

PRELIMINARY DRAFT -- Illustrative Only

Cash Flow for Paid Family Leave

Assumptions/Parameters

Collect contributions only

Total IT Devel Cost	Pyrl Tax Rate, Yr 2+	Int rate on Treas funds
\$500,000	0.150%	2.00%

Start System 7/1/18	Start Taxes 7/1/19	Start Benefits 10/1/20		
One year start-up	No ben's in FY2020	Fully operating in Oct.	Fully operating	Fully operating
FY2019	FY2020	FY2021	FY2022	FY2023

REVENUE FROM CONTRIBUTIONS	\$0	\$18,101,207	\$18,318,422	\$18,538,243	\$18,760,702
TOTAL COSTS (ben, IT, admin, reserves, int)	\$851,663	\$13,802,611	\$17,966,869	\$19,076,395	\$19,542,156
Benefits paid (grow 2.5%)			\$12,223,125	\$16,704,938	\$17,122,561
IT product development	\$333,500	\$166,500			
Admin at 8.0% of benefits paid (year 3+)	\$518,163	\$544,291	\$1,303,474	\$1,781,415	\$1,825,950
50% of previous personnel costs, yrs 1&2					
Needed additions to reserves: 100% at t+1		\$13,074,788	\$4,498,846	\$359,048	\$357,317
Note: Interest earned		-\$17,033	\$58,575	\$70,747	\$48,159
Note: Reserves required	\$0	\$12,223,125	\$16,704,938	\$17,122,561	\$17,550,625
FUND BALANCE	-\$851,663	\$2,928,771	\$3,537,333	\$2,407,951	\$1,685,418

PRELIMINARY DRAFT -- Illustrative Only

Cash Flow for Paid Family Leave

Assumptions/Parameters

Collect contributions, pay out benefits

Total IT Devel Cost	Pyrl Tax Rate, Yr 2+	Int rate on Treas funds
\$2,500,000	0.156%	2.00%

	Start System 7/1/18	Start Taxes 7/1/19	Start Benefits 10/1/20		
	One year start-up	No ben's in FY2020	Fully operating in Oct.	Fully operating	Fully operating
	FY2019	FY2020	FY2021	FY2022	FY2023
REVENUE FROM CONTRIBUTIONS	\$0	\$18,825,256	\$19,051,159	\$19,279,773	\$19,511,130
TOTAL COSTS (ben, IT, admin, reserves, int)	\$2,444,744	\$16,365,699	\$17,980,725	\$19,076,395	\$19,542,156
Benefits paid (grow 2.5%)			\$12,223,125	\$16,704,938	\$17,122,561
IT product development	\$1,667,500	\$832,500			
Admin at 7.5% of benefits paid (year 3+)	\$777,244	\$816,436	\$1,222,007	\$1,252,870	\$1,284,192
75% of previous personnel costs, yrs 1&2					
Needed additions to reserves: 100% at t+1		\$14,667,869	\$4,530,707	\$422,509	\$368,992
Note: Interest earned		-\$48,895	-\$4,885	\$59,072	\$51,071
Note: Reserves required	\$0	\$12,223,125	\$16,704,938	\$17,122,561	\$17,550,625
FUND BALANCE	-\$2,444,744	-\$244,269	\$2,953,582	\$2,553,533	\$2,569,510