



REQUEST FOR ACTION CITY COUNCIL

Agenda Date: 4/7/2026
Agenda Section: Consent Agenda

Department Origination: Administration

Agenda Item: Approve Health Care Savings Plan Agreements between LELS Local 312, Teamsters Local 320, and Non-union Employees and Minnesota State Retirement System for the Period of 2026-2027

Approval Required: Simple Majority Vote

BACKGROUND

The City offers employee's health care savings accounts through Minnesota State Retirement Systems. Employees contribute to the plan through payroll deductions. Each group of employees, LELS, Teamsters, AFSCME, and Non-union employees agree to contribution levels within their individual groups.

Both LELS and Teamsters have voted to change employee contributions to the following:

- 0-20 Years of PERA Service 1%
- 20 Plus Years of PERA Service 5%

Non-union employees have voted to change employee contributions to the following:

- 0-10 Years of PERA Service 1%
- 10-20 Years of PERA Service 3%
- 20-30 Years of PERA Service 5%
- 30+ Years of PERA Service 7%

At this time, AFSCME is still reviewing employee contribution levels. Any changes to AFSCME will be added to a future council agenda.

There are no changes to the city's contribution.

FINANCIAL IMPLICATIONS

There are no additional financial implications to the city's contribution as the changes to the contributions are only employee payroll deductions.

STAFF RECOMMENDATIONS

Staff recommends

COUNCIL ACTION REQUESTED

Motion to approve Health Care Savings Plan Agreements between LELS Local 312, Teamsters Local 320, and Non-union Employees and Minnesota State Retirement System for the Period of 2026-2027.