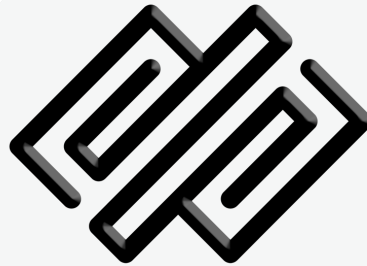


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EMPLOYER BURDEN EXPLANATION

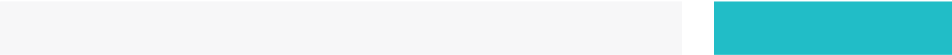
SELF DETERMINATION PROGRAM





SENTINEL FOUR

EMPLOYER BURDEN RATE SUMMARY – 2025



To help you better understand the employer costs associated with payroll, we've outlined each applicable tax and benefit rate below. Where appropriate, we've included additional explanation and attached relevant documentation for your reference.

FICA – Social Security (6.2%)

This is a federally mandated tax rate and is required of all employers. It funds the Social Security program.

FICA – Medicare (1.45%)

This is also a standard federal tax required of all employers. It supports the Medicare program.

FUTA – Federal Unemployment Tax Act (1.8%)

Due to California's outstanding federal Unemployment Insurance loan, the FUTA rate for California employers has increased to 1.8% for 2025.

See attached California EDD Tax Worksheet for details.

SUTA – State Unemployment Tax Act (3.4%)

This rate is assigned to Sentinel Four by the California Employment Development Department (EDD) and may vary based on the employer's history.

See attached EDD Rate Notice for confirmation.

ETT – Employment Training Tax (0.1%)

This is a standard tax rate required for all California employers. It funds job training programs across the state.

Workers' Compensation Insurance (6.05%)

Based on our current policy, the premium cost is \$6.05 per \$100 of gross wages.

Please see the attached policy schedule for rate details.

Paid Sick Leave Accrual (1.92%)

In accordance with California labor law, each employee is entitled to 40 hours (or one full week) of paid sick leave per year. Sentinel Four frontloads this amount annually.

To estimate the annual cost, we divide one week of wages by the total number of weeks in a year ($1 \div 52$), resulting in an estimated accrual rate of 1.92%.

Please note: Sentinel Four does not automatically charge Paid Sick Leave and will not include 1.92% to your employer burden rate. If an employee does take sick time, Sentinel Four will pay the employee based on the current rate of pay for the applicable hours.

TOTAL EMPLOYER BURDEN: 19.00%

We recognize that changes to employment costs can present challenges, and we want to acknowledge the impact this may have on your planning and budgeting. We appreciate that you may need time to review the information and adjust accordingly. With that in mind, Sentinel Four will implement these updated employer rates effective June 1, 2025. If you have any questions or would like to discuss these changes in more detail, please don't hesitate to reach out to your case manager or our main office at **(530) 515-9048** or email us at **fms@sentinelfour.com**.



2025 Federal and State Payroll Taxes

Federal Taxes	Federal Unemployment (FUTA)	Social Security Tax (FICA)	Medicare Tax (FICA)	Federal Income Tax (FIT)
Employer Pays	1.8% ¹	6.2%	1.45%	
Employee Pays	None	6.2%	1.45% ²	Use Tables ³
Wage Limit	\$7,000	\$176,100	None	None
Form	940	941	941	941

State Taxes	Unemployment Insurance	Employment Training Tax	State Disability Insurance (SDI)	Personal Income Tax (State Income Tax)
Employer Pays	3.4% ⁴	0.1%		
Employee Pays			1.2%	Use Tables ⁵
Wage Limit	\$7,000	\$7,000	None ⁶	None

Important Due Dates

Federal Forms	State Forms	Period	Due Date	Delinquent if Not Filed By*
Form 941	DE 9 and DE 9C	1st Quarter (Jan, Feb, Mar)	April 1, 2025	April 30, 2025
Form 941	DE 9 and DE 9C	2nd Quarter (Apr, May, Jun)	July 1, 2025	July 31, 2025
Form 941	DE 9 and DE 9C	3rd Quarter (Jul, Aug, Sep)	October 1, 2025	October 31, 2025
Form 941	DE 9 and DE 9C	4th Quarter (Oct, Nov, Dec)	January 1, 2026	February 2, 2026
Form 940		Entire Year	February 2, 2026	
Form W-2 to Employees		Entire Year	February 2, 2026	
Forms W-2 and W-3 to Social Security Administration ⁷		Entire Year	February 2, 2026	

* If the delinquent date falls on a Saturday, Sunday, or holiday, the delinquent date becomes the next business day.

- State forms, Employment Development Department: *Quarterly Contribution Return and Report of Wages* (DE 9) and *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C)
- Federal forms, Internal Revenue Service (IRS): *Employer's Quarterly Federal Tax Return* (Form 941), *Employer's Annual Federal Unemployment Tax Return* (Form 940), *Wage and Tax Statement* (Form W-2), and *Transmittal of Wage and Tax Statements* (Form W-3)

¹ Due to an outstanding federal UI loan advance, this is the projected 2025 FUTA rate for California employers. The Final 2025 FUTA credit reduction will be published after November 10, 2025. Visit [FUTA Credit Reductions](https://oui.doleta.gov/unemploy/futa_credit.asp) (oui.doleta.gov/unemploy/futa_credit.asp) for more information. See instructions for Form 940 and Schedule A for Form 940. Information about future developments affecting Form 940 will be posted by the IRS (irs.gov/form940).

² There may be an additional Medicare tax withholding. For details, see Publication 15, Circular E, *Employer's Tax Guide*, or the IRS (irs.gov).

³ Refer to Publication 15, Circular E, *Employer's Tax Guide*, or the IRS (irs.gov).

⁴ New employers pay 3.4 percent for a period of two to three years.

⁵ Refer to the [California Employer's Guide](#) (DE 44) (PDF, 2.4 MB) (edd.ca.gov/pdf_pub_ctr/de44.pdf) or our [website](#) (edd.ca.gov).

⁶ Effective January 1, 2024, Senate Bill 951 removed the taxable wage limit and maximum withholdings for each employee subject to SDI contributions.

⁷ Retain state copies of Form W-2.

The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats need to be made by calling 1-888-745-3886 (voice) or TTY 1-800-547-9565.

Technology Insurance Company, Inc.

WC 99 00 01 E

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WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

INFORMATION PAGE

Insured: Sentinel Four, Inc

Policy Number: TWC4458986

EXTENSION OF INFORMATION PAGE FOR ITEM #4 ITEM 4: SCHEDULE OF PREMIUMS

Classifications	# of Emps	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remun.	Estimated Annual Premium
California - Premium for Period 1: 8/16/2024 to 8/16/2025					
Home Care Services - all employees	99+	8827	1,000,000+	6.05	65,000+
Manual Premium					65,000+



PHONE

+530-515-9048
+530-515-9044



WEB

www.sentinel4.com
fms@sentinel4.com



ADDRESS

1321 Butte St. STE 201
Redding, CA 96001

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