



CLIENT SECURITY FUND COMMITTEE

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MEMO TO: Members, Executive Committee of the Superior Court

MEMO FROM: Hon. Douglas S. Lavine, Chair
Client Security Fund Committee

DATE: May 16, 2018

SUBJECT: Quarterly Report of the Client Security Fund Committee
January – March 2018

Pursuant to Practice Book §2-72(e), the following is a report of the activities of the Client Security Fund Committee for the first quarter of calendar year 2018:

I. Claims Filed

Twenty-nine (29) claims for reimbursement were filed with the Client Security Fund Committee during the quarter, for an annual total as of the end of the quarter of twenty-nine (29) claims. The dollar amount of claims filed during the quarter was \$234,401.39. The annual total of claims filed as of the end of the quarter was \$234,401.39. The total number of claims pending before the committee as of the end of the quarter was one hundred and ninety-seven (197), with a total amount of claims pending of \$8,687,575.51.

II. Claims Approved

The Client Security Fund Committee approved reimbursement for thirty-three (33) claims during the quarter, and approved payments to those claimants in the amount of \$2,040,845.95. The committee also vacated one decision denying a claim and determined instead that the claim should be approved for a payment of \$1,304.00. The annual total of claims approved by the committee was thirty-four (34) as of the end of the quarter, with a total amount of payments approved of \$2,042,149.95 inclusive of the claim previously denied but later approved for payment during the quarter. The committee also denied twenty-five (25) claims totaling \$1,491,583.94 during the quarter, for an annual total of twenty-five (25)

claims denied in the amount of \$1,491,583.94.

III. Fund Activity

The client security fund received \$68,380.00 in collections during the quarter from individuals obligated to pay the client security fund fee pursuant to Section §2-70 of the Practice Book. The client security fund also received \$48,930.21 in interest on the fund, and \$130,660.17 in restitution from attorneys or former attorneys whose conduct resulted in payments from the fund.

After deductions for expenses, payments to claimants, and other charges against the fund, including \$35,000.00 paid to the Lawyers' Assistance Program pursuant to Practice Book Section 2-73(f), the available cash balance in the fund as of the end of the quarter was \$13,897,003.14. A copy of the quarterly reconciliation of the client security fund prepared by the Judicial Branch Financial Services office is attached.

Respectfully submitted,

 5/16/18
Hon. Douglas S. Lavine, Chair
Client Security Fund Committee

CLIENT SECURITY FUND
Fiscal Year 2017 - 2018
Quarterly Account Summary
January 1, 2018 through March 31, 2018

Available Cash Balance as of 1/1/2018		\$ 15,156,644.61
Cash Receipts (1/1/2018 - 3/31/2018)		
Fees Collected	\$ 68,380.00	
Donations Received	0.00	
Restitution	\$ 130,660.17	
Other Fund Revenue	0.00	
Interest Earned ¹	\$ 48,930.21	
Bank Service Charges ²	\$ (12,203.43)	
Bad Checks	0.00	
Restricted Revenue Refunds	\$ (1,962.50)	
Total Cash Receipts		\$ 233,804.45
Total Cash Available		\$ 15,390,449.06
Cash Disbursements (1/1/2018 - 3/31/2018)		
Claims	\$ 1,334,886.09	
Personal Services - Permanent Full Time	\$ 56,624.39	
Longevity	\$ 35.83	
Accumulated Leave	\$ 1,647.10	
Fringe Benefits	\$ 47,140.27	
Employee Allowances & Reportable Payments	0.00	
In-State Travel	\$ 8.00	
Mileage Reimbursement	\$ 114.17	
Other Settlements - Reportable	0.00	
Management Consultant Services - (Lawyers' Assistance Program)	\$ 35,000.00	
Fees and Permits	\$ 121.00	
Online Information Services	\$ 137.70	
Postage	\$ 16,065.43	
Translation & Interpretation	0.00	
Office Equipment Lease/Rental	\$ 1,128.24	
Expensed Software	0.00	
Telephone	\$ 338.98	
Office Supplies	\$ 198.72	
Non-Controllable Assets	0.00	
Total Cash Disbursements		\$ 1,493,445.92
Available Cash Balance as of 3/31/2018		\$ 13,897,003.14

¹Transfer from State Treasurer for Interest Earned (October - December 2017)

²Charge by State Treasurer for Lockbox Banking Fees (April 2017 - September 2017)