



Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters

Freddie N. Simpson
President

Perry K. Geller, Sr.
Secretary-Treasurer

December 13, 2010

ALL BMWED NATIONAL DIVISION & SYSTEM OFFICERS

Dear Sirs and Brothers:

Re: BMWED Cash and Non-Cash Compensation as of January 1, 2011

Attached for your information and use are the annual and monthly values attributed to cash and non-cash compensation accorded to Maintenance of Way employees under the terms of the July 1, 2007 National Agreement, and statutory benefits provided by applicable Federal law, effective January 1, 2011.

The attached chart was constructed using an average hourly wage of \$22.40, the figure used by National Division to calculate National Division dues for the calendar year 2011, and all figures are computed on the basis of an employee working straight time only on a twelve (12) month no-furlough basis. Obviously, figures for taxes paid by the Carrier and employee towards Railroad Retirement will vary based upon each employee's actual hourly rate of pay and number of hours worked in any calendar year. The point of the chart is to provide a reasonable example of economic value provided to BMWED members under the terms of the National Agreement and applicable Federal law.

Also note that, the values for the health insurance include the actual amounts paid by the carriers to the various health insurance providers/administrators, including on-duty injury coverage. As you can see, those figures are greater than the amounts used to calculate the employee cost-sharing contribution.

If you have any questions regarding this circular, please contact either Don Griffin or Bill Hildenbrand.

Fraternally yours,

President

Attachment

cc: Mr. Perry K. Geller, Sr.
All BMWED Designated Counsel

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**COMPENSATION PACKAGE
2011**

The following breakdown represents the estimated value of cash and non-cash compensation accruing to Maintenance of Way employees with an hourly wage of \$22.40 working straight time hours only during the entire calendar year. The employee is assumed to receive fifteen (15) days' vacation; 1 personal leave day and receives pay for those Holidays provided for in the National Holiday Agreement.

PAID BY THE CARRIER	PER YEAR	PER MONTH
Wages	\$46,592.00	\$3,882.67
Railroad Retirement Tier I & Medicare (7.65%)*	\$3,380.69	\$281.72
Railroad Retirement Tier II (12.1%)*	\$5,347.23	\$445.60
Unemployment (RUIA)**	\$502.68	\$41.89
Railroad Employees' National Health & Welfare Plan ***	\$16,820.04	\$1,401.67
Vision Plan	\$125.52	\$10.46
Dental Plan (GP-12000)	\$713.64	\$59.47
Retiree Health Plan (GA-46000)	\$1,972.92	\$164.41
Supplemental Sickness Benefits (GP-7000)	\$438.24	\$36.52
Off-Track Vehicle Insurance	\$5.40	\$0.45
Employee Cost-Sharing Health Insurance Contribution	-\$2,400.00	-\$200.00
Employee Railroad Retirement Tier I & Medicare (7.65%)*	-\$3,380.69	-\$281.72
Employee Railroad Retirement Tier II (3.9%)*	-\$1,723.49	-\$143.62
Total Employer Paid Cash and Non-Cash Compensation Less Employee Cost-Sharing and Employee Tier I & II	\$68,394.18	\$5,699.52

*All Tier I and Tier II payments are based on the \$200 monthly cost-sharing payment being deducted prior to the calculation of payroll taxes.

**The RUIA tax rate is based upon each railroad's experience (the more claims for unemployment insurance, the higher the rate) and can vary from 2.15% to 12% (which includes a "pooled surcharge" of 1.5%) of a maximum monthly wage of \$1330.00. For purposes of this chart, the figure of 2.15% is used, which was the average rate paid by 80 per cent of covered employers during 2008. The actual rate for employees will vary by employer.

***Includes both foreign to occupation and on-duty coverage, life insurance, and accidental death and dismemberment coverage.