

MIDDLETOWN PUBLIC SCHOOLS
 COLLECTIVE BARGAINING
 FISCAL IMPACT STATEMENT
 TEACHERS
 2009 - 2012

CATEGORY	0% Salary Increase	2% Salary Increase	2.50% Increase
	2009-2010	2010-2011	2011-2012
SALARY INCREASE	0	274,085	285,207
STEP INCREASE	182,993	95,413	65,796
LONGEVITY INCREASE (6)	24,000	0	0
FICA/MEDICARE TAXES	4,051	6,408	6,140
ONE ADDITIONAL PERSONAL LEAVE DAY (7)	13,720	13,720	13,720
CERTIFIED PENSION (A) & (1)	29,331	65,438	77,712
BLUE CROSS & DENTAL INSURANCE PREMIUM INCREASE (B) & (5)	208,539	240,780	259,471
SAVINGS FROM INCREASED COST SHARE (3)	0	(92,079)	(136,328)
SAVINGS FROM HEALTH INSURANCE BENEFIT DECREASES (2)	0	(50,467)	(27,201)
SAVINGS FROM REDUCTION IN REIREE BUY BACK (4)	0	(11,835)	(16,770)
SAVINGS FROM REDUCTION IN ACTIVE EMPLOYEE BUY BACK (4)	0	(73,100)	(73,100)
NET COST	462,634	468,363	454,647
		SUMMARY	1,385,644

ASSUMPTIONS

(A) CERTIFIED PENSION

2009-2010 - 14.17%
 2010-2011 - 17.71%
 2011-2012 - 22.14%

IDENTIFIED COST IS BASED UPON STEPS ONLY

(B) BENEFITS

2009-2010 - 10% COST SHARE/Health, 5% COST SHARE/Dental , 10% RATE INCREASE (HEALTH), FLAT RATE (DENTAL)
 2010-2011 - 13% COST SHARE/Health, 5% COST SHARE/Dental , 10% RATE INCREASE & 2% BENEFIT DECREASE (HEALTH), 7% RATE INCREASE (DENTAL)
 2011-2012 - 17% COST SHARE/Health, 5% COST SHARE/Dental , 10% RATE INCREASE & 1% BENEFIT DECREASE (HEALTH), 7% RATE INCREASE (DENTAL)

FOOTNOTE

(1) - PENSION RATES PROVIDED BY RETIREMENT BOARD ARE AS FOLLOWS:

2009-2010 - 14.17%
 2010-2011 - 23.42%
 2011-2012 - 25.64%

RATES REFLECT WORSE CASE WITH NO SAVINGS FROM PENSION REFORM

(2) - 2% IN SECOND YEAR AND 1% IN THIRD YEAR

(3) - 0% IN YEAR ONE, 13% IN YEAR TWO, 17% IN YEAR THREE

(4) - BUY BACK ADJUSTMENTS AS FOLLOWS:

2009-2010 - NO CHANGE
 2010-2011 - ACTIVE EMPLOYEES FROM \$5,212.68 TO \$3,200.00
 - RETIREES FROM \$2,532.54 TO \$2,500.00
 2011-2012 - NO CHANGE

RETIREE SAVINGS REFLECT ACTUAL AND ANTICIPATED RETIREES

(5) - BLUE CROSS PREMIUM COST:

2009-2010 - \$2,064,540 AFTER COST SHARE (10%)
 2010-2011 - \$2,154,387 AFTER COST SHARE (13%) AND BENEFIT DECREASE (-2%)
 2011-2012 - \$2,235,145 AFTER COST SHARE (17%) AND BENEFIT DECREASE (-1%)

(6) - LONGEVITY INCREASE \$500:

2009-2010 20 YEARS \$1,645
 25 YEARS \$1,873
 30 YEARS \$2,102

2010-2011 NO CHANGE
 2011-2012 NO CHANGE

(7) - ADDITIONAL PERSONAL LEAVE DAY

AMOUNT REFLECTS THE COST OF SUBSTITUTE TEACHERS