

Cash Flow for H.107 Family and Medical Leave using ADS/VDOL costs for IT and Administration of Program, Placeholder for Tax Dept.							
PRELIMINARY -- Steady Economy							
Assumptions/Parameters	Tax Dept IT Development Cost	ADS IT Development Cost	Pyrl Tax Rate, Yr 2-5	Int rate on Treas funds, Yrs 2-4	Int rate on Treas funds, Yrs 5+	Pyrl Tax Rate, Yr 6+	
Tax IT: Collect contributions	\$1,000,000	\$11,350,000	0.670%	2.50%	2.50%	0.700%	
VDOL IT: All else							
	Start System 7/1/19	Start Taxes 7/1/20	Start Benefits 10/1/21				
	One year start-up	No ben's in FY2020	Fully operating in Oct.	Fully operating	Fully operating	Fully operating	Fully operating
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
PROGRAM REVENUE	\$0	\$105,687,159	\$108,064,519	\$110,496,559	\$112,982,103	\$120,637,906	\$123,291,940
Contributions from payroll tax	\$0	\$105,687,159	\$108,064,519	\$110,496,559	\$112,982,103	\$120,637,906	\$123,291,940
TOTAL COSTS (ben, IT, admin, addn to reserves)	\$5,532,200	\$101,655,325	\$84,190,992	\$92,681,545	\$101,564,391	\$110,856,011	\$115,352,140
Benefits paid			\$78,646,654	\$107,274,037	\$109,741,339	\$112,265,390	\$114,847,494
IT product development & personnel (ADS)	\$4,865,200	\$6,484,400	\$1,216,962	\$1,222,691	\$1,228,592	\$1,234,669	\$1,240,929
Admin costs from VDOL for Yr3+ (\$6 to \$10mil)			\$8,000,000	\$8,184,000	\$8,372,232	\$8,564,793	\$8,761,784
IT/Personnel costs from Tax Dept	\$667,000	\$977,490	\$659,313	\$674,477	\$689,990	\$705,860	\$722,095
Needed additions to reserves		\$94,193,435	-\$4,331,937	-\$24,673,660	-\$18,467,763	-\$11,914,702	-\$10,220,162
Reserves required: 9 mos bens & admin at t+1		\$88,522,930	\$90,536,696	\$92,596,819	\$94,704,366	\$96,860,429	\$99,088,218
Reserve balance carried forward		-\$5,532,200	\$4,031,834	\$23,873,527	\$17,815,014	\$11,417,713	\$9,781,894
Interest earned on reserves	\$0	-\$138,305	\$2,313,869	\$2,860,256	\$2,760,296	\$2,653,052	\$2,666,058
Excess fund balance as of start of year	\$0	-\$5,670,505	\$6,345,704	\$26,733,783	\$20,575,310	\$14,070,765	\$12,447,952
EXCESS FUND BALANCE	-\$5,532,200	\$4,031,834	\$23,873,527	\$17,815,014	\$11,417,713	\$9,781,894	\$7,939,800

For Reference:	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Wages subject to PFL tax	\$15,419,553,127	\$15,774,202,849	\$16,129,032,743	\$16,492,023,724	\$16,863,000,507	\$17,233,986,518	\$17,613,134,221
% Change in Wage Base (use CPI-U)		2.3%	2.2%	2.3%	2.2%	2.2%	2.2%
Total benefits, IWPR estimate	\$100,200,000	\$102,504,600	\$104,862,206	\$107,274,037	\$109,741,339	\$112,265,390	\$114,847,494
Admin as Share of Benefits			12.56%	9.40%	9.38%	9.36%	9.34%

Cash Flow for H.107 Family and Medical Leave using ADS/VDOL costs for IT and Administration of Program, Placeholder for Tax Dept.
PRELIMINARY -- Typical Recession Begins in Year 2

Assumptions/Parameters	Tax Dept IT Development Cost	ADS IT Development Cost	Pyrl Tax Rate, Yr 2-4	Int rate on Treas funds, Yrs 2-3	Int rate on Treas funds, Yrs 4-5	Pyrl Tax Rate, Yr 5+	Int rate on Treas funds, Yrs 6+
Tax IT: Collect contributions	\$1,000,000	\$11,350,000	0.670%	0.50%	1.50%	0.700%	2.50%
VDOL IT: All else							
	Start System 7/1/19	Start Taxes 7/1/20	Start Benefits 10/1/21				
	One year start-up	No ben's in FY2020	Fully operating in Oct.	Fully operating	Fully operating	Fully operating	Fully operating
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
PROGRAM REVENUE	\$0	\$103,561,148	\$103,966,744	\$105,526,245	\$107,847,823	\$110,220,475	\$112,645,325
Contributions from payroll tax	\$0	\$103,561,148	\$103,966,744	\$105,526,245	\$107,847,823	\$110,220,475	\$112,645,325
TOTAL COSTS (ben, IT, admin, addn to reserves)	\$5,532,200	\$101,544,681	\$88,067,532	\$101,919,577	\$117,089,980	\$132,032,378	\$147,735,782
Benefits paid			\$78,646,654	\$107,274,037	\$109,741,339	\$112,265,390	\$114,847,494
IT product development & personnel (ADS)	\$4,865,200	\$6,484,400	\$1,216,962	\$1,222,691	\$1,228,592	\$1,234,669	\$1,240,929
Admin costs from VDOL for Yr3+ (\$6 to \$10mil)			\$8,000,000	\$8,184,000	\$8,372,232	\$8,564,793	\$8,761,784
IT/Personnel costs from Tax Dept	\$667,000	\$977,490	\$659,313	\$674,477	\$689,990	\$705,860	\$722,095
Needed additions to reserves		\$94,082,791	-\$455,398	-\$15,435,628	-\$2,942,174	\$9,261,665	\$22,163,480
Reserves required: 9 mos bens & admin at t+1		\$88,522,930	\$90,536,696	\$92,596,819	\$94,704,366	\$96,860,429	\$99,088,218
Reserve balance carried forward		-\$5,532,200	\$2,016,467	\$15,899,212	\$3,606,669	-\$9,242,157	-\$21,811,903
Interest earned on reserves	\$0	-\$27,661	\$452,697	\$1,596,539	\$1,443,052	\$2,136,555	\$1,876,213
Reserve balance as of start of year	\$0	-\$5,559,861	\$2,469,164	\$17,495,751	\$5,049,721	-\$7,105,602	-\$19,935,690
EXCESS FUND BALANCE	-\$5,532,200	\$2,016,467	\$15,899,212	\$3,606,669	-\$9,242,157	-\$21,811,903	-\$35,090,457

For reference	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Wages subject to PFL tax	\$15,419,553,127	\$15,774,202,849	\$16,129,032,743	\$16,492,023,724	\$16,863,000,507	\$17,233,986,518	\$17,613,134,221
% Change in Wage Base (use CPI-U)		2.3%	2.2%	2.3%	2.2%	2.2%	2.2%
Total benefits, IWPR estimate	\$100,200,000	\$102,504,600	\$104,862,206	\$107,274,037	\$109,741,339	\$112,265,390	\$114,847,494
<i>Typical recession like 2001-02</i>							
Wages subject to PFL tax	\$15,419,553,127	\$15,456,887,731	\$15,517,424,478	\$15,750,185,845	\$16,096,689,934	\$16,450,817,112	\$16,812,735,089
% Change in Wage Base (use CPI-U)		0.242%	0.392%	1.50%	2.2%	2.2%	2.2%
Total benefits, same IWPR estimate	\$100,200,000	\$102,504,600	\$104,862,206	\$107,274,037	\$109,741,339	\$112,265,390	\$114,847,494

Cash Flow for H.107 Family and Medical Leave using ADS/VDOL costs for IT and Administration of Program, Placeholder for Tax Dept.

PRELIMINARY – Typical Recession Begins in Year 5

Assumptions/Parameters	Tax Dept IT Development Cost	ADS IT Development Cost	Pyrl Tax Rate, Yr 2-5	Int rate on Treas funds, Yrs 2-4	Int rate on Treas funds, Yrs 5-6	Pyrl Tax Rate, Yr 6+	Int rate on Treas funds, Yrs 7-8
Tax IT: Collect contributions	\$1,000,000	\$11,350,000	0.670%	2.50%	0.50%	0.700%	1.50%
VDOL IT: All else							
	Start System 7/1/19	Start Taxes 7/1/20	Start Benefits 10/1/21		Recession hits		
	One year start-up	No ben's in FY2020	Fully operating in Oct.	Fully operating	Fully operating	Fully operating	Fully operating
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
PROGRAM REVENUE	\$0	\$105,687,159	\$108,012,277	\$110,496,559	\$110,763,961	\$111,198,155	\$112,866,128
Contributions from payroll tax	\$0	\$105,687,159	\$108,012,277	\$110,496,559	\$110,763,961	\$111,198,155	\$112,866,128
TOTAL COSTS (ben, IT, admin, addn to reserves)	\$5,532,200	\$101,655,325	\$84,190,992	\$92,735,094	\$103,826,444	\$117,481,050	\$132,724,324
Benefits paid			\$78,646,654	\$107,274,037	\$109,741,339	\$112,265,390	\$114,847,494
IT product development & personnel (ADS)	\$4,865,200	\$6,484,400	\$1,216,962	\$1,222,691	\$1,228,592	\$1,234,669	\$1,240,929
Admin costs from VDOL for Yr3+ (\$6 to \$10mil)			\$8,000,000	\$8,184,000	\$8,372,232	\$8,564,793	\$8,761,784
IT/Personnel costs from Tax Dept	\$667,000	\$977,490	\$659,313	\$674,477	\$689,990	\$705,860	\$722,095
Needed additions to reserves		\$94,193,435	-\$4,331,937	-\$24,620,111	-\$16,205,710	-\$5,289,663	\$7,152,021
Reserves required: 9 mos bens & admin at t+1		\$88,522,930	\$90,536,696	\$92,596,819	\$94,704,366	\$96,860,429	\$99,088,218
Reserve balance carried forward		-\$5,532,200	\$4,031,834	\$23,821,284	\$17,761,465	\$6,937,517	-\$6,282,895
Interest earned on reserves	\$0	-\$138,305	\$2,313,869	\$2,858,950	\$551,791	\$508,209	\$1,358,663
Reserve balance as of start of year	\$0	-\$5,670,505	\$6,345,704	\$26,680,234	\$18,313,257	\$7,445,726	-\$4,924,232
EXCESS FUND BALANCE	-\$5,532,200	\$4,031,834	\$23,821,284	\$17,761,465	\$6,937,517	-\$6,282,895	-\$19,858,196

For reference	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Wages subject to PFL tax	\$15,419,553,127	\$15,774,202,849	\$16,129,032,743	\$16,492,023,724	\$16,863,000,507	\$17,233,986,518	\$17,613,134,221
% Change in Wage Base (use CPI-U)		2.3%	2.2%	2.3%	2.2%	2.2%	2.2%
Total benefits, IWPR estimate	\$100,200,000	\$102,504,600	\$104,862,206	\$107,274,037	\$109,741,339	\$112,265,390	\$114,847,494
<i>Typical recession like 2001-02</i>							
Wages subject to PFL tax	\$15,419,553,127	\$15,774,202,849	\$16,121,235,312	\$16,492,023,724	\$16,531,934,421	\$16,596,739,604	\$16,845,690,698
% Change in Wage Base (use CPI-U)		2.300%	2.200%	2.30%	0.24%	0.39%	1.5%
Total benefits, same IWPR estimate	\$100,200,000	\$102,504,600	\$104,862,206	\$107,274,037	\$109,741,339	\$112,265,390	\$114,847,494

Cash Flow for H.107 Family and Medical Leave using ADS/VDOL costs for IT and Administration of Program, Placeholder for Tax Dept.							
PRELIMINARY - Benefit Payout 5% higher							
Assumptions/Parameters	Tax Dept IT Development Cost	ADS IT Development Cost	Pyrl Tax Rate, Yr 2-5	Int rate on Treas funds, Yrs 2-4	Int rate on Treas funds, Yrs 5+	Pyrl Tax Rate, Yr 6+	
Tax IT: Collect contributions	\$1,000,000	\$11,350,000	0.670%	2.50%	2.50%	0.700%	
VDOL IT: All else							
	Start System 7/1/19	Start Taxes 7/1/20	Start Benefits 10/1/21				
	One year start-up	No ben's in FY2020	Fully operating in Oct.	Fully operating	Fully operating	Fully operating	Fully operating
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
PROGRAM REVENUE	\$0	\$105,687,159	\$108,064,519	\$110,496,559	\$112,982,103	\$120,637,906	\$123,291,940
Contributions from payroll tax	\$0	\$105,687,159	\$108,064,519	\$110,496,559	\$112,982,103	\$120,637,906	\$123,291,940
TOTAL COSTS (ben, IT, admin, addn to reserves)	\$5,532,200	\$105,587,657	\$92,146,101	\$106,191,188	\$120,890,611	\$136,270,237	\$147,135,482
Benefits paid			\$82,578,987	\$112,637,738	\$115,228,406	\$117,878,660	\$120,589,869
IT product development & personnel (ADS)	\$4,865,200	\$6,484,400	\$1,216,962	\$1,222,691	\$1,228,592	\$1,234,669	\$1,240,929
Admin costs from VDOL for Yr3+ (\$6 to \$10mil)			\$8,000,000	\$8,184,000	\$8,372,232	\$8,564,793	\$8,761,784
IT/Personnel costs from Tax Dept	\$667,000	\$977,490	\$659,313	\$674,477	\$689,990	\$705,860	\$722,095
Needed additions to reserves		\$98,125,767	-\$309,161	-\$16,527,719	-\$4,628,609	\$7,886,254	\$15,820,805
Reserves required: 9 mos bens & admin at t+1		\$92,455,262	\$94,559,472	\$96,712,119	\$98,914,318	\$101,167,210	\$103,494,055
Reserve balance carried forward		-\$5,532,200	\$99,502	\$15,918,418	\$4,305,371	-\$7,908,508	-\$15,632,331
Interest earned on reserves	\$0	-\$138,305	\$2,313,869	\$2,761,947	\$2,525,437	\$2,275,145	\$2,138,372
Reserve balance as of start of year	\$0	-\$5,670,505	\$2,413,371	\$18,680,365	\$6,830,808	-\$5,633,362	-\$13,493,959
EXCESS FUND BALANCE	-\$5,532,200	\$99,502	\$15,918,418	\$4,305,371	-\$7,908,508	-\$15,632,331	-\$23,843,543

For Reference:	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Wages subject to PFL tax	\$15,419,553,127	\$15,774,202,849	\$16,129,032,743	\$16,492,023,724	\$16,863,000,507	\$17,233,986,518	\$17,613,134,221
% Change in Wage Base (use CPI-U)		2.3%	2.2%	2.3%	2.2%	2.2%	2.2%
Alternative Scenario -- Benefit Payout 5% higher							
Total benefits, increase IWPR est. by 5%		\$107,629,830	\$110,105,316	\$112,637,738	\$115,228,406	\$117,878,660	\$120,589,869
Total benefits, same IWPR estimate	\$100,200,000	\$102,504,600	\$104,862,206	\$107,274,037	\$109,741,339	\$112,265,390	\$114,847,494