

Possible Changes to District Subsidy for Retiree Health Care

Exhibit A

Annual Retiree Contributions to Health Care Costs	
Current Subsidy of 75%	\$4,770,635
Subsidy of 75%	
PLUS Retiree Pays 0.5% of Monthly Annuity toward Health Care Cost	\$5,226,058
Cost of Health Care for Annuities under \$2,000 per Month Unchanged	
Annual Difference in Retiree Contributions if Change Made	\$455,423

This is the equivalent of a 10% increase in premiums.

Annual Retiree Contributions to Health Care Costs	
Current Subsidy of 75%	\$4,770,635
Subsidy of 75%	
PLUS Retiree Pays 1.0% of Monthly Annuity toward Health Care Cost	\$5,681,480
Cost of Health Care for Annuities under \$2,000 per Month Unchanged	
Annual Difference in Retiree Contributions if Change Made	\$910,846

This is the equivalent of a 19% increase in premiums.

Annual Retiree Contributions to Health Care Costs	
Current Subsidy of 75%	\$4,770,635
Subsidy of 75%	
PLUS Retiree Pays 1.5% of Monthly Annuity toward Health Care Cost	\$6,136,903.39
Cost of Health Care for Annuities under \$2,000 per Month Unchanged	
Annual Difference in Retiree Contributions if Change Made	\$1,366,269

This is the equivalent of a 29% increase in premiums.