

Unemployment Insurance: There is a safe, cost-effective alternative out there.

What do high unemployment rates, increased taxes and negative State Trust Fund Balances mean to your nonprofit?

All these statistics mean less money for your cause. First Nonprofit Group provides more than 1,600 nonprofits around the country with unemployment insurance at affordable rates. Below is a sample savings analysis of one California member since 2010.

FIRST NONPROFIT



□ 2005 □ 2006 □ 2007 □ 2008
 □ 2009 □ 2010 □ 2011 □ 2012
 ■ 2013 ■ 2014

STATE TAX



\$0 \$25,000 \$50,000 \$75,000 \$100,000 \$125,000 \$150,000 \$175,000

California member savings sample—
TOTAL SAVINGS '05-'14: \$73,099*

**Does not include member-owned reserve account balance*



First Nonprofit Group
An AmTrust Financial Company

(800) 526-4352

www.firstnonprofitgroup.com

Source: *doleta.gov*



California

\$10.3 Billion

NEGATIVE STATE TRUST FUND BALANCE

The California Employment Development Department owes more than \$10.3 Billion to the federal government. This loan is used to pay the excess unemployment claims the State Trust Fund cannot cover.

87% Increase

COST INCREASE NEEDED TO MEET SOLVENCY STANDARDS

Employers across the country have seen their unemployment tax rates increase as their state unemployment agencies strive to meet the US Department of Labor's Trust Fund solvency standards. In order for California to meet these standards, the average cost per employee will have to increase by 87%, from \$364 (in 2013) to \$682.

\$15,000

POTENTIAL WAGE BASE INCREASE

Federal legislation is also being considered in order to speed up the rebuilding of these State Trust Funds. Pending federal legislation would increase California's unemployment wage base from \$7,000 to \$15,000, therefore increasing the average unemployment tax cost per employee from \$364 (in 2013) to \$780.