

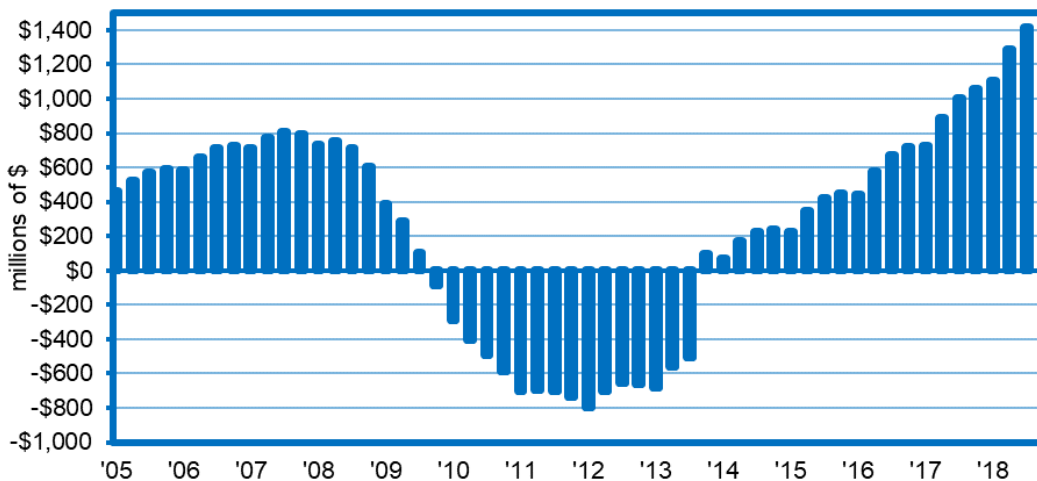
Research Notes



Unemployment Insurance Trust Fund
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Note: 2018:135
 November 14, 2018

Nevada's Unemployment Insurance Trust Fund Balance Over \$1.4 Billion at the End of the Third Quarter of 2018



Trust Fund Overview	Millions of \$
Q2 2018 Ending Balance	\$1,287.31
Plus:	
Contributions	\$184.02
Interest Earned	\$8.02
Less:	
Benefit Payments	\$65.71
Q3 2018 Ending Balance	\$1,413.65

- Nevada's Unemployment Insurance (UI) Trust Fund ended the third quarter of 2018 with a balance just over \$1.4 billion, another record level.
- Since last quarter, \$184 million in UI taxes were collected, an increase of 7.1 percent compared to the third quarter of 2017. Interest earned by the Trust Fund totaled \$8.0 million in the third quarter; \$2.56 million higher than last year's third quarter reading.
- Outflows from the fund, also known as benefit payments, were \$65.7 million for the observed period, nearly \$3.14 million lower compared to the previous year. This, combined with the increase in UI contributions, allowed the Trust Fund to grow by \$126 million over the quarter.
- Turning to solvency measures of the trust fund, the most common measure, the Average High Cost Multiple (AHCM), provides an estimate of the amount of time the current Trust Fund balance could pay benefits at the average of a state's three highest cost years in the last two decades. The federally recommended minimum AHCM is 1.0, which represents one year of benefits. With a balance of \$1.41 billion, Nevada's current AHCM of 1.17 indicates that the Silver State's Trust Fund would cover more than one year of benefits if a similar recession were to occur.