

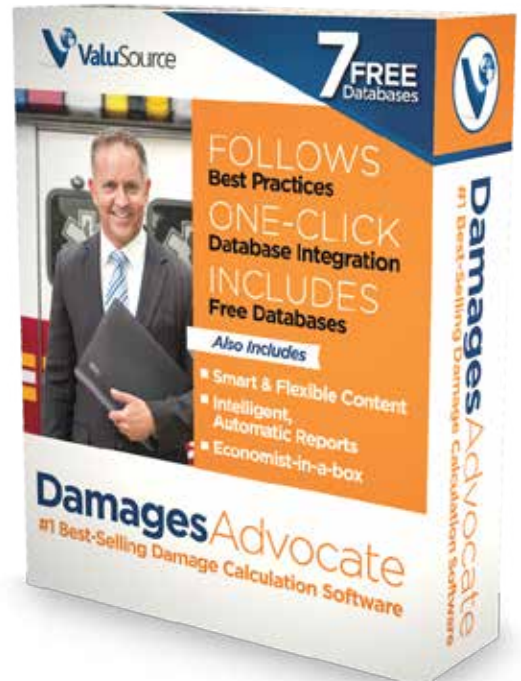
DamagesAdvocate

#1 Best-Selling Damage Calculation Software

PERSONAL INJURY SAMPLE REPORT



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Whether a novice damages consultant, who may miss the critical points or not have many models built yet, or the expert who is spending too much time on reports, there is no longer a reason to perform this analysis manually.

There are **six main REASONS** you should consider Damages Advocate...

1

GUIDES YOU THROUGH DAMAGES CALCULATIONS BEST PRACTICES

Includes Smart Navigator that walks you through the best practices with sequential menus to ensure you do not miss critical analysis.

2

THE BEST ONE-CLICK DATABASE INTERGRATION

Automatically populates your schedule and narrative from seven major damages database categories:

- ▶ Work Life Expectancy Data from Academic Studies
- ▶ Life Expectancy Data from CDC U.S. Life Tables
- ▶ Wage Data from BLS Occupational Employment Statistics
- ▶ Fringe Benefits Data from BLS Employer Costs for Employee Compensation
- ▶ Growth Rates from BLS Current Employment Statistics (used for pre-trial growth of earnings and household services)
- ▶ Household Services Data from Dollar Value of a Day and Regional Adjustment
- ▶ Data from BEA Local Area Personal Income (used to adjust Dollar Value of a Day Data).

3

MOST COMPREHENSIVE DAMAGE CALCULATION WORKFLOW

Includes Comprehensive Workflow Decision Trees that cover the input, assumptions and databases for: retirement, life span, employment, dependents, household services, medical expenses, and other damages.

4

INCLUDES SEVEN DATABASES— FREE

Databases cover: life expectancy, earnings by occupation, fringe benefits, pre-trial earnings growth, life expectancy of dependents, household services, and pre-trial growth of household services.

5

SMART AND FLEXIBLE CONTENT—LIKE AN ECONOMIST-IN-A-BOX

Built-in intelligent schedules transform based on your assumptions and saves beginners from making critical mistakes, while allowing expert to finish much quicker.

Includes Smart Logic which looks at your assumptions and intelligently determines which fields and choices should be displayed. Plus, the output is delivered in Word and Excel, so it is easy to modify.

6

INTELLIGENT AND AUTOMATIC WRITTEN REPORTS

The report writer creates the narrative, work schedules, and exports to Excel, Word, and PDF. It includes a standard 13-page damages report with all the necessary schedules to defend your damages position. Plus, any changes are hot-linked and ripple through your damages report automatically.

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Disclaimer

This sample is meant to show the full functionality of the software, not reflect an actual valuation. There are options and assumptions in this report that do not reflect valuation best practices in order for you to see the full scope of the analysis. Even though this software automates and standardizes the valuation process, it does not replace the expertise of the valuator.

Whenever you see text or numbers surrounded by chevrons, like «February 14, 2019», this represents a link to the analysis workbook. A link to the analysis file (working papers) can be a cell, range or chart. Realize that a small change in a single value can carry forward to many numbers in the report. For instance, changing a growth rate in an income method can change the conclusion of value and all the intermediate values in between. When you choose to update the links, all these values get updated to reflect the current numbers, tables and charts in working papers.

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#1 Best-Selling Damage Calculation Software

Personal Injury Economic Damages Report

Plaintiff: Josefina Garcia

Report Date: June 5, 2020

John D. Expert

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Case Overview

General Information

Injury Date:	3/17/2020
Trial or Settlement Date:	10/15/2020
Interest Rate (Past Damages):	3.00%
Discount Rate (Future Damages):	3.00%
Periodic Compounding:	Annually
Present Value Interest Calculation:	Compound Interest

Plaintiff Information

Gender:	Female
Race:	Hispanic
Birth Date:	6/12/1980
Age at Injury:	39.76
Projected Retirement Age*:	59.50
Projected Age at Death**:	85.50

* Worklife expectancy calculated for all women active in the workforce with a high school diploma. Study used: The Markov Process Model of Labor Force Activity: Extended Tables of Central Tendency, Shape, Percentile Points, and Bootstrap Standard Errors, Gary R. Skoog, James E. Ciecka and Kurt V. Krueger, Journal of Forensic Economics, 22(2), 2011.

** Life expectancy calculated for Hispanic women. Study used: United States Life Tables, 2017 by Elizabeth Arias, Ph.D., and Jiaquan Xu, M.D., Division of Vital Statistics, National Vital Statistics Reports, Volume 68, Number 7, June 24 2019.

Damages Summary

	Future Values		Present Values	
	Pre-Trial	Post-Trial	Pre-Trial	Post-Trial
Lost Income	\$6,424	\$379,238	\$6,424	\$277,234
Lost Fringe Benefits	\$5,249	\$275,220	\$5,249	\$203,054
Subtotal: Lost Earnings	\$11,672	\$654,458	\$11,672	\$480,288
Federal Taxes	\$578	\$34,131	\$578	\$24,951
State Taxes	\$193	\$11,377	\$193	\$8,317
Subtotal: Taxes on Lost Income	\$771	\$45,509	\$771	\$33,268
After-Tax Lost Earnings	\$10,901	\$608,950	\$10,901	\$447,020
Lost Household Services	\$2,282	\$85,042	\$2,282	\$34,849
Medical Expenses	\$4,327	\$891	\$4,327	\$866
Other Damages	\$3,917	\$0	\$3,917	\$0
Total Damages	\$21,427	\$694,883	\$21,427	\$482,735
Grand Total Damages	\$716,310		\$504,163	

Lost Income

Projected Employment Without Injury

ID	From	To	Occupation	Employer	Initial Salary	Benefits %	Pre-Trial Growth	Post-Trial Growth
A.1	03/17/20	04/30/20	Dispatcher	Gladstone Trucking	\$1,065	33.37%		2.00%
A.2	05/01/20	12/11/39	Dispatcher	New Employer	\$35,900	39.08%		2.00%

#1 Best-Selling Damage Calculation Software

Actual and Projected Employment With Injury

ID	From	To	Occupation	Employer	Initial Salary	Benefits %	Pre-Trial Growth	Post-Trial Growth
B.1	03/17/20	04/30/20	Dispatcher	Gladstone Trucking	\$1,065	33.37%		2.00%
B.2	05/01/20	12/11/39	Dispatcher	Yuma Taxi	\$21,822	11.58%		1.00%

Pre-Trial Lost Income

Period	From	To	Income	Benefits	Total Uninjured	Income	Benefits	Total Injured	Loss	Present Value
1	03/17/20	10/14/20	\$17,446	\$6,757	\$24,203	\$11,022	\$1,508	\$12,530	\$11,672	\$11,672
Total	03/17/20	10/14/20	\$17,446	\$6,757	\$24,203	\$11,022	\$1,508	\$12,530	\$11,672	\$11,672

Post-Trial Lost Income

Period	From	To	Income	Benefits	Total Uninjured	Income	Benefits	Total Injured	Loss	Present Value
1	10/15/20	12/31/20	\$7,651	\$2,990	\$10,641	\$4,651	\$539	\$5,189	\$5,452	\$5,417
2	01/01/21	12/31/21	\$36,618	\$14,310	\$50,928	\$22,040	\$2,552	\$24,592	\$26,336	\$25,408
3	01/01/22	12/31/22	\$37,350	\$14,597	\$51,947	\$22,261	\$2,578	\$24,838	\$27,108	\$25,392
4	01/01/23	12/31/23	\$38,097	\$14,888	\$52,986	\$22,483	\$2,604	\$25,087	\$27,899	\$25,371
5	01/01/24	12/31/24	\$38,859	\$15,186	\$54,046	\$22,708	\$2,630	\$25,338	\$28,708	\$25,346
6	01/01/25	12/31/25	\$39,637	\$15,490	\$55,126	\$22,935	\$2,656	\$25,591	\$29,535	\$25,318
7	01/01/26	12/31/26	\$40,429	\$15,800	\$56,229	\$23,164	\$2,682	\$25,847	\$30,382	\$25,285
8	01/01/27	12/31/27	\$41,238	\$16,116	\$57,354	\$23,396	\$2,709	\$26,105	\$31,248	\$25,248
9	01/01/28	12/31/28	\$42,063	\$16,438	\$58,501	\$23,630	\$2,736	\$26,366	\$32,134	\$25,208
10	01/01/29	12/31/29	\$42,904	\$16,767	\$59,671	\$23,866	\$2,764	\$26,630	\$33,041	\$25,164
11	01/01/30	12/31/30	\$43,762	\$17,102	\$60,864	\$24,105	\$2,791	\$26,896	\$33,968	\$25,116
12	01/01/31	12/31/31	\$44,637	\$17,444	\$62,081	\$24,346	\$2,819	\$27,165	\$34,916	\$25,066
13	01/01/32	12/31/32	\$45,530	\$17,793	\$63,323	\$24,590	\$2,847	\$27,437	\$35,886	\$25,012
14	01/01/33	12/31/33	\$46,440	\$18,149	\$64,589	\$24,835	\$2,876	\$27,711	\$36,878	\$24,954
15	01/01/34	12/31/34	\$47,369	\$18,512	\$65,881	\$25,084	\$2,905	\$27,989	\$37,893	\$24,894
16	01/01/35	12/31/35	\$48,317	\$18,882	\$67,199	\$25,335	\$2,934	\$28,268	\$38,930	\$24,831
17	01/01/36	12/31/36	\$49,283	\$19,260	\$68,543	\$25,588	\$2,963	\$28,551	\$39,992	\$24,765
18	01/01/37	12/31/37	\$50,269	\$19,645	\$69,914	\$25,844	\$2,993	\$28,837	\$41,077	\$24,696
19	01/01/38	12/31/38	\$51,274	\$20,038	\$71,312	\$26,102	\$3,023	\$29,125	\$42,187	\$24,625
20	01/01/39	12/31/39	\$49,380	\$19,298	\$68,678	\$24,905	\$2,884	\$27,789	\$40,889	\$23,172
21	01/01/40	12/31/40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	01/01/41	12/31/41	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	01/01/42	12/31/42	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	01/01/43	12/31/43	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Period	From	To	Income	Benefits	Total Uninjured	Income	Benefits	Total Injured	Loss	Present Value
25	01/01/44	12/31/44	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	01/01/45	12/31/45	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	01/01/46	12/31/46	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	01/01/47	12/31/47	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	01/01/48	12/31/48	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	01/01/49	12/31/49	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	01/01/50	12/31/50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	01/01/51	12/31/51	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	01/01/52	12/31/52	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	01/01/53	12/31/53	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	01/01/54	12/31/54	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	01/01/55	12/31/55	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	01/01/56	12/31/56	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	01/01/57	12/31/57	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	01/01/58	12/31/58	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	01/01/59	12/31/59	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	01/01/60	12/31/60	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
42	01/01/61	12/31/61	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	01/01/62	12/31/62	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	01/01/63	12/31/63	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	01/01/64	12/31/64	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	01/01/65	12/11/65	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	10/15/20	12/11/65	\$841,107	\$328,705	\$1,169,812	\$461,869	\$53,484	\$515,354	\$654,458	\$480,288

Lost Production of Household Services

Dependents

Name	Type	Birth Date	Current Age	Start Care	End Care
Manuel Lopez	Elderly	01/30/43	77.35	08/08/06	06/27/31
Angela Garcia	Child	07/29/03	16.85	07/29/03	07/29/21
Jorge Garcia	Child	02/20/07	13.29	02/20/07	02/20/25
Pascual Garcia	Child	11/02/11	8.59	11/02/11	11/02/29

Explanation of Calculation Methods

The calculations in this report use the methods explained below to value household services.

Enter Annual Value Method

The analyst preparing the report enters the annual value of the household services. The software prorates that amount as necessary.

No Services Method

No household services are performed. Value is zero (\$0).

Values Applied Without Injury

ID	Event Description	Calculation Method	Start Date	End Date	Annual Value
A.43907	Injury Date	Annual	03/17/20	06/16/20	\$9,721
A.43999	Marriage	Annual	06/17/20	12/10/39	\$12,292
A.51115	Retirement Date	Annual	12/11/39	12/11/65	\$13,314

Values Applied With Injury

ID	Event Description	Calculation Method	Start Date	End Date	Annual Value
B.43907	Injury Date	No Services	03/17/20	04/30/20	\$0
B.43952	Start Job: Dispatcher, Yuma Taxi	Annual	05/01/20	06/16/20	\$2,000
B.43999	Marriage	Annual	06/17/20	12/10/39	\$12,005
B.51115	Retirement Date	Annual	12/11/39	12/11/65	\$11,121

Pre-Trial Household Services

Period	From	To	Uninjured	Injured	Loss	Present Value
1	03/17/20	10/14/20	\$6,483	\$4,201	\$2,282	\$2,282
Total	03/17/20	10/14/20	\$6,483	\$4,201	\$2,282	\$2,282

Post-Trial Household Services

Period	From	To	Uninjured	Injured	Loss	Present Value
1	10/15/20	12/31/20	\$2,630	\$2,568	\$61	\$61
2	01/01/21	12/31/21	\$12,414	\$12,125	\$290	\$280
3	01/01/22	12/31/22	\$12,539	\$12,246	\$293	\$274
4	01/01/23	12/31/23	\$12,664	\$12,368	\$296	\$269
5	01/01/24	12/31/24	\$12,791	\$12,492	\$299	\$264
6	01/01/25	12/31/25	\$12,919	\$12,617	\$302	\$259
7	01/01/26	12/31/26	\$13,048	\$12,743	\$305	\$254
8	01/01/27	12/31/27	\$13,178	\$12,871	\$308	\$249
9	01/01/28	12/31/28	\$13,310	\$12,999	\$311	\$244
10	01/01/29	12/31/29	\$13,443	\$13,129	\$314	\$239
11	01/01/30	12/31/30	\$13,578	\$13,261	\$317	\$234
12	01/01/31	12/31/31	\$13,713	\$13,393	\$320	\$230
13	01/01/32	12/31/32	\$13,850	\$13,527	\$323	\$225
14	01/01/33	12/31/33	\$13,989	\$13,662	\$327	\$221
15	01/01/34	12/31/34	\$14,129	\$13,799	\$330	\$217
16	01/01/35	12/31/35	\$14,270	\$13,937	\$333	\$213
17	01/01/36	12/31/36	\$14,413	\$14,076	\$337	\$208
18	01/01/37	12/31/37	\$14,557	\$14,217	\$340	\$204
19	01/01/38	12/31/38	\$14,703	\$14,359	\$343	\$200
20	01/01/39	12/31/39	\$14,921	\$14,441	\$480	\$272
21	01/01/40	12/31/40	\$16,245	\$13,569	\$2,676	\$1,472
22	01/01/41	12/31/41	\$16,407	\$13,705	\$2,703	\$1,444
23	01/01/42	12/31/42	\$16,572	\$13,842	\$2,730	\$1,416
24	01/01/43	12/31/43	\$16,737	\$13,980	\$2,757	\$1,388
25	01/01/44	12/31/44	\$16,905	\$14,120	\$2,784	\$1,361
26	01/01/45	12/31/45	\$17,074	\$14,261	\$2,812	\$1,335
27	01/01/46	12/31/46	\$17,244	\$14,404	\$2,840	\$1,309
28	01/01/47	12/31/47	\$17,417	\$14,548	\$2,869	\$1,283
29	01/01/48	12/31/48	\$17,591	\$14,694	\$2,897	\$1,258
30	01/01/49	12/31/49	\$17,767	\$14,841	\$2,926	\$1,234
31	01/01/50	12/31/50	\$17,945	\$14,989	\$2,956	\$1,210
32	01/01/51	12/31/51	\$18,124	\$15,139	\$2,985	\$1,187
33	01/01/52	12/31/52	\$18,305	\$15,290	\$3,015	\$1,164
34	01/01/53	12/31/53	\$18,488	\$15,443	\$3,045	\$1,141
35	01/01/54	12/31/54	\$18,673	\$15,598	\$3,076	\$1,119
36	01/01/55	12/31/55	\$18,860	\$15,753	\$3,107	\$1,097
37	01/01/56	12/31/56	\$19,049	\$15,911	\$3,138	\$1,076
38	01/01/57	12/31/57	\$19,239	\$16,070	\$3,169	\$1,055
39	01/01/58	12/31/58	\$19,431	\$16,231	\$3,201	\$1,034
40	01/01/59	12/31/59	\$19,626	\$16,393	\$3,233	\$1,014
41	01/01/60	12/31/60	\$19,822	\$16,557	\$3,265	\$995
42	01/01/61	12/31/61	\$20,020	\$16,723	\$3,298	\$975
43	01/01/62	12/31/62	\$20,220	\$16,890	\$3,331	\$956
44	01/01/63	12/31/63	\$20,423	\$17,059	\$3,364	\$938
45	01/01/64	12/31/64	\$20,627	\$17,229	\$3,398	\$920
46	01/01/65	12/11/65	\$19,686	\$16,444	\$3,243	\$853
Total	10/15/20	12/11/65	\$739,556	\$654,514	\$85,042	\$34,849

Medical Expenses

Summary of Medical Expenses

Start	End	Type*	Description	Provider	Amount	Growth	Occurs
03/17/20	03/17/20	E	Ambulance	Yuma Ambulance	\$3,750.00		Once
03/25/20	11/01/21	E	Prescription	XYZ Drug Store	\$17.45		Bi-Weekly
04/01/20	05/13/20	E	Doctor Visit	General Family Medicine	\$35.00		Bi-Weekly
06/01/20	08/24/21	E	Doctor Visit	General Family Medicine	\$35.00		Custom

* E = Expense, R = Reimbursement

Pre-Trial Medical Expenses

Period	From	To	Expenses	Present Value
1	03/17/20	10/14/20	\$4,327	\$4,327
Total	03/17/20	10/14/20	\$4,327	\$4,327

Post-Trial Medical Expenses

Period	From	To	Expenses	Present Value
1	10/15/20	12/31/20	\$210	\$208
2	01/01/21	12/31/21	\$681	\$657
3	01/01/22	12/31/22	\$0	\$0
4	01/01/23	12/31/23	\$0	\$0
5	01/01/24	12/31/24	\$0	\$0
6	01/01/25	12/31/25	\$0	\$0
7	01/01/26	12/31/26	\$0	\$0
8	01/01/27	12/31/27	\$0	\$0
9	01/01/28	12/31/28	\$0	\$0
10	01/01/29	12/31/29	\$0	\$0
11	01/01/30	12/31/30	\$0	\$0
12	01/01/31	12/31/31	\$0	\$0
13	01/01/32	12/31/32	\$0	\$0
14	01/01/33	12/31/33	\$0	\$0
15	01/01/34	12/31/34	\$0	\$0
16	01/01/35	12/31/35	\$0	\$0
17	01/01/36	12/31/36	\$0	\$0
18	01/01/37	12/31/37	\$0	\$0
19	01/01/38	12/31/38	\$0	\$0
20	01/01/39	12/31/39	\$0	\$0
21	01/01/40	12/31/40	\$0	\$0
22	01/01/41	12/31/41	\$0	\$0
23	01/01/42	12/31/42	\$0	\$0
24	01/01/43	12/31/43	\$0	\$0
25	01/01/44	12/31/44	\$0	\$0
26	01/01/45	12/31/45	\$0	\$0
27	01/01/46	12/31/46	\$0	\$0
28	01/01/47	12/31/47	\$0	\$0
29	01/01/48	12/31/48	\$0	\$0
30	01/01/49	12/31/49	\$0	\$0
31	01/01/50	12/31/50	\$0	\$0
32	01/01/51	12/31/51	\$0	\$0

Period	From	To	Expenses	Present Value
33	01/01/52	12/31/52	\$0	\$0
34	01/01/53	12/31/53	\$0	\$0
35	01/01/54	12/31/54	\$0	\$0
36	01/01/55	12/31/55	\$0	\$0
37	01/01/56	12/31/56	\$0	\$0
38	01/01/57	12/31/57	\$0	\$0
39	01/01/58	12/31/58	\$0	\$0
40	01/01/59	12/31/59	\$0	\$0
41	01/01/60	12/31/60	\$0	\$0
42	01/01/61	12/31/61	\$0	\$0
43	01/01/62	12/31/62	\$0	\$0
44	01/01/63	12/31/63	\$0	\$0
45	01/01/64	12/31/64	\$0	\$0
46	01/01/65	12/11/65	\$0	\$0
Total	10/15/20	12/11/65	\$891	\$866

Other Damages

Summary of Other Damages

Start	End	Type*	Description	Vendor	Amount	Growth	Occurs
05/01/20	05/01/20	E	Car Repairs	XYZ Auto Body	\$3,917.17		Once

* E = Expense, R = Reimbursement

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Pre-Trial Other Damages

Period	From	To	Expenses	Present Value
1	03/17/20	10/14/20	\$3,917	\$3,917
Total	03/17/20	10/14/20	\$3,917	\$3,917

Post-Trial Other Damages

There was no post-trial other damages data entered for the plaintiff.

Data Citations

Worklife Expectancy

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Life Expectancy

https://www.cdc.gov/nchs/data/nvsr/nvsr68/nvsr68_07-508.pdf

Arias, Elizabeth, and Jiaquan Xu. *National Vital Statistics Reports: United States Life Tables, 2017*. Centers for Disease Control and Prevention. Volume 68, Number 7, June 24 2019. Print.

Earnings by Occupation

<http://www.bls.gov/oes/tables.htm>

U.S. Department of Labor. Bureau of Labor Statistics. *Occupational Employment Statistics, May 2019*. Web. 31 March 2020.
<<http://www.bls.gov/oes/tables.htm>>

Fringe Benefits

https://www.bls.gov/news.release/archives/ecec_03192020.htm

https://www.bls.gov/news.release/archives/ecec_03192020.pdf

U.S. Department of Labor. Bureau of Labor Statistics. *Employer Costs For Employee Compensation - December 2019*. Web. 24 March 2020.
<https://www.bls.gov/news.release/archives/ecec_03192020.htm>

Pre-Trial Earnings Growth

<http://www.bls.gov/ces/>

U.S. Department of Labor. Bureau of Labor Statistics. *Current Employment Statistics - CES (National)*. Web. 21 January 2020. <<http://www.bls.gov/ces/>>

Life Expectancy of Dependents

https://www.cdc.gov/nchs/data/nvsr/nvsr68/nvsr68_07-508.pdf

Arias, Elizabeth, and Jiaquan Xu. *National Vital Statistics Reports: United States Life Tables, 2017*. Centers for Disease Control and Prevention. Volume 68, Number 7, June 24 2019. Print.

Pre-Trial Growth of Household Services

<http://www.bls.gov/ces/>

U.S. Department of Labor. Bureau of Labor Statistics. *Current Employment Statistics - CES (National)*. Web. 21 January 2020. <<http://www.bls.gov/ces/>>

Understanding This Report

Calculation of Economic Loss

The Damages Summary on page 2 shows the calculated economic loss sustained by the plaintiff as a result of the injury. The total loss is calculated from the following losses:

- The income, both past and future, that the plaintiff would have earned had the injury not occurred;
- The fringe benefits that would have accompanied that income stream;
- The household services, both past and future, that the plaintiff would have performed without the injury;
- Any medical expenses that have resulted from the injury, or can be predicted to occur in the future;
- Any other damages or expenses that have resulted from the injury, or can be predicted to occur in the future.

These losses are offset by:

- The plaintiff's income, both past and future, following the injury;
- The fringe benefits accompanying that income stream;
- The household services that the plaintiff is able to perform with the injury.

The Damages Summary applies these offsets to the corresponding losses and shows net loss amounts for income, fringe benefits, and household services. For example, the Lost Income line reports net losses to the plaintiff's income. In each column the amount shown is the income the plaintiff would have earned *without* the injury *minus* the income the plaintiff has earned or will earn *with* the injury.

The losses are divided into pre-trial and post-trial periods. Pre-trial amounts occur from the injury date (3/17/2020) to the trial or settlement date (10/15/2020). Post-trial amounts occur after the trial or settlement date. The pre-trial and post-trial totals are summed to calculate the Grand Total Damages.

Future Values Versus Present Values

The Damages Summary (see page 2) is divided into future values and present values:

- *Future values* are the unadjusted actual damage amounts starting in the past and extending into the future.
- *Present values* are the time-adjusted values of the payment stream, taking into account (a) the interest obtained from investing payments occurring in the past; and (b) the interest required to achieve payments occurring in the future.

Calculation of Present Values

Present values are calculated relative to the trial or settlement date (10/15/2020). The present value of a payment in the past is the amount that payment would have yielded on the trial or settlement date had it been invested on the date it would have been made. The present value of a payment in the future is the

amount on the trial or settlement date invested with compound interest that would have yielded the payment at its future date.

Accounting for Inflation

Future income and expenses are projected using the constant dollar method, meaning that dollars in the future are assumed to have the same average purchasing power as dollars today. While that is unlikely to be true, there are advantages to ignoring inflation, and it can be done without distorting the results of the damages calculations. First and foremost ignoring inflation eliminates the considerable challenge of predicting future inflation rates. And although inflation itself is difficult to predict, the pervasive role it plays in our economy makes inflation a component of all the time-related economic variables in the damages calculations: income growth, growth of medical and other costs, and discount and interest rates. This means that inflation can be ignored by entering those variables net of inflation, which simplifies the process of forecasting future cash flows.