



The State Bar of California

OPEN SESSION AGENDA ITEM 54-142 MARCH 2022 FINANCE COMMITTEE III.B

DATE: March 24, 2022

TO: Members, Finance Committee
Members, Board of Trustees

FROM: Aracely Montoya-Chico, Chief Financial Officer

SUBJECT: Approval of Investment Report and Client Security Fund Report for Twelve Months Ended December 31, 2021

EXECUTIVE SUMMARY

This agenda item presents unaudited financial reports for the twelve months ended December 31, 2021. These reports include the Investment Report and the Client Security Fund Report.

BACKGROUND

The charter of the Finance Committee directs the committee to thoroughly examine the State Bar's finances on a quarterly basis to ensure a "functional and detailed understanding of the State Bar's revenue streams, expenditures, and overall fiscal conditions and issues." This agenda item provides the Finance Committee with the reports it needs to fulfill these responsibilities.

DISCUSSION

The Financial Report is composed of multiple attachments, including the Investment Report and Client Security Fund Report for the twelve months ended December 31, 2021. This agenda item and the accompanying reports will also be on the consent agenda for the Board of Trustees meeting on March 24, 2022.

FISCAL/PERSONNEL IMPACT

None

AMENDMENTS TO RULES

None

AMENDMENTS TO BOARD OF TRUSTEES POLICY MANUAL

None

STRATEGIC PLAN GOALS & OBJECTIVES

Goal: None – Compliance

RECOMMENDATIONS

Should the Finance Committee concur in the proposed action, passage of the following resolution is recommended:

RESOLVED, that the Finance Committee recommends that the Board of Trustees approves the 2021 Fourth Quarter Financial Reports in the form presented this day before the Finance Committee, for the twelve months ended December 31, 2021, as certified by the chief financial officer and filed with the San Francisco office of the State Bar.

Should the Board of Trustees concur in the proposed action, passage of the following resolution is recommended:

RESOLVED, that upon recommendation of the Finance Committee, the Board of Trustees approves the Financial Reports in the form presented this day before the Board, for the twelve months ended December 31, 2021, as certified by the chief financial officer and filed with the San Francisco office of the State Bar.

ATTACHMENTS LIST

- A.** Investment Report for the twelve months Ended December 31, 2021
- B.** Client Security Fund Report for the twelve months Ended December 31, 2021



The State Bar of California

Date: March 24, 2022

To: Members, Finance Committee
Members, Board of Trustees

From: Aracely Chico-Montoya, Chief Financial Officer

Subject: Investment Report for the 4th Quarter Ended December 31, 2021

Attached is the quarterly Investment Report for the State Bar of California as of December 31, 2021. The report is presented in a format that conforms to the investment policy adopted by the Board of Trustees. The State Bar's investment portfolio consists of fixed income securities and deposits with Wells Fargo Bank, the State Treasurer's Local Agency Investment Fund (LAIF), and with the Bank of New York Mellon Trust Company. As of December 31, 2021, the market value of the investment portfolio was \$96 million, compared to \$108 million as of December 31, 2020.

The quarterly rate of return of the investment portfolio for this quarter is 1.14 percent. Interest rates are lower in comparison to the year prior; the quarterly interest rate on deposits in the LAIF decreased from 0.58 percent for the quarter ended December 31, 2020, to 0.21 percent for the quarter ended December 31, 2021. As of December 31, 2021, the daily rate at LAIF was 0.22 percent. For the year to-date, actual investment earnings decreased from \$2.6 million in 2020 to \$0.4 million in 2021.

The State Bar's investment strategy is to purchase bonds and hold them until maturity to realize the full value of the investment. Unrealized gains or losses in the portfolio would only be recognized if a security was sold before maturity. Temporary price changes or market value fluctuations in the portfolio of held-to-maturity securities are recorded in the State Bar's quarterly financials.

**The State Bar of California Investment Report
Summary As of December 31, 2021**

| <u>Asset Group</u> | <u>Original Cost</u> | <u>Market Value</u> | <u>Portfolio Percentage</u> | <u>Weighted Average Yield</u> |
|--|---------------------------------|--------------------------------|--|--|
| Wells Fargo Custody Account: | | | | |
| - Government Bonds | 13,872,669 | 13,993,068 | 14.6% | 2.70% |
| - Corporate Bonds | 6,261,498 | 6,420,754 | 6.7% | 2.57% |
| - Common Stock-Metlife Inc. | - | 197,249 | 0.2% | N/A |
| Subtotal-Securities, Bonds and Notes | 20,134,167 | 20,611,071 | 21.5% | |
| Interest Receivable | - | 161,992 | 0.2% | 0.21% |
| Local Agency Investment Fund | 75,207,695 | 75,207,695 | 78.4% | 0.21% |
| Bank of New York Mellon Trust Company, N.A. Investment | 15,169,503 | 15,172,463 | 15.8% | 0.00% |
| Total | \$ 95,341,862 | \$ 95,980,758 | 100.0% | 1.14% |

Unrealized Gain/(Loss):

| | |
|---|-------------------|
| Market Value of Portfolio -Securities, Bonds and Notes | \$ 20,611,071 |
| Original Cost of Portfolio -Securities, Bonds and Notes | 20,134,167 |
| Unrealized Gain/(Loss) | <u>\$ 476,904</u> |

ATTACHMENT 2

State Bar of California
Investment Month End Report - Wells Fargo Custody Account
Balance as of December 31, 2021

| <u>Issuer</u> | <u>CUSIP #</u> | <u>S&P Rating</u> | <u>Type</u> | <u>Par Value</u> | <u>Cost</u> | <u>Mkt Value</u> | <u>Interest Receivable</u> | <u>Unrealized Gain/(Loss)</u> | <u>Yield</u> | <u>Purchase Date</u> | <u>Maturity Date</u> |
|---|----------------|---------------------------|-------------------|-------------------|-------------------|-------------------|--------------------------------|-----------------------------------|--------------|--------------------------|--------------------------|
| STATE OF CALIFORNIA | 13063DADO | AA- | Municipal Bond | 3,035,000 | 2,993,269 | 3,051,541 | 17,960 | 58,272 | 2.37% | 04/27/17 | 04/01/22 |
| RIVERSIDE CA UNIF SCH DIST | 769059A22 | AA- | Municipal Bond | 1,250,000 | 1,250,000 | 1,277,313 | 10,318 | 27,313 | 1.98% | 12/17/19 | 02/01/24 |
| TOTAL MUNICIPAL BONDS AND NOTES: | | | | 4,285,000 | 4,243,269 | 4,328,853 | 28,277 | 85,585 | 2.25% | | |
| FED HOME LN MTG CORP | 3134GBA69 | AA+ | Government Agency | 3,000,000 | 2,978,490 | 3,037,920 | 28,104 | 59,430 | 2.38% | 08/09/17 | 08/09/22 |
| FED HOME LN BK | 313383WD9 | AA+ | Government Agency | 6,500,000 | 6,650,911 | 6,626,295 | 63,194 | (24,616) | 3.13% | 08/15/13 | 09/09/22 |
| TOTAL FEDERAL BONDS AND NOTES: | | | | 9,500,000 | 9,629,401 | 9,664,215 | 91,299 | 34,815 | 2.89% | | |
| | | | | 13,785,000 | 13,872,669 | 13,993,068 | 119,576 | 120,399 | 2.70% | | |
| APPLE INC | 037833BF6 | AA+ | Corporate Bond | 3,215,000 | 3,201,015 | 3,242,456 | 11,574 | 41,441 | 2.70% | 05/13/15 | 05/13/22 |
| TOYOTA MOTOR CREDIT CORP | 89236TEC5 | A+ | Corporate Bond | 1,500,000 | 1,452,690 | 1,516,800 | 10,123 | 64,110 | 2.15% | 09/08/17 | 09/08/22 |
| TOYOTA MOTOR CREDIT CORP | 89236TEL5 | A+ | Corporate Bond | 1,625,000 | 1,607,793 | 1,661,498 | 20,719 | 53,705 | 2.70% | 01/11/18 | 01/11/23 |
| TOTAL CORPORATE BONDS : | | | | 6,340,000 | 6,261,498 | 6,420,754 | 42,416 | 159,256 | 2.57% | | |
| | | | | 20,125,000 | 20,134,167 | 20,413,822 | 161,992 | 279,655 | | | |
| BRIGHTHOUSE FINANCIAL INC | 10922N103 | N/A | Common Stock | - | - | 13,779 | - | 13,779 | | | |
| METLIFE INC | 59156R108 | N/A | Common Stock | - | - | 183,471 | - | 183,471 | | | |
| TOTAL COMMON STOCKS: | | | | - | - | 197,249 | - | 197,249 | | | |
| TOTAL INVESTMENTS HELD BY WELLS FARGO: | | | | 20,125,000 | 20,134,167 | 20,611,071 | 161,992 | 476,904 | | | |



The State Bar of California

ATTACHMENT B

Date: March 24, 2022

To: Members, Finance Committee
Members, Board of Trustees

From: Aracely Montoya-Chico, Chief Financial Officer

Subject: Client Security Fund Report for Twelve Months Ended December 31, 2021

Attached are a series of reports for the applications activities within the Client Security Fund (CSF) for the twelve months ended December 31, 2021. These reports include:

- Status on Applications Activities for twelve months ended December 31, 2021
- Applications Aging Report
- Cumulative Applications Aging Report
- 24-Month Rolling Average of Applications Payout Ratio
- Analysis of New Applications Paid, Rejected, or Withdrawn

**Table 1. Indicators for the CSF application process
as of December 31, 2021, and 2020**

| (\$ in millions) | | | | | |
|--|--------------|--------------|----------|----------|------------|
| Key Indicator Descriptions | 2021 Dec YTD | 2020 Dec YTD | # Change | % Change | Attachment |
| New Applications Received # | 611 | 490 | 121 | 24.7% | 1 |
| New Applications Received \$ | \$30.9 | \$12.3 | \$18.6 | 151.2% | |
| Total Applications Processed # | 894 | 1,262 | (368) | -29.2% | 2 |
| Total Applications Processed \$ | \$23.4 | \$24.7 | (\$1.3) | -5.3% | |
| % of Paid Applications in # to total in process [1] | 13.1% | 29.0% | | | 1 |
| % of Paid Applications in \$ to total in process [2] | 8.5% | 19.4% | | | |
| Total Payouts \$ | \$5.7 | \$11.7 | (\$6.0) | (51.3%) | 2 |
| Total Applications Pending for Processing # | 1,327 | 1,610 | (283) | -17.6% | 2 |
| Total Applications Pending for Processing \$ | \$43.3 | \$35.7 | \$7.6 | 21.3% | |
| 24-month Rolling Average Payout Ratio | 36.2% | 40.8% | | | 4 |
| Estimated CSF Application Payouts | \$15.7 | \$14.6 | \$1.1 | 7.6% | 2 |
| Cash and Investments Available for Payouts | \$5.9 | \$2.5 | \$3.4 | 136.0% | 3 |

[1] # of total in process represents pending application from prior year plus additional applications filed in current fiscal year.

[2] \$ of total in process represents total application amount pending for processing from prior year plus additional applications filed in current fiscal year.

2021 YTD ACTIVITY

As of December 31, 2021, a total of 611 new applications totaling \$30.9 million were filed. The number of new applications filed increased by 24.7 percent compared to 490 new applications filed for the same period last year. The application amount increased by \$18.6 million, or 151.2 percent compared to \$12.3 million filed for the same period in 2020. The number of applications in 2021 increased partly due to the return to normalcy compared to 2020, which had a decrease in activity due to the pandemic. The increase in the amount requested during 2021 as compared to the prior year is due primarily to one attorney for which CSF has received a large number of applications requesting sizeable reimbursements.

For the twelve months ended December 31, 2021, 894 applications were processed totaling \$23.4 million. Total payouts for the period were \$5.7 million, a decrease of \$6.0 million from \$11.7 million of payouts during the same period last year. In 2020, the higher licensing fee was used to process claims that could be quickly approved. The more complex claims were deferred to 2021 and once they were reviewed, a large proportion did not meet the criteria for approval. Total applications pending for processing as of December 31, 2021, are 1,327 totaling \$43.3 million; for the same period in 2020, 1,610 applications were pending totaling \$35.7 million.

For this report period the estimated application payout ratio (based on a rolling average of 24-month historical applications payout) is 36.2 percent. Applying the applications payout ratio to the outstanding application amount of \$43.3 million for the period resulted in the estimated

application payout of \$15.7 million; this is a 7.6 percent increase compared to the \$14.6 million estimated application payout at the same period last year.

CHANGES FROM 2020 TO 2021

For the year 2021, CSF resolved a total of 894 applications of which 291 were paid and 603 were rejected or withdrawn.

While CSF had anticipated that there would be a higher proportion of cases likely to qualify for reimbursement in the latter half of the year, the results showed this was not the case as there continued to be a high proportion of applications that did not qualify for reimbursement. CSF continues to review and work to resolve its inventory of cases in a fair and efficient manner. CSF reduced its outstanding inventory from 2,381 at the end of 2019 to 1,610 at the end of 2020, and now 1,327 at the end of 2021.

In 2020, the CSF licensing fee was temporarily raised from \$40 to \$80 for active attorneys, and from \$10 to \$20 for inactive attorneys. This gave CSF double the amount of funds that it usually has for one year. With the accelerated funding, the focus was on investigating and processing as many cases that appeared to qualify for reimbursement as possible. This resulted in a record payment amount of \$11.7 million in 2020. As of December 31, 2021, cash and investments available for applications reimbursement in the CSF were approximately \$5.9 million compared to \$2.5 million last year, as a result of accelerated payments in 2020 enabled by the one-time licensing fee increase.

THE STATE BAR OF CALIFORNIA CLIENT SECURITY FUND
STATUS ON APPLICATIONS ACTIVITIES
YTD DECEMBER 31, 2021

| | \$1 - 25,000 | | \$25,001 - 50,000 | | \$50,001 - 100,000 | | TOTAL | | (A) | (B) |
|--|--------------|---------------------|-------------------|---------------------|--------------------|----------------------|--------------|----------------------|-------|-------|
| | # | Amount | # | Amount | # | Amount | # | Amount | | |
| Prior Years' Applications | 1,231 | \$ 8,130,924 | 135 | \$ 5,152,453 | 244 | \$ 22,482,159 | 1,610 | \$ 35,765,536 | | |
| New Applications | 468 | \$ 3,070,056 | 46 | \$ 1,806,224 | 97 | \$ 26,003,476 | 611 | \$ 30,879,756 | | |
| Paid Applications | (232) | \$ (1,344,114) | (19) | \$ (615,534) | (40) | \$ (3,696,759) | (291) | \$ (5,656,406) | 13.1% | 8.5% |
| Rejected Applications | (101) | \$ (1,278,070) | (26) | \$ (1,254,503) | (64) | \$ (6,421,716) | (191) | \$ (8,954,289) | 8.6% | 13.4% |
| Withdrawn Applications | (322) | \$ (2,256,257) | (35) | \$ (1,232,571) | (55) | \$ (5,272,442) | (412) | \$ (8,761,269) | 18.6% | 13.1% |
| Applications Outstanding | 1,044 | \$ 6,322,540 | 101 | \$ 3,856,070 | 182 | \$ 33,094,719 | 1,327 | \$ 43,273,328 | | |
| New applications % to total | 76.6% | 9.9% | 7.5% | 5.8% | 15.9% | 84.2% | 100.0% | 100.0% | | |
| Applications paid % to total | 79.7% | 23.8% | 6.5% | 10.9% | 13.7% | 65.4% | 100.0% | 100.0% | | |
| Applications rejected or withdrawn % to total | 70.1% | 20.0% | 10.1% | 14.0% | 19.7% | 66.0% | 100.0% | 100.0% | | |
| Applications outstanding % to total | 78.7% | 14.6% | 7.6% | 8.9% | 13.7% | 76.5% | 100.0% | 100.0% | | |

(A) % of # of paid applications, rejected applications and withdrawn applications to # of total applications in process in 2021 Q4.

(B) % of paid applications, rejected applications and withdrawn applications in \$ to the total applications \$ in process in 2021 Q4.

THE STATE BAR OF CALIFORNIA CLIENT SECURITY FUND
APPLICATIONS AGING REPORT AS OF DECEMBER 31, 2021

| <u>Year</u> <u>Application</u> <u>Filed</u> | <u>Gross Applications Prior</u> | | <u>Current Year</u> | | <u>Applications Paid</u> | | <u>Applications Rejected or</u> <u>Withdrawn</u> | | <u>Total Applications</u> <u>Processed</u> | | <u>Applications Outstanding</u> | |
|---|---------------------------------|----------------------|---------------------|----------------------|--------------------------|-----------------------|---|------------------------|---|------------------------|---------------------------------|----------------------|
| | <u>#</u> | <u>Amount</u> | <u>#</u> | <u>Amount</u> | <u>#</u> | <u>Amount</u> | <u>#</u> | <u>Amount</u> | <u>#</u> | <u>Amount</u> | <u>#</u> | <u>Amount</u> |
| 2012 | 6 | \$ 66,516 | | | (1) | \$ (3,500) | (1) | \$ (3,495) | (2) | \$ (6,995) | 4 | \$ 59,521 |
| 2013 | 31 | 210,377 | | | (6) | (22,707) | (2) | (8,166) | (8) | (30,872) | 23 | 179,505 |
| 2014 | 235 | 1,219,889 | | | (28) | (106,700) | (1) | (47,071) | (29) | (153,771) | 206 | 1,066,118 |
| 2015 | 82 | 786,020 | | | (2) | (6,316) | (7) | (374,139) | (9) | (380,455) | 73 | 405,565 |
| 2016 | 83 | 2,809,575 | | | (12) | (132,097) | (22) | (926,889) | (34) | (1,058,986) | 49 | 1,750,589 |
| 2017 | 180 | 4,562,337 | | | (43) | (498,447) | (74) | (2,605,079) | (117) | (3,103,526) | 63 | 1,458,811 |
| 2018 | 345 | 10,077,926 | | | (43) | (1,066,266) | (170) | (6,049,979) | (213) | (7,116,245) | 132 | 2,961,682 |
| 2019 | 294 | 6,936,628 | | | (53) | (1,131,776) | (88) | (2,065,334) | (141) | (3,197,110) | 153 | 3,739,518 |
| 2020 | 354 | 9,096,266 | | | (50) | (1,348,303) | (134) | (3,277,258) | (184) | (4,625,561) | 170 | 4,470,705 |
| 2021 | | | 611 | \$ 30,879,756 | (53) | (1,340,296) | (104) | (2,358,147) | (157) | (3,698,443) | 454 | 27,181,313 |
| TOTAL | 1,610 | \$ 35,765,536 | 611 | \$ 30,879,756 | (291) | \$ (5,656,406) | (603) | \$ (17,715,558) | (894) | \$ (23,371,964) | 1,327 | \$ 43,273,328 |

Applications Outstanding \$ **43,273,328**

Estimated Application Payout Ratio **36.2%**
Estimated Application Payouts **\$15,652,991**

THE STATE BAR OF CALIFORNIA CLIENT SECURITY FUND
CUMULATIVE APPLICATIONS AGING REPORT AS OF DECEMBER 31, 2021

| <u>Year Application</u> <u>Filed</u> | <u>Gross Applications Prior</u> <u>Years</u> | | <u>Current Year</u> | | <u>Applications Paid</u> | | <u>Applications Rejected</u> <u>and Withdrawn</u> | | <u>Total Applications</u> <u>Processed</u> | | <u>Applications Outstanding</u> | |
|---|---|---------------|---------------------|--------------|--------------------------|----------------|--|-----------------|---|-----------------|---------------------------------|---------------|
| | # | Amount | # | Amount | # | Amount | # | Amount | # | Amount | # | Amount |
| 2011-2012 | 6 | \$ 66,516 | | | (1) | \$ (3,500) | (1) | \$ (3,495) | (2) | \$ (6,995) | 4 | \$ 59,521 |
| 2011-2013 | 37 | 276,894 | | | (7) | (26,207) | (3) | (11,661) | (10) | (37,867) | 27 | 239,026 |
| 2011-2014 | 272 | 1,496,783 | | | (35) | (132,907) | (4) | (58,732) | (39) | (191,638) | 233 | 1,305,145 |
| 2011-2015 | 354 | 2,282,803 | | | (37) | (139,222) | (11) | (432,871) | (48) | (572,093) | 306 | 1,710,710 |
| 2011-2016 | 437 | 5,092,378 | | | (49) | (271,319) | (33) | (1,359,760) | (82) | (1,631,079) | 355 | 3,461,299 |
| 2011-2017 | 617 | 9,654,715 | | | (92) | (769,766) | (107) | (3,964,839) | (199) | (4,734,605) | 418 | 4,920,110 |
| 2011-2018 | 962 | 19,732,641 | | | (135) | (1,836,032) | (277) | (10,014,818) | (412) | (11,850,850) | 550 | 7,881,791 |
| 2011-2019 | 1,256 | 26,669,270 | | | (188) | (2,967,807) | (365) | (12,080,153) | (553) | (15,047,960) | 703 | 11,621,310 |
| 2011-2020 | 1,610 | 35,765,536 | | | (238) | (4,316,110) | (499) | (15,357,411) | (737) | (19,673,521) | 873 | 16,092,015 |
| 2011-2021 | | 35,765,536 | 611 | \$30,879,756 | (291) | (5,656,406) | (603) | (17,715,558) | (894) | (23,371,964) | 1,327 | 43,273,328 |
| | - | \$ 35,765,536 | 611 | \$30,879,756 | (291) | \$ (5,656,406) | (603) | \$ (17,715,558) | (894) | \$ (23,371,964) | 1,327 | \$ 43,273,328 |

THE STATE BAR OF CALIFORNIA CLIENT SECURITY FUND
24-MONTH ROLLING AVERAGE APPLICATIONS PAYOUT RATIO
JANUARY 2020 THROUGH DECEMBER 2021

| Month Covered | <u>PROCESSED</u> | <u>REJECTED/ WITHDRAWN</u> | <u>PAID APPLICATIONS</u> | Monthly Ave Payout Ratio |
|------------------|----------------------|--------------------------------|--------------------------|--------------------------------|
| | Amount | Amount | Amount | |
| Jan20 | \$ 3,761,270 | \$ 1,495,016 | \$ 2,266,254 | 60.3% |
| Feb20 | 979,850 | 282,350 | 697,500 | 71.2% |
| Mar20 | 1,267,007 | 910,028 | 356,979 | 28.2% |
| Apr20 | 1,797,790 | 840,553 | 957,237 | 53.2% |
| May20 | 864,561 | 374,073 | 490,489 | 56.7% |
| Jun20 | 785,617 | 468,841 | 316,775 | 40.3% |
| Jul20 | 1,606,302 | 948,966 | 657,336 | 40.9% |
| Aug20 | 1,232,641 | 320,838 | 911,802 | 74.0% |
| Sept20 | 3,807,473 | 3,096,714 | 710,758 | 18.7% |
| Oct20 | 2,200,669 | 1,375,409 | 825,260 | 37.5% |
| Nov20 | 2,659,720 | 1,370,629 | 1,289,091 | 48.5% |
| Dec20 | 3,721,499 | 1,474,259 | 2,247,241 | 60.4% |
| Jan21 | 489,216 | 462,494 | 26,722 | 5.5% |
| Feb21 | 660,715 | 260,545 | 400,170 | 60.6% |
| Mar21 | 1,786,505 | 1,538,894 | 247,611 | 13.9% |
| Apr21 | 1,233,120 | 1,085,440 | 147,680 | 12.0% |
| May21 | 1,197,748 | 904,112 | 293,636 | 24.5% |
| Jun21 | 5,511,576 | 5,213,187 | 298,389 | 5.4% |
| Jul21 | 2,372,947 | 1,475,822 | 897,125 | 37.8% |
| Aug21 | 1,706,342 | 1,148,854 | 557,488 | 32.7% |
| Sep21 | 3,344,043 | 2,109,378 | 1,234,665 | 36.9% |
| Oct21 | 1,327,507 | 1,209,145 | 118,362 | 8.9% |
| Nov21 | 754,180 | 397,529 | 356,651 | 47.3% |
| Dec21 | 2,988,064 | 1,910,158 | 1,077,906 | 36.1% |
| Total: | \$ 48,056,363 | \$ 30,673,235 | \$ 17,383,128 | |

24-Month Rolling Average PaidOut Ratio: 36.2%

THE STATE BAR OF CALIFORNIA CLIENT SECURITY FUND
ANALYSIS OF APPLICATIONS PAYOUTS PER ACTIVE ATTORNEY
YTD DECEMBER 31, 2021

| | <u>1ST QTR</u> | <u>2ND QTR</u> | <u>3RD QTR</u> | <u>4TH QTR</u> |
|--|----------------|----------------|----------------|----------------|
| Beginning Balance | 1,610 | 1,584 | 1,469 | 1,469 |
| Add: Reinstated Applications and New Applications | 144 | 174 | 171 | 293 |
| Less: Paid / Rejected or Withdrawn | 170 | 289 | 275 | 435 |
| TOTAL | 1,584 | 1,469 | 1,365 | 1,327 |
| APPLICATIONS OUTSTANDING AMT. | \$ 36,342,823 | \$38,168,664 | \$37,501,342 | \$ 43,273,328 |
| # Of Active Attorneys | 191,789 | 193,209 | 193,526 | 194,300 |
| Cost Per Active Attorney | \$ 189 | \$ 198 | \$ 194 | \$ 223 |
| ESTIMATED APPLICATIONS LIAB. | | | | |
| Applications Payout Ratio | 40.4% | 35.9% | 35.5% | 36.2% |
| Estimated Application Amount * | \$ 14,696,636 | \$13,713,409 | \$13,303,803 | \$ 15,652,991 |
| # of Active Attorneys | 191,789 | 193,209 | 193,526 | 194,300 |
| Cost per Active Attorney | \$ 77 | \$ 71 | \$ 69 | \$ 81 |
| CASH AND INVESTMENT AVAILABLE FOR PAYOUTS, END OF PERIOD | \$ 9,249,992 | \$ 8,121,363 | \$ 5,840,191 | \$ 5,867,774 |
| PROJECTED CASH AND INVESTMENT AVAILABLE FOR PAYOUT | \$ (5,446,643) | \$ (5,592,047) | \$ (7,463,613) | \$ (9,785,217) |

*Based upon 24 month rolling weighted average of applications payout ratio (See page 4)