses caused by the dishonest conduct of lawyers admitted and licensed to practice law in the courts of New Mexico. The Fund is comprised of a nine-member Commission, each of whom is an attorney. Each claim received by Commission is assigned to a Commissioner for investigation and evaluation, resulting in a recommendation which is voted on by the full Commission.

COMMISSIONERS

Jeffrey L. Baker
Leigh Anne Chavez
Gerald G. Dixon
Jason A. Marks
James T. Reist
Matthew C. Sanchez

2017 marked the twelfth full year of operation for the New Mexico Client Protection Fund. This year we approved and paid seven claims against six different attorneys in the amount of \$31,654.52, a substantial decrease from 2016. 2016 saw \$157,917.00 in approved and paid claims, the highest in the Client Protection Fund's history. The 2017 decrease was in spite of the jurisdictional cap being raised from \$20,000.00 per claim to \$50,000.00 per claim in 2016. A primary factor in the 2017 decrease was the absence of "repeat offenders", or multiple claims against the same attorney following a similar pattern of conduct. The Commission hopes this trend continues for the benefit of the community.

Twenty claims were denied in 2017. In some instances, claims were denied because the facts did not substantiate the Claimant's version of events, but the most common reason for a denial was that the dispute did not fall within the Commission's jurisdiction, and instead was a fee dispute or simply a client's dissatisfaction with the results of a case.

EX OFFICIO MEMBERS

Joseph Conte
Richard B. Spinello

I am proud of the work being done at the New Mexico Client Protection Fund and of the outstanding and dedicated people who make it happen. I want to thank all my colleagues on the Commission for their service, and recognize Gerald Dixon who completed his term in 2017. A sincere debt of gratitude is owed to the staff of the Disciplinary Board, William Slease, Anne Taylor, and Tamma Williams, who provide outstanding administrative support to the Commission, and to our ex-officio members from the State Bar, Richard Spinello and Joe Conte for their efforts on the Commission's behalf. Acknowledgment and appreciation is also due Justice Edward L. Chávez, our 2017 Supreme Court liaison.

The Client Protection Fund remains strong, and is in good hands in 2018.

Sincerely,

Travis Steele, Esq.
2017 Chair

Table of Contents

Introduction

History and Purpose.....	4
Revenues	4
Eligible Claims	4
Processing a Claim	5

2017 Annual Report Highlights and Commission Activities	6
--	----------

2017 Client Protection Fund Commission	7
---	----------

2017 Commission Liaisons	11
--------------------------------	----

Former Commissioners and Administrators	11
---	----

2017 Financial Information

Balance Sheet (Pre-Audit) as of December 31, 2017	12
---	----

Statement of Revenues and Expenditures (Pre-Audit) for Year Ending December 31, 2017	13
--	----

2017 Claims and Respondent Lawyers	14
---	-----------

2006-2017 Cumulative Claims Paid by Lawyer	14
---	-----------

Annual Statistics 2006 – 2017.....	17
---	-----------

2006–2017 Statistical History

Dollar Amounts of Claims Reimbursed by Year	18
---	----

Dollar Amounts of Claims Reimbursed by Category	19
---	----



History and Purpose

The purpose of the Client Protection Fund (CPF) is to promote public confidence in the administration of justice and the integrity of the legal profession by reimbursing losses caused by the dishonest conduct of lawyers admitted and licensed to practice law in the courts of this jurisdiction. The Client Protection Fund Commission was established by order of the New Mexico Supreme Court effective Dec. 13, 2005, as a permanent commission of the State Bar of New Mexico Board of Bar Commissioners. The Supreme Court adopted a modified version of the American Bar Association's model rules for client protection funds and codified them at Rules 17A-001 *et seq.* of the New Mexico Rules Annotated. The Commission oversees the CPF and is charged with receiving, holding, managing, and disbursing money from the Fund according to the rules. The State Bar is responsible for administering the Commission, developing and approving the budget, and managing operations and staffing. Since January 1, 2014, the New Mexico Disciplinary Board has assisted in the technical administration of the Commission's tasks, including the processing of claims under the Commission's direction.



Revenues

The initial resources for the Fund were provided in 2005 by a Supreme Court order transferring funds from accumulated fines against lawyers who failed to comply with the Court's Minimum Continuing Legal Education requirements. In 2008 the Supreme Court ordered an additional transfer of funds from MCLE to the Fund. In 2009 the Supreme Court ordered a \$15 annual assessment of every active New Mexico attorney pursuant to Rule 17A-003 (B) NMRA. In 2010, 2012 and 2016 additional monies were also transferred from MCL to the Fund by Supreme Court Orders. The State Bar provides in-kind support to the Fund and the Commission through staff support, office and meeting space, and fiscal administration. (See 2017 Financial Information, page 9). From time to time, the Fund receives monies from court-ordered sanctions directed to the fund at the discretion of the judge.



Eligible Claims

To qualify for a reimbursement from the Fund, a client must have incurred a financial loss caused by the dishonest conduct of a New Mexico-licensed lawyer who was counseling, advising, or representing the client or serving in another fiduciary capacity such as a trustee. The claim must be filed no later than five years after the client knew or should have known of the lawyer's dishonest conduct. Dishonest conduct is specifically defined under the CPF rules as wrongful acts such as theft or embezzlement of money or the wrongful taking or conversion of money, property, or other things of value; e.g., failing to refund unearned fees or borrowing money from a client without the intention to repay or disregarding the lawyer's inability or reasonably anticipated inability to repay. A typical CPF claim involves a lawyer who collected a retainer from a client, performed some legal work, and then became unable or unwilling to finish the work or refund the unearned amount.

The rules also include a hardship exception which allows the Commission, in cases of extreme hardship or special and unusual circumstances, to recognize a claim that was filed late or would not otherwise be reimbursable. This exception has only been used for one of the 236 claims approved in the Commission's eleven-year history. The maximum reimbursable amount was increased in 2012 from \$10,000 to \$20,000 per individual claim, and, effective January 1, 2016 from \$20,000 to \$50,000.



Processing a Claim

The claimant must complete a prescribed claim form and have it notarized. The claimant must provide a copy of any written agreement pertaining to the claim and copies of any checks, money orders, receipts, or other proof of payment. The claimant is responsible for completing the form and providing evidence of a reimbursable loss up to the maximum amount payable per claim.

The CPF gives notice of a claim to the lawyer against whom it is filed (or the lawyer's representative) and allows 20 days for a response. The Disciplinary Board is also notified of the claim. After the lawyer's response and other initial facts and documents are gathered, the claim is assigned to one of the CPF commissioners for investigation. The commissioner investigates and presents a recommendation to the full Commission. If appropriate under the circumstances, the recommendation includes the investigating commissioner's estimate of any amount that should be allowed as a credit against the claim for the value of work the lawyer performed or costs the lawyer properly paid with client funds. The approval or denial of a claim requires the affirmative votes of at least five commissioners.

The claimant and the lawyer are notified of the Commission's decision. Either party may request reconsideration in writing within 30 days of the denial or determination of the amount of a claim. If no request for reconsideration is received, the check for any approved reimbursement is sent after the notice period expires. If a timely request is received, the check for any approved reimbursement is sent after the Commission has reconsidered its decision. Rule 17A-013 NMRA provides that in either case the Commission's decision is final and there is no further right of appeal. Reimbursement is discretionary and no person has a legal right to reimbursement from the Fund. As part of the claim form, the claimant agrees to assign his/her claims against the lawyer to the fund in the event that the CPF makes a payment, and the CPF may pursue reimbursement and recovery from the lawyer or the lawyer's successor (e.g., an estate).

2017 Annual Report Highlights and Commission Activities

The Client Protection Fund Commission finished its twelfth full year of operation in 2017 paying just over \$31,654 in 7 claims against 6 lawyers. To date, the Commission has paid almost \$900,000 in cumulative reimbursements for clients' financial losses involving 61 lawyers. Year-by-year and cumulative statistics appear later in this report.

The Commission met 5 times in 2017. Commissioners Leigh Anne Chavez, Frank Chavez, Andrew Cloutier and James Reist attended the 33rd ABA National Forum on Client Protection in early June, 2017 in St. Louis, Missouri.

With the retirement of Joe Conte and selection of Richard Spinello as the new Executive Director of the State Bar of New Mexico, Richard Spinello will relinquish his role as the administrator of the Fund beginning in 2018 and Stormy Ralstin, the new General Counsel for the State Bar of New Mexico will assume the administrator position.

The Commission reminds everyone that Rule 17A-018(A) protects the confidentiality of information on claims, claimants, and respondent lawyers with exceptions for approved claims and other limited purposes as set forth below:

A. Publicizing awarded claims. Claims, proceedings and reports involving claims for reimbursement are confidential until the commission authorizes reimbursement to the claimant, except as provided below, unless provided otherwise by law. After payment of the reimbursement, the commission shall publicize the nature of the claim, the amount of reimbursement, and the name of the lawyer. The name and the address of the claimant shall not be publicized by the commission unless specific permission has been granted by the claimant. The commission may provide a waiver to the claimant which authorizes disclosure.

B. Exceptions. This rule shall not be construed to deny access to relevant information by the disciplinary board, other professional discipline agencies or other law enforcement authorities as the commission shall authorize, or the release of statistical information that does not disclose the identity of the lawyer or the parties, or the use of such information as is necessary to pursue the fund's subrogation rights under Rule 17A-015 NMRA.



Visit the State Bar website at
www.nmbar.org/cpf
for further information on the Client Protection Fund.

2017 Client Protection Fund Commission

From its inception in 2006 through 2012 the Commission consisted of seven lawyers—four appointed by the Supreme Court, two appointed by the Board of Bar Commissioners, and the vice president of the BBC. In 2013, the number of Commissioners was increased to nine. The 2016 commissioners and officers are listed here. All members except the BBC vice president serve staggered three-year terms. The BBC vice president serves for one year before advancing to become the State Bar president-elect and is succeeded on the Commission by the incoming vice-president. In 2016, the State Bar's then vice president was appointed to a judicial position and will be replaced on the Commission by the State Bar's secretary-treasurer. The six original commissioners were appointed for part of 2006 after the Commission was created and for staggered terms of one, two, and three years that began in 2007. Each of the six original commissioners has been appointed to two full three-year terms. The CPF officers, elected annually by the Commission, consist of a chair, vice-chair or treasurer, and secretary. Program assistance and administrative support is provided by the State Bar Office of General Counsel and the New Mexico Disciplinary Board.



Travis R. Steele, Chair

State Bar of New Mexico Appointee

Travis Steele was appointed by the BBC to one of the new positions approved by the Supreme Court effective Jan. 1, 2013. Steele practices primarily in the areas of commercial litigation, Indian gaming, oil and gas, and real estate litigation. He has conducted numerous hearings and trials in New Mexico state, federal and tribal courts. Steele regularly prosecutes and defends commercial lawsuits on behalf of his corporate clients, including contract disputes, lien issues, copyright claims, allegations of unfair business practices and any other issue that surfaces when business dealings fall apart. Steele regularly advises clients on licensure, regulatory and litigation matters related to Indian gaming and has substantial experience in sovereign immunity and tribal exhaustion cases. In addition, Steele has experience responding to federal investigations, including False Claims Act investigations by the Office of the Inspector General. Steele regularly represents construction and real estate clients in breach of contract matters, lien disputes and construction defect litigation. In his creditors' rights practice, Steele represents several financial institutions in the recovery of secured collateral, garnishments and loan default matters. In addition, he represents clients in commercial foreclosure cases and has represented landlords and tenants in commercial and residential lease disputes. Steele served as Commission treasurer in 2014. His current term ends Dec. 31, 2018.



Frank N. Chavez, Secretary

State Bar of New Mexico Appointee

Frank N. Chavez was appointed by the Board of Bar Commissioners for a term which expires on Dec. 31, 2018. He has been a practicing attorney since 1969. He has served as an assistant attorney general, an assistant city attorney, and as the city attorney for Las Cruces. Most of his career was with the ReevesChavez law firm, which was a full service Las Cruces law firm representing governmental and corporate clients. He has served on numerous boards and committees of the New Mexico State Bar and of the State Supreme Court.

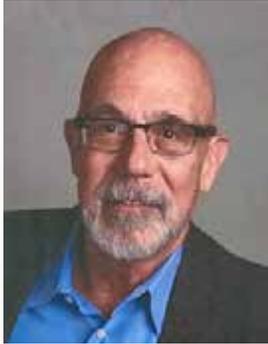


Andrew J. (Drew) Cloutier, Treasurer

Supreme Court Appointee

Drew Cloutier was appointed to the Commission by the Supreme Court of New Mexico effective Jan. 1, 2015. Drew previously served in the Commission *ex officio* as an officer of the State Bar of New Mexico in 2010 and 2011. He is partner in the Roswell office of Hinkle Shanor LLP. He practices primarily in the areas of oil and gas law and commercial litigation. Cloutier has litigated and tried a number of oil and gas issues in state and federal courts. He also assists oil and gas clients with a wide variety of issues with state and federal agencies. Cloutier served on the Board of Bar Commissioners of the State Bar of New Mexico from 2006 through 2014 and as its President in 2013. He has volunteered for the Conquistador Council of the Boy Scouts of

America for many years and is serving as President of the Council's Executive Board. Cloutier is a Trustee of the Rocky Mountain Mineral Law Foundation. He was named "Member of the Year" by the Independent Petroleum Association of New Mexico.



Jeff Baker

State Bar of New Mexico Appointee

Jeff Baker has been a trial lawyer for more than 40 years. He graduated from Harvard College and from SUNY at Buffalo Law School. He was a felony trial lawyer in the Bernalillo County District Attorney's office and the New Mexico Public Defender's office. He served as chief of the civil litigation division for the Legal Department of the City of Albuquerque before going into private practice. He is recognized by Martindale Hubbell with its highest rating (AV), and by Best Lawyers in America. Jeff has served as special assistant disciplinary counsel to the New Mexico Supreme Court, and is a member of the Supreme Court Code of Professional Conduct Committee. For over 25 years Jeff has been a board member of the Anti-Defamation League (3 times serving as president of the New Mexico region), and he is on the board of Albuquerque Film and Music Experience. He is the Executive Producer of a short anti-bullying film, *The Time That Remains*.



Leigh Anne Chavez

Supreme Court Appointee

Leigh Anne Chavez grew up in Las Vegas, Nevada, and received her B.A. in English from UNLV. She received her J.D. from UCLA, and taught paralegals at CNM for 24 years. She also has a A.A.S. in Accounting and is working on her Master's Degree in Accounting at Anderson School of Management at UNM. Leigh Anne is the Recycled Metals Prosecutor for the New Mexico Regulation and Licensing Department.



Gerald G. Dixon

Supreme Court Appointee (Appointed to fill unexpired term of Dustin Hunter effective June 30, 2016)

Jerry Dixon is a shareholder at Dixon Scholl Carrillo P.A. He practices in the areas of professional malpractice defense, commercial and construction litigation. He is a frequent speaker on professional liability and risk management issues. Dixon was admitted to the Colorado Bar Association in 1981 and the State Bar of New Mexico in 1986. He is a member of the Albuquerque Bar Association (President, 1994). Dixon attended Texas Tech University (BBA 1977, J.D. 1981). He has participated in the New Mexico high school mock trial program as a coach or judge since 1988 and has served as a trustee for the Texas Tech School of Law Foundation since 2005. Dixon received the Distinguished Service Award from Texas Tech School of Law in 2015. He provides pro bono services through Christian Legal Aid. Dixon was recognized by Best Lawyers each year since 2009 and as 2014 and 2016 Lawyer of the Year in the area of professional malpractice. He was named Outstanding Attorney by the Albuquerque Bar Association in 2014. Dixon represents the First Bar Commissioner District. He serves on the Client Protection Fund Commission.



Jason A. Marks

Supreme Court Appointee

Jason Marks was appointed by the Supreme Court to a three-year term in one of the new positions approved effective for 2013, and was reappointed to the Commission for a term ending December 31, 2018. Marks is a sole practitioner in Albuquerque. His practice includes civil litigation, business advisory services, representation of public entities and utility law. Marks was elected and served two terms as a New Mexico Public Regulation Commissioner representing the Albuquerque area in 2005–2012. Prior to becoming an attorney, Marks led a national consulting practice in healthcare finance extending to 20 states and the federal government. Marks served as Commission Vice-Chair in 2014, and Chair for 2015 and 2016.



James T. Reist

Supreme Court Appointee

Jim Reist practices law in the small firm of Smidt, Reist & Keleher, P.C., in Albuquerque, New Mexico. His practice is primarily in the areas of business and commercial law and litigation as well as legal ethics and professional responsibility matters. He was appointed to the Commission beginning January 1, 2016. He also serves as chair of the Ethics Advisory Committee of the State Bar of New Mexico and has been a member of that committee for 20 years. He served as president of the Albuquerque Bar Association in 2015, and was a member of its board of directors from 2009 through 2016.



Matthew Sanchez

Supreme Court Appointee

Matthew C. Sanchez, an Albuquerque native, currently serves as General Counsel to the Jaynes Companies, a collection of construction companies headquartered in Albuquerque, NM. Before joining Jaynes, Mr. Sanchez was a senior associate attorney with the Sheehan & Sheehan law firm where he represented not only Jaynes, but other clients such as the New Mexico Department of Transportation, the Public Schools Facilities Authority, contractors, suppliers, counties, municipalities, and various school districts. Mr. Sanchez's private practice centers on construction, employment, and commercial law. Mr. Sanchez obtained both his Masters and law degree at the University of New Mexico and completed his undergraduate studies at Santa Clara University in California. In early 2016, he was recognized as a Fellow of the American Bar Association Forum on Construction Law.

EX OFFICIO MEMBERS



Joseph Conte

Appointed by Position, Executive Director, State Bar of New Mexico

Joe Conte became the executive director of the State Bar of New Mexico and the New Mexico Bar Foundation in July 2003. He was director of communications for the State Bar from 1998–2001 and then was director of communications for the State Bar of Georgia, returning to New Mexico in 2001. Conte has more than two decades of experience in marketing, communications and non-profit management. He was deputy director of communications for the Michigan House of Representatives and senior editor for a California-based publishing company. He attended Oakland University (bachelor's degree) and Michigan State University (master's degree). He is a member of the National Association of Bar Executives, the Association of Legal Administrators, and the New Mexico Society of Association Executives. He has been an active volunteer for the Center for Civic Values and Dismas House, where he received the honor of "2006 Chef of the Year." Conte also volunteers for the American Lung Association of New Mexico and New Mexico Animal Friends. He is a past board member of the Appleseed Foundation of New Mexico and is currently vice president of the New Mexico Bio Park Society.

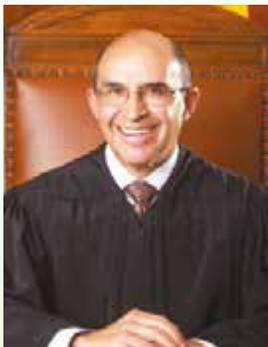


Richard B. Spinello

Administrator and Staff Counsel, General Counsel, State Bar of New Mexico

Richard Spinello attended the University of New Mexico (B.A., 1989) and the Thomas M. Cooley Law School (J.D., 1997). Previously in private practice in Rio Rancho, Spinello assisted clients with family law, estate planning, probate and adult guardianships. He came to the State Bar in 2000 as a staff attorney for the Lawyer Referral for the Elderly Program. After three years as staff attorney and a year as managing attorney for the LREP program, Spinello was named director of the Public and Legal Services Department for the State Bar and Bar Foundation where he helped secure funding for and participated in the creation of the Client Protection Fund rules and CPF Commission, the statewide 10 Step Pro Bono Plan, and the 2007 State Plan for Providing Civil Legal Services to Low Income New Mexicans. In January 2007, Spinello was named general counsel for the State Bar and is currently overseeing a professional office to assist the State Bar and Bar Foundation with policy and regulatory functions of an integrated bar.

2017 COMMISSION LIAISONS



Justice Edward L. Chávez

Supreme Court Liaison

Justice Edward L. Chávez, a 1981 graduate from the University of New Mexico School of Law, has served on the New Mexico Supreme Court since March 7, 2003. He served as chief justice from Jan. 10, 2007, through April 7, 2010. He is a member of the American Law Institute and served on the Consultative Group on the Restatement of the Law 3rd Torts: Liability for Physical and Emotional Harm and is an Adviser to the Restatement of the Law 3rd: Intentional Torts to Persons. He is an elected Fellow in the American College of Trial Lawyers, the International Academy of Trial Lawyers and the Advanced Science and Technology Adjudication Resource Center.



Anne Taylor

Disciplinary Board Liaison

Anne L. Taylor is an Assistant Disciplinary Counsel for the Office of Disciplinary Counsel of the New Mexico Supreme Court Disciplinary Board where she has worked since January, 2002. Anne has a J.D. from Vanderbilt University School of Law in Nashville, Tennessee. She has argued numerous disciplinary cases before the New Mexico Supreme Court and serves as the liaison between the Disciplinary Board and the Client Protection Fund. In addition, Anne is responsible for overseeing the Disciplinary Board's IOLTA. When she's not lawyering, Anne is also a level 4/5 gymnastics judge.

2017 Commission and Liaisons

2017 Client Protection Fund Commission

Chair Travis Steele	Reappointed January 1, 2016, 3-year term expires 12/31/2018
Treasurer Andrew Cloutier	Appointed January 1, 2015, 3-year term expires 12/31/2017
Secretary Frank Chavez	Reappointed January 1, 2016, 3-year term expires 12/31/2018
Jeffrey L. Baker	Appointed January 1, 2017, 3-year term expires 12/31/2019
Leigh Anne Chavez	Appointed January 1, 2015, 3-year term expires 12/31/2017
Gerald Dixon	Appointed June 30, 2016, term expires 12/31/2017
Jason Marks	Reappointed January 1, 2016, 3-year term expires 12/31/2018
James T. Reist	Appointed January 1, 2016, 3-year term expires 12/31/2018
Matthew Sanchez	Appointed January 1, 2015, 3-year term expires 12/31/2017
Joseph Conte	Ex officio, non-voting, Executive Director, State Bar of New Mexico
Richard Spinello	Ex officio, non-voting, Administrator and Staff Counsel General Counsel, State Bar of New Mexico

2017 Client Protection Fund Liaisons

The Hon. Edward L. Chávez	New Mexico Supreme Court Liaison
Anne Taylor	Disciplinary Board Liaison

Former Commissioners and Administrators

Briggs Cheney	Appointed 2006 (founding commissioner) Reappointed 2008-2010, 2011-2014
Stuart Shanor	Appointed 2006 (founding commissioner) Reappointed 2008-2010, 2011-2014
Henry A. (Hank) Kelly	Appointed 2006 (founding commissioner) Reappointed 2007–2009, 2010–2012
Gaelle D. McConnell	Appointed 2006 (founding commissioner) Reappointed 2008–2010, 2011–2013
Daniel J. O'Brien	Appointed 2006 (founding commissioner) Reappointed 2008–2010, 2011–2013
Charles J. Vigil	Appointed 2006 (founding commissioner) Reappointed 2008–2010, 2011–2013, 2014-2015
Robert Valdez	Appointed 2014-2016
Dustin Hunter (BBC Vice President)	1 year term expired early upon appointment to judicial position effective 06/30/2016
Scotty Holloman (BBC Vice President)	1-year term expired 12/31/2015
J. Brent Moore (BBC Vice President)	1-year term expired 12/31/2014
Martha Chicoski (BBC Vice President)	1 year term expired 12/31/2013
Erika Anderson (BBC Vice President)	1 year term expired 12/31/2012
Andrew J. Cloutier (BBC Vice President)	1-year term expired 12/31/2011
Andrew J. Cloutier (BBC Treasurer)	1-year term expired 12/31/2010
Hans Voss (BBC Treasurer)	1-year term expired 12/31/2009
Jessica Pérez (BBC Treasurer)	1-year term expired 12/31/2008
Stephen S. Shanor (BBC Treasurer)	1-year term expired 12/31/2007
Henry A. Alaniz (BBC Treasurer)	1-year term expired 12/31/2006
Christine Joseph (Staff Administrator)	Ex officio 2009-2010
Richard Spinello (Staff Administrator)	Ex officio 2007-2008
Tonya Herring (Staff Administrator)	Ex officio 2006-2007
Charles D. Noland (Staff Administrator)	Ex officio 2011-2013

Balance Sheet (Pre-Audit) As of December 31, 2017

Assets	
Cash and Equivalents	\$415,702.63
Certificates of Deposit	\$251,855.55
Accounts Receivable	\$ 3,000.00
Dues from State Bar	\$ 33,171.83
Prepaid Insurance	\$ 143.03
Total Assets	\$703,873.04
Liabilities and Net Assets	
Liabilities	
Deferred Revenues	\$29,115.00
Approved claims pending	\$ 2,675.00
Total Liabilities	\$31,790.00
Net Assets	
Fund Balance	\$566,529.94
Restricted Funds – Lawyer Succession & Transition Committee	\$ 9,104.43
Current Year Decrease in Net Assets	\$ 96,448.67
Total Net Assets	\$672,083.04
Total Liabilities and Net Assets	\$703,873.04

**Statement of Revenues and Expenditures (Pre-Audit)
For Year Ending December 31, 2017**

	Actual	2017 Budget	Variance Rev. (-) Exp. (+)
Revenue			
CPF Assessments	\$105,435.00	\$104,000.00	\$1,435.00
CPF Assessments (PHV)	\$ 7,815.00	\$ 6,500.00	\$1,315.00
Interest Earned	\$ 1,360.74	\$ 1,000.00	\$ 360.74
Contributions	\$11,000.00	0.00	\$11,000.00
Restitution	\$14,734.53	\$ 1,000.00	\$13,734.53
Total Revenue	\$140,345.27	\$ 112,500.00	\$27,845.27
Expenditures			
Audit	\$ 1,200.00	\$ 1,200.00	0.00
Labor Expense	0.00	\$ 500.00	(\$500.00)
Dues & Subscriptions	\$ 225.00	\$ 200.00	\$ 25.00
Insurance Allocation	\$ 552.00	\$ 500.00	(\$ 52.00)
Postage Expense Allocation	\$ 103.17	\$ 200.00	(\$ 96.83)
Professional Development	\$ 5,791.53	\$10,000.00	(\$4,208.47)
Marketing & Advertising	\$ 538.50	\$ 1,000.00	(\$ 461.50)
Mileage Reimbursement	\$ 1,341.86	\$ 1,300.00	\$ 41.86
Meetings and Governance	\$ 1,118.76	\$ 1,350.00	(\$ 231.24)
Total Expenditures	\$10,870.82	\$16,250.00	(\$5,379.18)
Revenue Over Expenditures	\$129,474.45	\$96,250.00	\$33,224.45
Lawyers Succession & Transition Expenses			
Meetings and Governance	\$ 38.04	0.00	\$ 38.04
Professional Development	\$ 1,333.22	0.00	\$ 1,333.22
Claims Approved	\$31,654.52	0.00	\$31,654.52
Increase in Net Assets	\$96,448.67	\$96,250.00	\$ 198.67

2017 Claims and Respondent Lawyers

2017 Claims and Respondent Lawyers

As set forth below 7 claims resolved in 2017 resulted in payments to the complaining party as a result of the actions of 6 lawyers. The following table summarizes those payments.

2017 Summary of Claims Approved by Lawyer				
Lawyers	Lawyer's Status as of 12/31/2017	Claims Approved in 2017	Dollars Awarded in 2017	Reason
Hess, Bryan	Suspended	1	\$2,675.00	Unearned fees
Mladek, Michelle	Disbarred	1	\$10,975.00	Unearned fees
Moreno-Hansen, Elena	Suspended	1	\$2,000.00	Unearned fees
Prichard, Troy	Disbarred	1	\$7,210.00	Unearned fees
Van Arnam, Raymond	Disbarred	2	\$3779.52	Unearned fees
Venie, David Chipman	Disbarred	1	\$5,015.00	Unearned fees
Claims paid on 6 lawyers	Total approved	7	\$31,654.52	

2006-2017 Cumulative Claims Paid by Lawyer

2006-2017 Cumulative Claims Paid by Lawyer			
Lawyer	Status as of 12/31/2017	Total Claims Paid 2006-2017 (amounts rounded)	
Abeita, Christopher	Suspended	1	\$5,000
Alfaro, Mario	Disbarred	1	\$890
Arrieta, Jose	Disbarred	9	\$38,770
Baca, Henry	Deceased	1	\$1,200
Baker, G. Mitchell	Suspended	1	\$2,214

Continued on next page...

2006–2017 Cumulative Claims Paid by Lawyer *continued...*

Lawyer	Status as of 12/31/2017	Total Claims Paid 2006-2017 (amounts rounded)	
Bartholomew, James	Deceased	10	\$18,840
Benavidez, Edward	Deceased	3	\$7,145
Bloomfield, Gerald	Deceased	1	\$925
Burnett, John	Withdrawn	7	\$40,728
Camacho, Joseph	Inactive	2	\$8,275
Dinwiddie, Aaron	Suspended	2	\$4,300
Dolan, Daniel	Deceased	1	\$2,260
Ellis, Erica	Inactive	1	\$2,500
Esquibel, Thomas	Suspended	2	\$6,000
Franco, Oralia	Deceased	1	\$393
Gonzalez, Marcos	Suspended	2	\$7,575
Griffin, Nettie	Withdrawn	3	\$3,000
Hess, Bryan	Suspended	1	\$2,675
Jackson, Alain	Disbarred	3	\$3,400
Joiner, Joseph	Deceased	2	\$11,611
Jones, Jeffrey P.	Inactive	1	\$1,000
Kelley, Cody	Disbarred	3	\$23,750
Kelly, Leo	Suspended	1	\$2,500
Kennedy, Mary	Active	3	\$7,261
Kirkpatrick, Jack	Deceased	3	\$6,000
Klein, Donald	Deceased	1	\$850
Lepley, Donald	Deceased	1	\$10,000
Lunsford, Shawn	Disbarred	16	\$33,976
Marcus, Charles	Suspended	22	\$50,004
Martinez, Anthony	Deceased	1	\$600
Martinez, Dennis	Disbarred	1	\$6,090
Mladek, Michelle	Disbarred	3	\$17,315
Moreno-Hansen, Elena	Suspended	1	\$2,000

Continued on next page...

2006–2017 Cumulative Claims Paid by Lawyer *continued...*

Lawyer	Status as of 12/31/2017	Total Claims Paid 2006-2017 (amounts rounded)	
Nelson, Gary Wayne	Disbarred	1	\$5,000
Ortiz, Rudy	Disbarred	2	\$10,305
Owens, Maria	Disbarred	2	\$18,260
Palacios, Pedro	Disbarred	15	\$49,823
Peters, Michael	Deceased	2	\$16,880
Peterson, Stephen	Deceased	3	\$4,000
Price, Sabrina	Suspended	15	\$59,844
Prichard, Troy	Disbarred	2	\$9,710
Quintana, Luis	Disbarred	4	\$38,177
Rane, August J.	Suspended	1	\$6,000
Racson, Anthony R.	Active	1	\$15,757
Richards, Nancy	Deceased	1	\$1,484
Roibal-Bradley, Juanita	Disbarred	1	\$3,550
Romo, Anthony	Deceased	3	\$51,400
Runnels, Michael	Disbarred	1	\$1,800
Sims, Bradley	Disbarred	4	\$7,800
Sizemore, Victor	Deceased	16	\$110,137
Stein, Stuart	Disbarred	1	\$1,000
Tabet, Thomas	Suspended	6	\$9,500
Thompson, Erik	Suspended	4	\$6,775
Tippett, Sherry	Deceased	6	\$30,167
Turner, Eric	Suspended	6	\$16,481
Van Arnam, Raymond	Disbarred	5	\$10,472
Venie, David Chipman	Disbarred	1	\$5,015
Vigil, Gilbert	Deceased	8	\$32,824
Werner, Karl	Suspended	3	\$3,285
Williams, Victoria	Disbarred	1	\$5,905
Wright, Jackson	Deceased	10	\$17,159
Totals (61 lawyers)		236	\$877,557



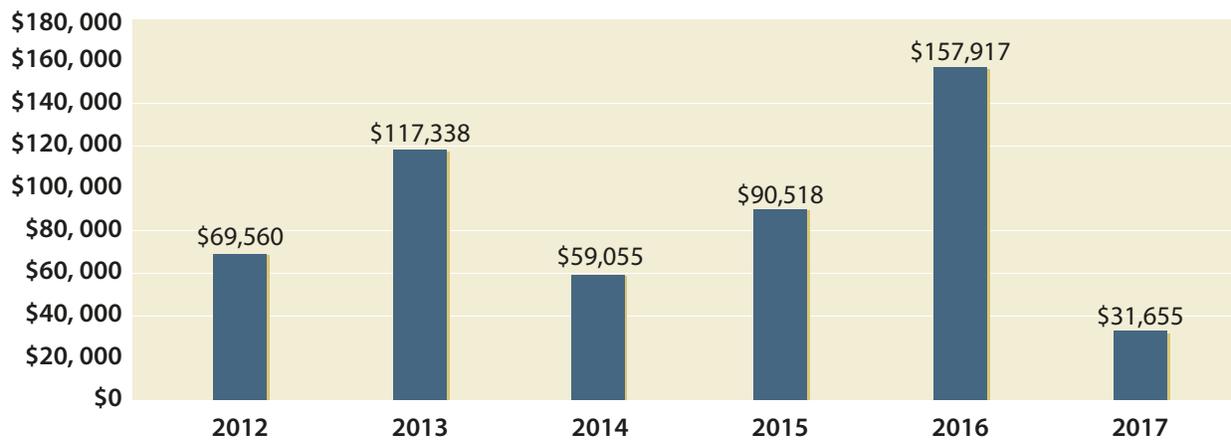
2006-2017 Annual Statistics

CLAIMS APPROVED	2006-11	2012	2013	2014	2015	2016	2017	TOTALS
Total number of claims approved in whole or in part	115	27	30	10	25	22	7	236
Total dollar amount of claims approved and paid (revised from prior annual reports after reconciliation of cumulative lawyer summary)	\$351,514	\$69,560	\$117,338	\$59,055	\$90,518	\$157,917	\$31,655	\$877,557
CLAIMS DENIED								
Total number of claims denied in whole or part	92	39	33	16	16	12	20	228
Total dollar amount of denials	\$353,241	\$120,674	\$106,162	\$232,303	\$73,568	\$189,602	\$214,704	\$1,290,254
Dollar amount of reimbursement limit per claim	\$10,000	\$20,000	\$20,000	\$20,000	\$20,000	\$50,000	\$50,000	-----
Claims made over limit	14	2	1	2	1	0	0	20
Total amount denied over limit	\$140,638	0	0	\$150,000	0	0	0	\$290,618
Total amount denied for other reasons	\$212,623	\$120,674	\$106,162	\$82,303	\$73,568	\$189,602	\$214,704	\$999,636
CLAIMS PENDING AT END OF YEAR								
Claims undecided and carried over to next year	28	31	4	6	11	9	14	-----
Claim amount pending at end of year	\$103,505	\$189,417	\$32,128	\$43,524	\$59,486	\$56,696	\$60,269	-----
ATTORNEY STATISTICS								
Total number of attorneys with claims filed	68	23	28	19	26	27	24	-----
Highest number of claims filed for a single attorney	23 (2008)	18	6	5	8	3	3	-----
AMOUNT REIMBURSED TO FUND	\$23,518	0	\$1,071	0	\$13,300	0	\$14,735	\$52,624

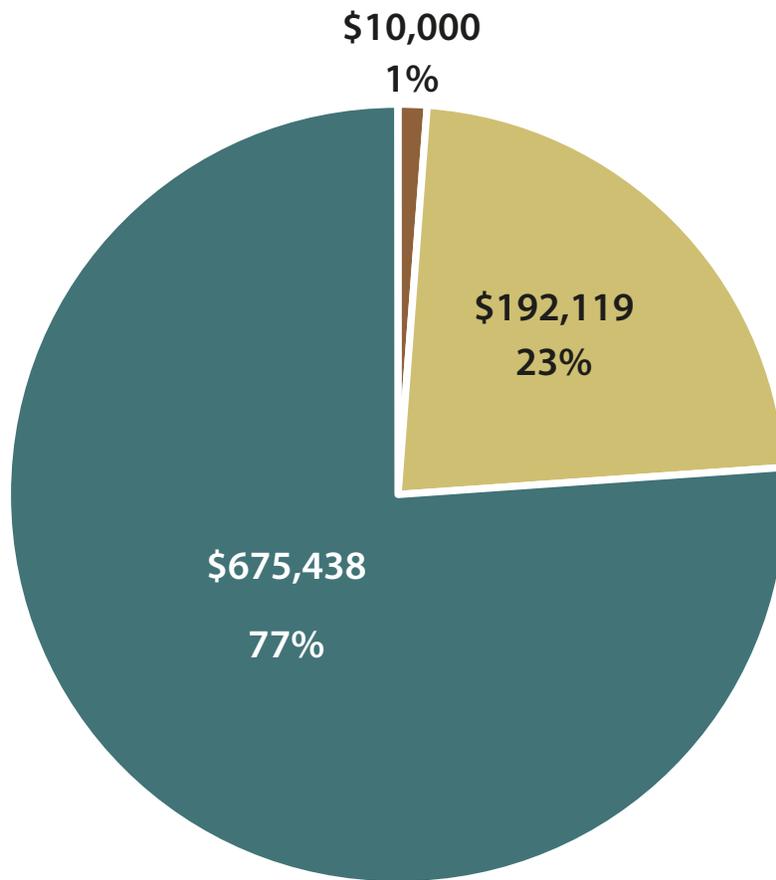


2012–2017 Statistical History

Dollar Amount of Claims Reimbursed by Year 2012-2017



Dollar Amount of Claims Reimbursed by Category




Hardship
Exception


Theft


Failure to Refund/
Unearned Fees



5121 Masthead NE, Albuquerque, NM 87109
PO Box 92860, Albuquerque, NM 87199-2860

505-797-6093 • 800-876-6657

Fax: 505-828-3765

www.nmbar.org