

MINNESOTA CLIENT SECURITY BOARD

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April 18, 2005

OFFICE OF
APPELLATE COURTS

APR 19 2005

FILED

Mr. Frederick Grittner
Clerk of Appellate Court
25 Rev. Dr. Martin Luther King, Jr., Blvd.
St. Paul, MN 55155

Re: Client Security Board Budget

Dear Fred:

Enclosed are 12 copies of the FY'06 – FY'07 Client Security Board budget. The budget was approved by the Client Security Board at its March 21, 2005, meeting. If you have any questions or comments regarding the budget, please contact me.

Very truly yours,



Kenneth L. Jorgensen
Director

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Enclosures

Cc: Honorable Helen M. Meyer (w/enclosure)

Jamie Nordstrom (w/enclosure)

3/10/2005

Minnesota Client Security Board
FY'05 thru FY'07
Income Summaries

FY'05

BALANCE FORWARD IN 7/1/04		\$2,347,181
<u>Income</u>		
Atty registration fees:	\$211,661	
Restitution	\$27,108	
Interest	<u>\$36,597</u>	
Total Income		<u>\$275,366</u>
TOTAL AVAILABLE FUNDS		\$2,622,547
FY'05 ESTIMATED EXPENDITURES & PAYOUTS		<u>\$330,884</u>
ESTIMATED BALANCE FORWARD 6/30/05		<u>\$2,291,663</u>

FY'06

ESTIMATED BALANCE FORWARD IN 7/1/05		\$2,291,663
<u>Income</u>		
Atty registration fees:		
21,300 @ \$12	<u>\$255,600</u>	
	\$255,600	
Restitution	\$21,813	
Interest 1%	<u>\$28,076</u>	
Total Income		<u>\$305,489</u>
TOTAL AVAILABLE FUNDS		\$2,597,152
FY'06 ESTIMATED EXPENDITURES & PAYOUTS		<u>\$212,334</u>
ESTIMATED BALANCE FORWARD 6/30/06		<u>\$2,384,818</u>

FY'07

ESTIMATED BALANCE FORWARD IN 7/1/06		\$2,384,818
<u>Income</u>		
Atty registration fees:		
22,100 @ \$12	<u>\$265,200</u>	
	\$265,200	
Restitution	\$21,419	
Interest 1%	<u>\$28,905</u>	
Total Income		<u>\$315,524</u>
TOTAL AVAILABLE FUNDS		\$2,700,342
FY'07 ESTIMATED EXPENDITURES & PAYOUTS		<u>\$266,786</u>
ESTIMATED BALANCE FORWARD 6/30/07		<u>\$2,433,556</u>

1. Restitution is average of previous three-year totals, excluding one-time major payment received in FY'02 and one-time case settlement received in FY'04.
2. Interest based on estimated 1% which is the average earned from 2/04 - 1/05

3/10/2005

**Minnesota Client Security Board
Expenditure Summary
FY'01 - FY'07**

	FY'01 Actual Expend	FY'02 Actual Expend	FY'03 Actual Expend	FY'04 Actual Expend	FY'05 Antic. Expend	FY'06 Proposed Budget	FY'07 Proposed Budget
1. Claim Payouts	\$99,073	\$341,667	\$140,272	\$759,150	\$275,000	\$150,000	\$201,202
2. Prof. & Tech Services	\$53,014	\$39,065	\$28,754	\$59,012	\$50,608	\$48,796	\$51,472
3. Purchased Serv	\$2,908	\$1,862	\$2,102	\$2,724	\$4,000	\$2,939	\$3,235
4. Travel	\$1,894	\$1,373	\$0	\$0	\$1,100	\$2,500	\$2,750
5. Supplies	\$0	\$0	\$184	\$0	\$176	\$99	\$126
6. Data Process	\$3,620	\$4,540	\$3,988	\$6,750	\$0	\$8,000	\$8,000
Total	\$160,509	\$388,507	\$175,300	\$827,636	\$330,884	\$212,334	\$266,786

FY'06 and FY'07 Expenditure Footnotes

1. Claims - FY'05 & FY'06 estimates include CSB data to date and information on pending claims. FY'07 estimate represents average of FY'01 - FY'06 excluding FY'04.
2. Prof & Tech Services - Includes services of LPRB. FY'06 and FY'07 are 110% of four-year average.
3. Purchased Services - Includes Board mtg and Board members expenses, Atty General fees, indirect costs and service fees. FY'05 high due to translation fees for claim form and brochure. FY'06 and FY'07 are 110% of four-year average.
4. Travel - Changed in FY'00 to include funding for attendance by Board member and attorney representative at Client Protection conferences.
FY'02 - 1 Board Member attended Vancouver conference. FY'03 and FY'04 travel ban in effect.
FY'05 - 1 Board Member attending conference in Chicago.
FY'06 & FY'07 - Budgets anticipate funds for atty and Bd member to attend conferences.
5. Supplies - Envelopes and misc supplies. FY'06 and FY'07 are 110% of four-year average.
6. Data Processing - Funds spent in FY'01 - FY'04 for enhancements to database. \$8,000 for FY'06 and FY'07 will allow for future enhancements and maintenance, if needed.