

*"An Injury To One Is An Injury To All"*

## Pennsylvania Federation

421 North Seventh Street - Suite 299

Philadelphia, Pennsylvania 19123

[www.pennfedbmwe.org](http://www.pennfedbmwe.org)

phone: (215) 574-3515

fax: (215) 574-1910



Office of the General Chairman  
Jed Dodd

January 29, 2008

To: All Amtrak Committees

Re: Tentative Agreement Information

Dear Brothers and Sisters:

The tentative agreement between Amtrak and the BMWED is subject to the ratification of the membership. On February 8, 2008 a secret ballot will be mailed to all Amtrak members in good standing and the ballots that are returned will be counted on March 10, 2008. A majority of the ballots returned will determine whether or not the contract is accepted or rejected.

### Frequently Asked Questions About the Tentative Agreement

Below are the answers to frequently asked questions we have received about the new tentative agreement.

- 1. What does the contingency language mean and doesn't it give Amtrak the ability to weasel out of their requirement to pay us the remaining sixty per cent of our back pay?**

The tentative agreement will pay the retroactive money in two installments. The first installment will be 40% and due within sixty days of the effective date of the agreement. The second installment will be the remaining 60% and is payable within one year of the first installment. The contingency language is limited to the second 60% payment. Under the contingency language Amtrak can notify the union that they do not have the funds to pay the second installment and thirty days after that notification we are free to go on strike.

Collective bargaining agreements are usually enforced by going to arbitration or by pursuing a law suit. Both of these processes take time. This contingency language is better than arbitration, or filing a lawsuit, because it literally permits us to hold a gun to their head and force them to pay us. This is the same language we agreed to in 1997 and it ensured that we received every penny of our back pay agreement. In 1997, the average back pay was about ten thousand dollars a member and that was also paid in two installments.

The proposed language in our tentative agreement is better than our 1997 agreement because it requires Amtrak to pay us our second installment within ninety days if Congress appropriates money sooner for this purpose. The leadership in the House and the Senate are already looking for ways to appropriate the money necessary to pay the second installment of our back pay, so there is actually a possibility that we will receive the second installment earlier.

By agreeing to the contingency language on the second back pay installment only, we successfully ensured that you will get all the wage increases and first back pay installment without a strike. We fully expect that Amtrak will make the second back pay installment. However, if they don't we will be in the same position a year from now as we are today – free to strike. Since the second back pay installment is not due until a year from now, you lose nothing by this arrangement.

## **2. Why are the retirees being left out of the back pay?**

The tentative agreement is based on the recommendations of the Presidential Emergency Board (PEB). The PEB recommended that the retirees be left out of the back pay. The difference between the costs of the back pay with the retirees and back pay without the retirees is seven per cent. We informally polled our membership to see if they would be willing to take seven per cent less to cover the retirees. There was an overwhelming negative response to this idea. The leadership of the House and the Senate put a lot pressure on Amtrak and the Union to settle based upon the recommendations of the PEB. It is outrageous that the retirees were left out of the back pay but the politicians said the PEB incorporated 95% of the union's national agreements into the recommendations and they were not going to add to it. We fought hard for the retirees and their back pay and lost this issue. Amtrak was also demanding to reduce the health care coverage for those on disability retirement and to make the retirees contribute to the cost of their health care and we were able to defeat both of these demands.

## **3. You said that the contract was fully retroactive, but retroactivity only starts in 2002. What happened to the first two years?**

The tentative agreement doesn't subtract the cost of living (cola) we received the first two years during the period without a new contract from the retroactive money. The tentative agreement also rolls 27 cents of this cola into the basic rate before the general wage increases begin in 2002. The PEB recommendations, and thus the proposed settlement, are based on the national freight agreements for the nine unions. There were six different national variations on the wage agreements for the first five years among the nine unions. Most of these agreements did not have wage increases in them higher than the cola payments we received for their first two years. In order to put a unified proposal forward to the PEB we had to combine the six agreements for the first five years into one unified proposal. The small increases that we already received under the continuing cola provisions of our present agreement with Amtrak were on average about the same as the national settlements by most of the unions in the dispute and therefore no retroactivity was payable for the first two years.

**4. Is all of the retroactive cost sharing in the health and welfare going to be deducted in the first 40% payment?**

No. The entire retroactive amount will be calculated minus the entire health and welfare cost sharing and then 40% of that will be paid in the first installment. This method will evenly spread out the health and welfare cost sharing between the first and second payment.

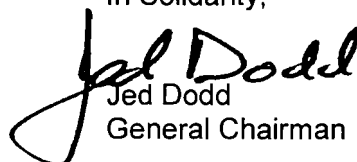
**5. What happens if we defeat this agreement?**

Thirty days following notice that the agreement has been rejected by the membership we have a right to go on strike. However, we are right back where we started before we initialed the tentative agreement. It is certain that Congress will not permit a strike. They will pass legislation that will either impose the PEB as our new agreement or require a new process. A new process will give Amtrak another chance to obtain their demands to destroy our working lives. There are two things that will be guaranteed by voting no on this agreement. The first is that there will be another delay in obtaining a raise and back pay. The second is that Congress will act to prevent a strike and the result will not be better and could be worse.

Attached is a summary of the proposed agreement. Also, attached are a more detailed comparison of the changes in the health benefits and summary tables showing the effect of the increases in the proposed agreement on the average BMWED wage rate and the retroactive payments. There is a chart for the member who only worked straight time (173.3 hours per month) and a chart for the member who worked an average of 212 hours per month during the retroactive period. The member who worked straight time and was paid the average rate during the retroactive period can expect to net \$11,500 dollars in back pay. The member who on average 212 hours per month and was paid the average rate during the retroactive period can expect to net \$15,740.

The Federation Vice Chairmen and I are scheduled to attend a series of meetings along the Northeast Corridor between now and just after the ballots are scheduled to be mailed to the membership. The purpose of these meetings is to explain the tentative agreement and to answer any question you may have about it. Please contact your Vice Chairman for the meeting that is scheduled in your area.

In Solidarity,

  
Jed Dodd  
General Chairman

## Summary of Tentative Agreement between Amtrak and BMWED and Eight Other Unions

**Contract Term:** January 1, 2000 - December 31, 2009 (ten years)

**Effective Date of the Agreement if Ratified:** May 1, 2008

### Wage Package:

delete Harris COLA (\$1.44)

June 30, 2002 roll in 27 cents cola to basic wages

July 1, 2002	6.087%
July 1, 2003	3.00%
July 1, 2004	3.25%
July 1, 2005	2.50%
July 1, 2006	3.00%
July 1, 2007	3.00%
July 1, 2008	4.00%
July 1, 2009	4.50%

total 29.34% plus \$.27 (uncompounded)  
35% compounded (average rate)

Net Increase on May 1, 2008 on average BMWED rate:	\$2.60 per hour
on July 1, 2008	\$3.40
on July 1, 2009	\$4.25

### Retroactivity:

Paid to those on payroll as of December 1, 2007.

National health and welfare cost sharing deducted retroactively.

40% of total retroactivity paid within two months of May 1, 2008.

60% of total retroactivity paid within 12 months of first payment.

average rate straight time worker:	\$11,500.00
average rate worker at 212 hours per month:	\$15,740.00

### Health and Welfare Cost Sharing:

15% of cost of health benefits, Dental, Vision, AD&D, and life insurance. Currently, this amount is \$166.25 per month. Amount is capped at \$200.00 in 2010 or less if 15% of plan costs are less in 2010 or more if 15% of plan costs in 2009 are more.

### Estimating the Health and Welfare Cost Sharing as An Hourly Rate:

\$200.00 per month divided by 173.3 (straight time monthly work hours) = \$1.15 per hour.

The payment is pretax. Assuming a combined tax rate of 27% subtract \$.31 which equals \$.84/hour in health and welfare cost sharing.

Net hourly rate increase in 2009 after health and welfare estimated hourly rate is deducted is \$3.41. In one year a straight time worker will earn \$6,854 additional income with \$3.41 per hour increase.

### Summary of Benefit Changes and Co Payment Increases:

Description	Current Plan	Proposed Plan
CHCB Deductibles	\$100 individual \$300 family \$1,500 individual max out of pocket \$3,000 family max out of pocket	\$200 individual \$400 family \$2,000 individual max out of pocket \$4,000 family max out of pocket
Physician Office Visit	\$15.00 co pay	\$20.00 co pay
Specialist Office Visit	\$15.00 co pay	\$35.00 co pay
Prescription Drug Co pays	Retail Co Pays: \$2.00 generic \$6.00 Brand Name Mail Order Co-pays: \$5.00 generic \$5.00 Brand	Retail Co-pays: \$10.00 generic \$20.00 preferred brand \$30.00 non preferred Mail Order Co-pays \$20.00 Generic \$30.00 preferred brand \$60.00 Non-Preferred
Off Track Vehicle Insurance	Loss of Life or Limbs up to \$150,000.00	Loss of Life or Limbs to \$300,000.00
Supplemental Sickness	\$2,319.00 per month	\$3,339.00 per month
Life and AD&D for Active Employees	Life \$10,000, AD&D \$8,000	Life \$20,000, AD&D \$16,000
Vision Care Plan	small network	network size doubled

### Per Diem Increase:

Everyone currently receiving \$29.50 per day will be increased to \$35.40 per day.

**Work Rule Changes:** None

**Benefit Plan Comparison - Amtrak**

	Amtrak Benefit Changes 5/1/08 If Contract Ratified			Amtrak Health and Welfare Currently		
	CHCB	MMCP - in network	MMCP out-of-network	CHCB	MMCP - in-network	MMCP - out-of-network
<b>Employee Contribution</b> 7/1/07-12/31/07	On pre-tax basis, \$166.25, in future, based on 15% of Amtrak payments for medical, life, AD&D, dental & vision plans; in 2010, lower of 15% formula or \$200. 2010 amounts continued but do not increase under this contract.	On pre-tax basis, \$166.25, in future, based on 15% of Amtrak payments for medical, life, AD&D, dental & vision plans; in 2010, lower of 15% formula or \$200. 2010 amounts continued but do not increase under this contract.	On pre-tax basis, \$166.25, in future, based on 15% of Amtrak payments for medical, life, AD&D, dental & vision plans; in 2010, lower of 15% formula or \$200. 2010 amounts continued but do not increase under this contract.	None	None	None
<b>Opt-Out Provisions</b>	An employee with other insurance (or if husband & wife are both RR employees) employee can opt-out of medical coverage and not pay cost-sharing. Employee still retains other coverage (vision, dental, etc.) and can opt back into to medical coverage later.	An employee with other insurance (or if husband & wife are both RR employees) employee can opt-out of medical coverage and not pay cost-sharing. Employee still retains other coverage (vision, dental, etc.) and can opt back into to medical coverage later.	An employee with other insurance (or if husband & wife are both RR employees) employee can opt-out of medical coverage and not pay cost-sharing. Employee still retains other coverage (vision, dental, etc.) and can opt back into to medical coverage later.	Not available	Not available	Not available
<b>Annual Deductible</b>	\$200 Individual/\$400 Family	N/A	\$300 individual/\$900 Family	\$100 individual/\$300 family	N/A	\$100 individual/\$300 family
<b>Annual Out-of-Pocket Maximum</b>	\$2,000 individual/ \$4,000 Family	N/A	\$2,000 individual \$4,000 Family	\$1,500 individual \$3,000 Family	N/A	\$1,500 individual \$3,000 Family
<b>Dependent eligibility in addition to spouse and immediate children limited to "other children related by blood or marriage."</b>	Applies	Applies	Applies	Dependent eligibility somewhat less restricted.	Dependent eligibility somewhat less restricted.	Dependent eligibility somewhat less restricted.
<b>Reduced coinsurance for CHCB if employee resides in existing network area</b>	Coinsurance reduced to 75% if employee resides in MMCP area and chooses CHCB.	N/A	N/A	Does not Apply; coinsurance at 85%	N/A	N/A
<b>Emergency Room</b>	85%, after deductible	\$50 copay - waived if admitted	75%, after deductible	85%, after deductible	\$15 copay (waived if admitted)	75%, after deductible
<b>Physician Office Visit</b>	85%, after deductible	\$20 copay	75%, after deductible	85%, after deductible	\$15 copay	75%, after deductible
<b>Specialist Office Visit</b>	85%, after deductible	\$35 copay	75%, after deductible	85%, after deductible	\$15 copay	75%, after deductible
<b>Urgent Care Center Visit</b>	85%, after deductible	\$25 copay	75%, after deductible	85%, after deductible	\$15 copay	75%, after deductible

**Benefit Plan Comparison - Amtrak**

	Amtrak Benefit Changes 5/1/08 If Contract Ratified			Amtrak Health and Welfare Currently		
	CHCB	MMCP - in network	MMCP out of network	CHCB	MMCP - in-network	MMCP - out-of-network
<b>Preventive Care/Routine physicals</b>	100% of the first \$150 and 75% in excess of \$150 for an annual physical, diagnostic testing and immunizations in connection with the examination. <b>Deductible not required.</b>	100%, no deductible, after a \$20 co-payment for routine physical exam. Also, one routine well-woman exam per calendar year, including mammogram or breast exam, pelvic exam, stool blood slide, digital rectal exam, and pap smear	75%, after deductible for child immunization (up to age 6), annual pap smear, digital rectal exam, stool blood slides, scheduled mammograms and proctosigmoidoscopy.	85%, after deductible for child immunization (up to age 6), annual pap smear, digital rectal exam, stool blood slides, scheduled mammograms and proctosigmoidoscopy.	100%, no deductible, after a \$15 co-payment for routine physical exam. Also, one routine well-woman exam per calendar year, including mammogram or breast exam, pelvic exam, stool blood slide, digital rectal exam, and pap smear	75%, after deductible for child immunization (up to age 6), annual pap smear, digital rectal exam, stool blood slides, scheduled mammograms and proctosigmoidoscopy.
<b>Infant PKU testing as covered benefit</b>	Applies	Applies	Applies	Not Covered	Not Covered	Not Covered
<b>Office visit for Allergy Shots</b>	85%, after deductible	100%, no copay required	75%, after deductible	85%, after deductible	100% after \$15 copay per visit	75%, after deductible
<b>Speech Therapy</b>	85%, after deductible. Coverage for conditions to restore speech. In addition, coverage for children to age 3 for infantile autism, development delay, or cerebral palsy, hearing impairment or major congenital anomalies that affect speech	100%, if in office setting \$35 copay applies. Coverage for conditions to restore speech. In addition, coverage for children to age 3 for infantile autism, development delay, or cerebral palsy, hearing impairment or major congenital anomalies that affect speech	75%, after deductible. Coverage for conditions to restore speech. In addition, coverage for children to age 3 for infantile autism, development delay, or cerebral palsy, hearing impairment or major congenital anomalies that affect speech	85%, after deductible. Limited to specific conditions only to restore speech	100%, if in office setting \$35 copay applies. Limited to specific conditions to restore speech	75%, after deductible. Limited to specific conditions to restore speech
<b>Cochlear Implants</b>	85%, after deductible	100% after \$35 copay for office visits	75%, after deductible	Not Covered	Not Covered	Not Covered
<b>Hearing Benefit for testing and/or hearing aids</b>	85%, up to \$600 maximum	100% up to \$600 maximum	75%, for routine hearing exams, testing and hearing aids covered up to \$600 per year	Not Covered	Not Covered	Not Covered
<b>Increase Prescription Drugs Co-pays</b>	Retail Co-pays: (21 day) \$10 Generic \$20 Preferred Brand Name \$30 Non-Preferred Brand Name Mail Co-pays (22 - 90 day) \$20 Generic \$30 Preferred Brand \$60 Non-Preferred Brand	Retail Co-pays: (21 day) \$10 Generic \$20 Preferred Brand Name \$30 Non-Preferred Brand Name Mail Co-pays (22 - 90 day) \$20 Generic \$30 Preferred Brand \$60 Non-Preferred Brand	Retail Co-pays: (21 day) \$10 Generic \$20 Preferred Brand Name \$30 Non-Preferred Brand Name Mail Co-pays (22 - 90 day) \$20 Generic \$30 Preferred Brand \$60 Non-Preferred Brand	Retail Co-pays: (21 day) \$2 Generic \$6 Brand Name Mail Co-pays (22 - 90 day): \$5 Generic \$5 Brand	Retail Co-pays: (21 day) \$2 Generic \$6 Brand Name Mail Co-pays (22 - 90 day): \$5 Generic \$5 Brand	Retail Co-pays: (21 day) \$2 Generic \$6 Brand Name Mail Co-pays (22 - 90 day): \$5 Generic \$5 Brand
<b>Off-Track Vehicle Insurance</b>	Loss of life or limbs increased up to \$300,000	Loss of life or limbs increased up to \$300,000	Loss of life or limbs increased up to \$300,000	Loss of life or limbs up to \$150,000	Loss of life or limbs up to \$150,000	Loss of life or limbs up to \$150,000

**Benefit Plan Comparison - Amtrak**

	<b>Amtrak Benefit Changes 5/1/08 If Contract Ratified</b>			<b>Amtrak Health and Welfare Currently</b>		
	<b>CHCB</b>	<b>MMCP - in network</b>	<b>MMCP out of network</b>	<b>CHCB</b>	<b>MMCP - in-network</b>	<b>MMCP - out-of-network</b>
<b>Supplemental Sickness Plans</b>	Ratio of benefits to wages brought up to date; time limit to file claim extended to 60 days	Ratio of benefits to wages brought up to date; time limit to file claim extended to 60 days	Ratio of benefits to wages brought up to date; time limit to file claim extended to 60 days	Lower benefits; not updated	Lower benefits; not updated	Lower benefits; not updated
<b>Life and AD&amp;D Insurance for active employees</b>	Life: \$20,000; AD&D: \$16,000	Life: \$20,000; AD&D: \$16,000	Life: \$20,000; AD&D: \$16,000	Life: \$10,000; AD&D: \$8,000	Life: \$10,000; AD&D: \$8,000	Life: \$10,000; AD&D: \$8,000
<b>Improve Vision Care Plan Networks</b>	VSP Standard Network Plan (Larger); Frames: up to \$90-\$135 retail (\$45 wholesale); Contact Lens: up to \$105 with prior authorization plus 15%	VSP Standard Network Plan (Larger); Frames: up to \$90-\$135 retail (\$45 wholesale); Contact Lens: up to \$105 with prior authorization plus 15%	VSP Standard Network Plan (Larger); Frames: up to \$90-\$135 retail (\$45 wholesale); Contact Lens: up to \$105 with prior authorization plus 15%	No improvement; smaller network	No improvement; smaller network	No improvement; smaller network



## Illustration of Tentative Wage Agreement Retroactivity and Total Value Over Term of Agreement

**Brotherhood of Maintenance of Way Employees Division**  
Based on Average ST Hourly Rate for Craft and Average Monthly Pay Hours of 173.3

Date	Harris COLA	Present Rates	Proposed Increases	Proposed Rate	Incremental Increase	Wage Value	Health Ins. Cont. per Mo.	Total HI Offset
Jan 1, 2000		\$18.00		\$18.00	\$0.00	\$0		
Jan 1, 2001	\$0.27	\$18.27	\$0.27	\$18.27	\$0.00	\$0		
DOS			(\$1.44)	\$18.27				
July 1, 2001	\$0.11	\$18.38	\$0.11	\$18.38	\$0.00	\$0	(\$33.39)	(\$401)
Jan 1, 2002	\$0.10	\$18.48	\$0.10	\$18.48	\$0.00	\$0		
July 1, 2002	\$0.00	\$18.48	6.087%	\$19.38	\$0.90	\$936	(\$81.18)	(\$974)
Jan 1, 2003	\$0.11	\$18.59		\$19.38	\$0.79	\$821		
July 1, 2003	\$0.16	\$18.75	3.00%	\$19.96	\$1.21	\$1,258	(\$79.74)	(\$957)
Jan 1, 2004	\$0.03	\$18.78		\$19.96	\$1.18	\$1,227		
July 1, 2004	\$0.09	\$18.87	3.25%	\$20.61	\$1.74	\$1,809	(\$91.32)	(\$1,096)
Jan 1, 2005	\$0.12	\$18.99		\$20.61	\$1.62	\$1,684		
July 1, 2005	\$0.15	\$19.14	2.50%	\$21.13	\$1.99	\$2,069	(\$97.43)	(\$585)
Jan 1, 2006	\$0.31	\$19.45		\$21.13	\$1.68	\$1,747		
July 1, 2006	\$0.01	\$19.46	3.00%	\$21.76	\$2.30	\$2,392	(\$123.28)	(\$1,479)
Jan 1, 2007	\$0.15	\$19.61		\$21.76	\$2.15	\$2,236		
July 1, 2007	\$0.10	\$19.71	3.00%	\$22.41	\$2.70	\$2,807	(\$166.25)	(\$1,995)
Jan 1, 2008	\$0.10	\$19.81		\$22.41	\$2.60	\$2,703	(\$166.25)	(\$1,995)
July 1, 2008	\$0.10	\$19.91	4.00%	\$23.31	\$3.40	\$3,535		
Jan 1, 2009	\$0.10	\$20.01		\$23.31	\$3.30	\$3,431	(\$182.88)	(\$2,195)
July 1, 2009	\$0.10	\$20.11	4.50%	\$24.36	\$4.25	\$4,419		
Jan 1, 2010	Amendable						(\$200.00)	

Gross Wage Value to 1/1/10 =	\$54,704
Prepaid Harris COLA (including projected to 1/1/10) =	(\$21,628)
Incremental Wage Value =	\$33,076
Employee HI Contribution to 1/1/10 =	(\$11,676)
Incremental Value Net of HI Contribution =	<b>\$21,400</b>
Wage Retroactivity (Excl. Harris COLA) 1/1/08 =	\$18,987
Employee HI Contributions to 1/1/08 =	(\$7,487)
Retroactive Wage Payment 1/1/08 =	<b>\$11,500</b>

Note: Assumes employee contribution increases 10 percent in 2009 and reaches \$200 per month by 2010.  
Assumes future \$.10 Harris COLA every 6-months under status quo.

**Illustration of Tentative Wage Agreement  
Retroactivity and Total Value Over Term of Agreement**

**Brotherhood of Maintenance of Way Employes Division  
Based on Average ST Hourly Rate for Craft and Average Monthly Pay Hours of 212**

Date	Harris COLA	Present Rates	Proposed Increases	Proposed Rate	Incremental Increase	Wage Value	Health Ins. Cont. per Mo.	Total HI Offset
Jan 1, 2000		\$18.00		\$18.00	\$0.00			
Jan 1, 2001	\$0.27	\$18.27	\$0.27	\$18.27	\$0.00	\$0		
DOS			(\$1.44)	\$18.27				
July 1, 2001	\$0.11	\$18.38	\$0.11	\$18.38	\$0.00	\$0	(\$33.39)	(\$401)
Jan 1, 2002	\$0.10	\$18.48	\$0.10	\$18.48	\$0.00	\$0		
July 1, 2002	\$0.00	\$18.48	6.087%	\$19.38	\$0.90	\$1,145	(\$81.18)	(\$974)
Jan 1, 2003	\$0.11	\$18.59		\$19.38	\$0.79	\$1,005		
July 1, 2003	\$0.16	\$18.75	3.00%	\$19.96	\$1.21	\$1,539	(\$79.74)	(\$957)
Jan 1, 2004	\$0.03	\$18.78		\$19.96	\$1.18	\$1,501		
July 1, 2004	\$0.09	\$18.87	3.25%	\$20.61	\$1.74	\$2,213	(\$91.32)	(\$1,096)
Jan 1, 2005	\$0.12	\$18.99		\$20.61	\$1.62	\$2,061		
July 1, 2005	\$0.15	\$19.14	2.50%	\$21.13	\$1.99	\$2,531	(\$97.43)	(\$585)
Jan 1, 2006	\$0.31	\$19.45		\$21.13	\$1.68	\$2,137	(\$123.28)	(\$1,479)
July 1, 2006	\$0.01	\$19.46	3.00%	\$21.76	\$2.30	\$2,926		
Jan 1, 2007	\$0.15	\$19.61		\$21.76	\$2.15	\$2,735	(\$166.25)	(\$1,995)
July 1, 2007	\$0.10	\$19.71	3.00%	\$22.41	\$2.70	\$3,434		
Jan 1, 2008	\$0.10	\$19.81		\$22.41	\$2.60	\$3,307	(\$166.25)	(\$1,995)
July 1, 2008	\$0.10	\$19.91	4.00%	\$23.31	\$3.40	\$4,325		
Jan 1, 2009	\$0.10	\$20.01		\$23.31	\$3.30	\$4,198	(\$182.88)	(\$2,195)
July 1, 2009	\$0.10	\$20.11	4.50%	\$24.36	\$4.25	\$5,406		
Jan 1, 2010	Amendable						(\$200.00)	
Gross Wage Value to 1/1/10 =			\$66,920					
Prepaid Harris COLA (including projected to 1/1/10) =			(\$26,458)					
Incremental Wage Value =			\$40,462					
Employee HI Contribution to 1/1/10 =			(\$11,676)					
Incremental Value Net of HI Contribution =			<b>\$28,786</b>					
Wage Retroactivity (Excl. Harris COLA) 1/1/08 =			\$23,227					
Employee HI Contributions to 1/1/08 =			(\$7,487)					
Retroactive Wage Payment 1/1/08 =			<b>\$15,740</b>					

Note: Assumes employee contribution increases 10 percent in 2009 and reaches \$200 per month by 2010.  
Assumes future \$.10 Harris COLA every 6-months under status quo.