

UI Overview and Forecasts

Small Business Workshop
October 27, 2015

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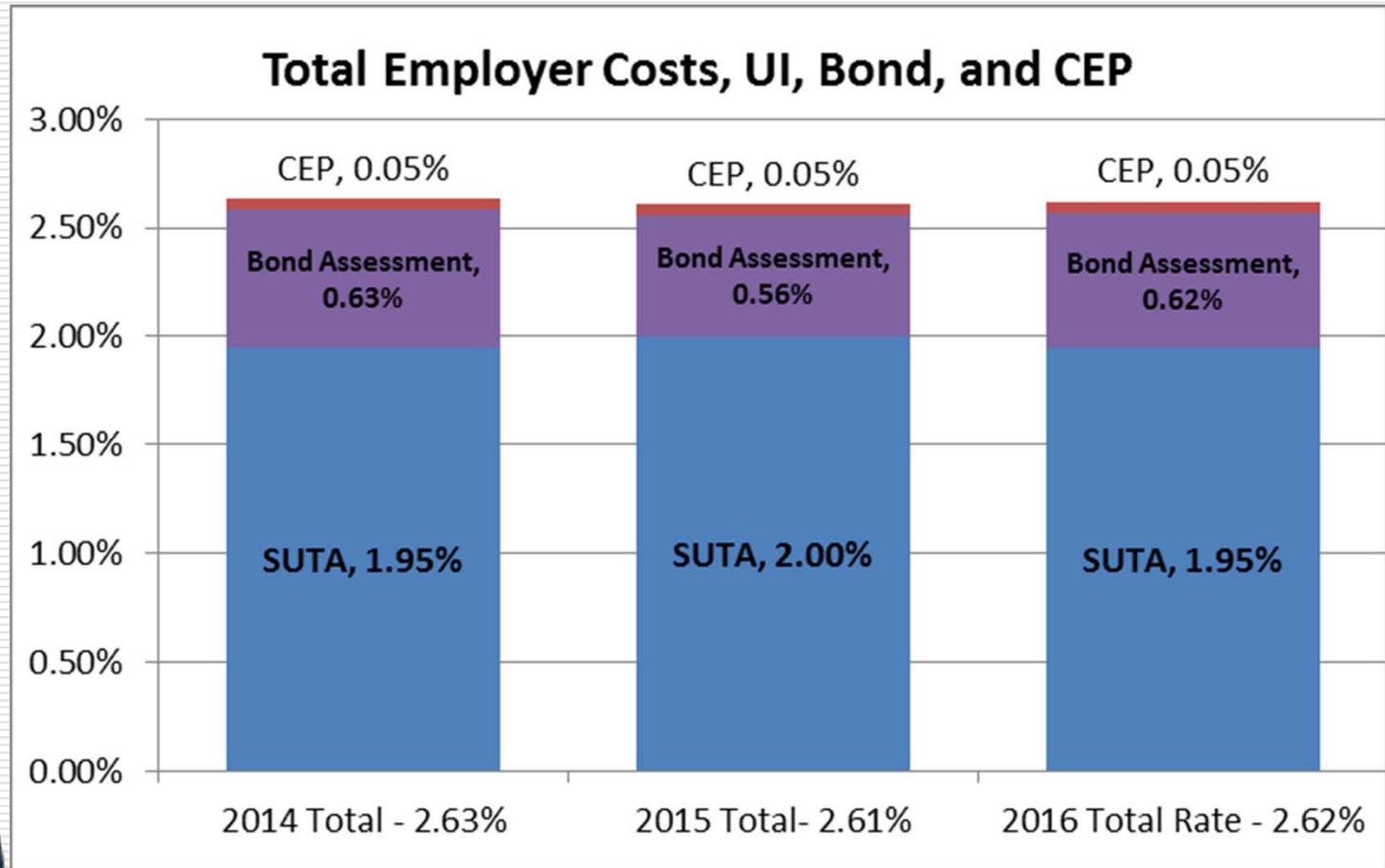


2016 Employer Impact: Bond Contribution Rates

Tier and Multiplier	2015	2016	2016 Reserve Ratio Range
Tier 1: Baseline x 0.45	0.26%	0.29%	New
Tier 2: Baseline x 1.4	0.80%	0.87%	Less than 0
Tier 3: Derived	0.60%	0.67%	0 to 8.99
Tier 4: Baseline x 0.25	0.14%	0.16%	9.00 or Higher
Average Cost per Employee at Taxable Wage Limit:	\$155.68	\$174.84	

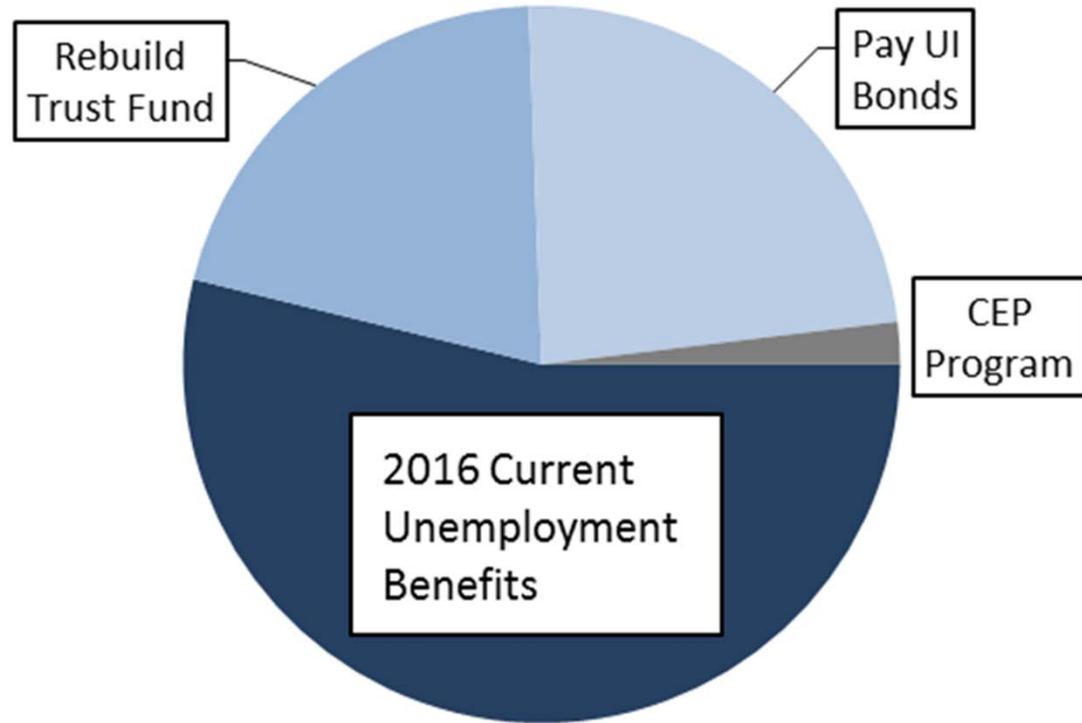


2016 Employer Impact: Average Total Employers Costs



Nevada's Trust Fund: Use of 2016 UI Contributions

Distribution of UI Contributions



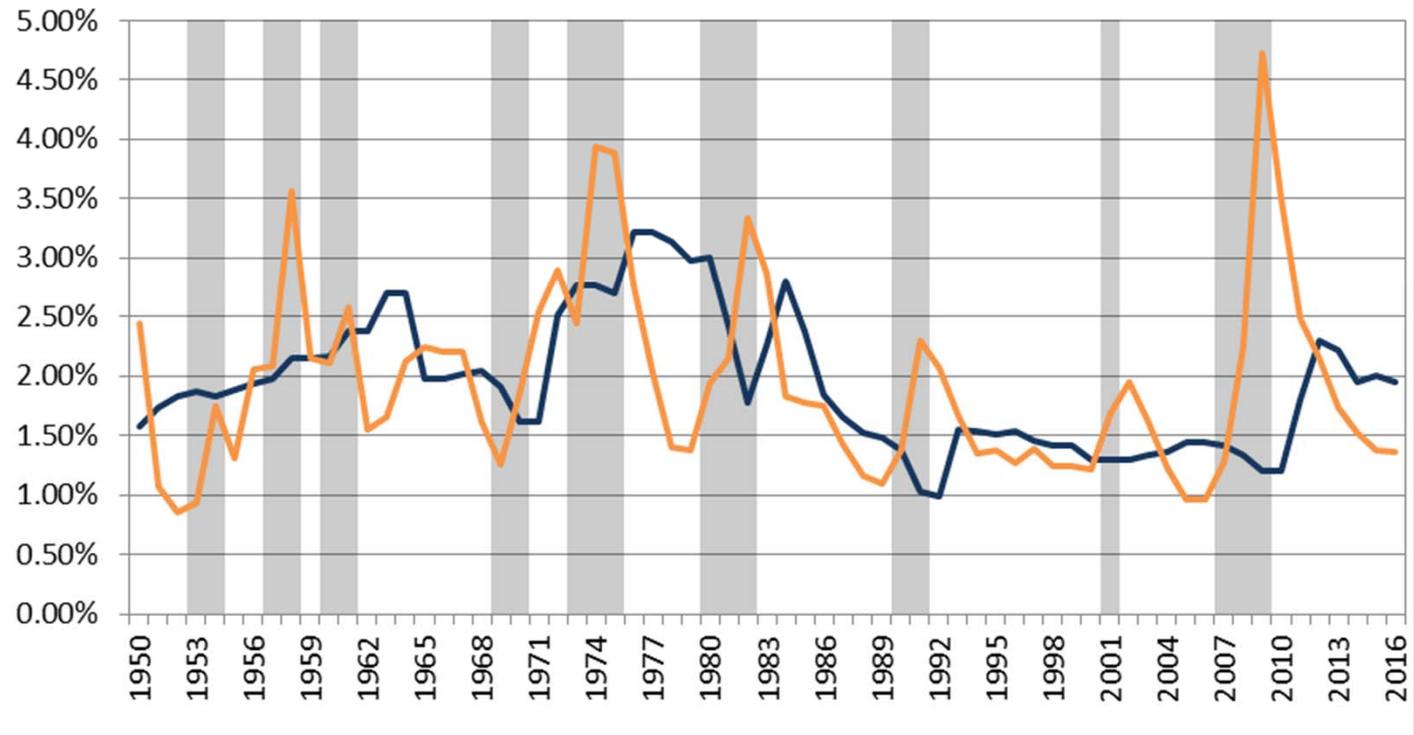
Nevada's Trust Fund: Expected 2016 Cash Flows

Nevada Solvency Calculation	2015	2016	2015	2016	2016
Covered Employment	1,076,218	1,076,218	1,076,218	1,076,218	1,076,218
Highest Risk Ratio - 11/2009	18.98%	18.98%	18.98%	18.98%	18.98%
Highest Weeks Duration - 05/2010	19.12	19.12	19.12	19.12	19.12
Average Weekly Payment	\$325.00	\$325.00	\$325.00	\$325.00	\$325.00
Solvency Target (Millions)	\$1,269.3	\$1,269.3	\$1,269.3	\$1,269.3	\$1,269.3
UI Trust Fund Level					
10/1/14 Fund Balance (Millions)	\$408.2	\$408.2	\$408.2	\$408.2	\$408.2
Intake to Fund	546.4	560.0	573.7	588.6	601.1
Taxes	532.9	546.4	560.0	574.8	587.2
Interest	13.5	13.6	13.7	13.8	13.9
Payout From Fund	383.2	383.2	383.2	383.2	383.2
Net Change in Fund	163.2	176.8	190.5	205.4	217.9
9/30/15 Fund Balance (Millions)	\$571.4	\$585.0	\$598.7	\$613.6	\$626.1
State Solvency Gap (Millions)	(698.0)	(684.3)	(670.6)	(655.7)	(643.2)
Solvency Multiple	0.45	0.46	0.47	0.48	0.49
AHCM Solvency Gap (Millions)	(446.1)	(432.4)	(418.7)	(403.8)	(391.3)
Average High Cost Multiple	0.56	0.58	0.59	0.60	0.62
Average Tax Rate	1.90%	1.95%	2.00%	2.05%	2.10%
Average Bond Assessment	0.62%	0.62%	0.62%	0.62%	0.62%
CEP Assessment	0.05%	0.05%	0.05%	0.05%	0.05%
Total Cost to Employers	2.57%	2.62%	2.67%	2.72%	2.77%
Average Cost Per Employee at Taxable Wage Base	\$724.74	\$738.84	\$752.94	\$767.04	\$781.14

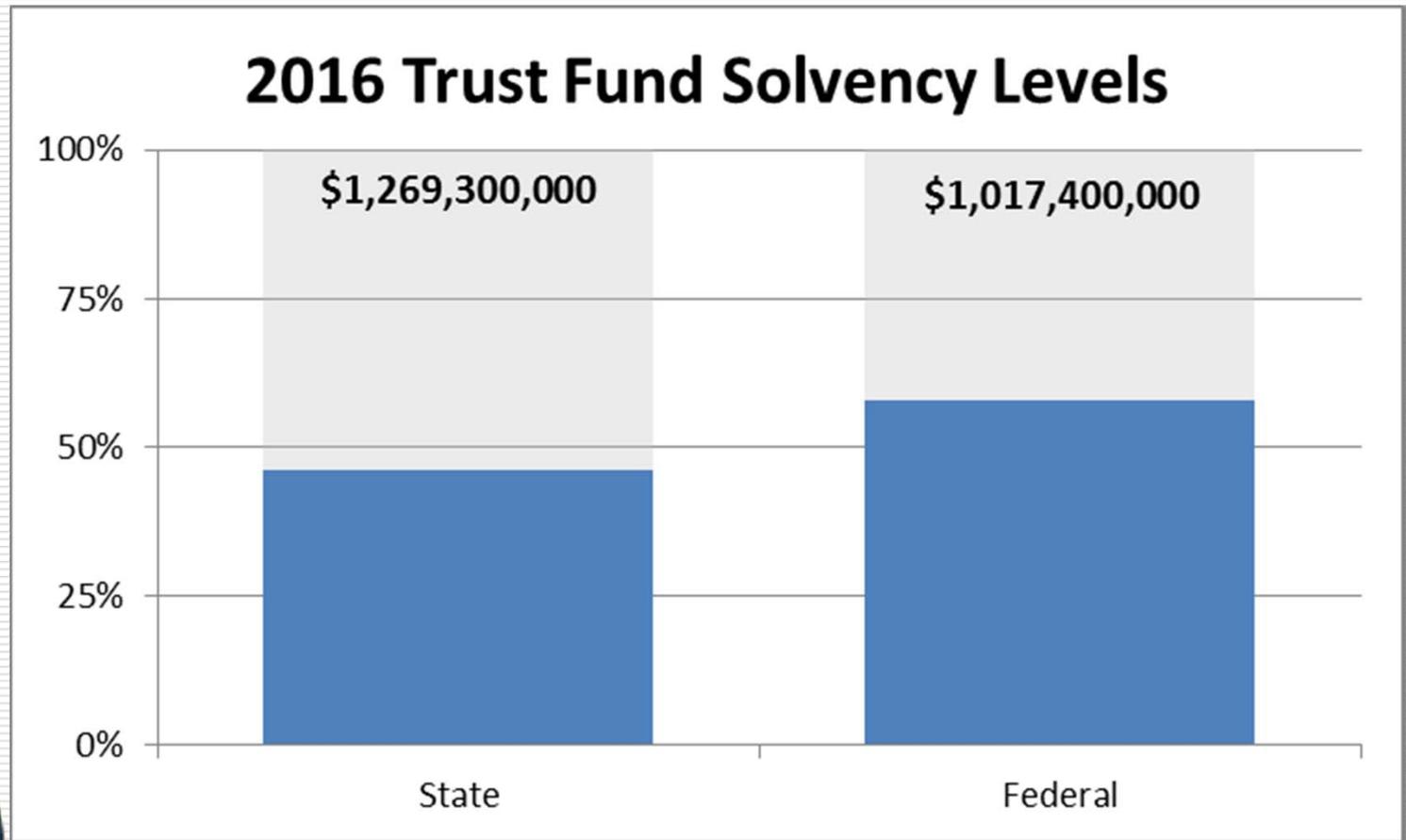


Nevada's Trust Fund: Contribution Rates vs. Benefit Costs

Nevada Tax Rates v. Benefit Cost Rate
Shaded areas indicate recessions



Looking Ahead: Rebuilding Trust Fund Reserves



Looking Ahead: Effect of 2016 Rate on Solvency

(\$ in Millions)	1.90%	1.95%	2.00%	2.05%	2.10%
2016 AHCM	0.57	0.58	0.59	0.60	0.61
2017 AHCM	0.70	0.72	0.75	0.77	0.80
2018 AHCM	0.82	0.86	0.90	0.94	0.98
2019 AHCM	0.95	1.00	1.06	1.11	1.16
2020 AHCM	1.08	1.15	1.21	1.28	1.34
2021 AHCM	1.21	1.28	1.36	1.44	1.52
2016-19 Interest	\$104.8	\$109.0	\$113.2	\$117.4	\$121.6

- ❑ Average time from end of one recession to start of the next during the last 50 years: 5.4 years (December 2014)
- ❑ Longest time from end of one recession to start of the next during the last 50 years: 10 years (June 2019)

