

MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF MARSHALL NON-UNION EMPLOYEES AND THE CITY OF MARSHALL

ESTABLISHING A HEALTH CARE SAVINGS PLAN (HCSP)

WITH THE MINNESOTA STATE RETIREMENT SYSTEM

A. Purpose of Memorandum

This Memorandum of Understanding establishes a Health Care Savings Plan (HCSP) in the State of Minnesota, Minnesota State Retirement System (MSRS) for employees covered by the City of Marshall Personnel Policy and the City of Marshall.

B. Duration

This Memorandum shall become effective January 1, 2026 and shall terminate effective December 31, 2027; unless specifically renewed by both parties for a definitive period of time prior to December 31, 2027.

C. Administration

The City of Marshall will handle the administrative responsibilities of remitting and accounting for the City of Marshall Non-union employee contributions to the MSRS as required by MSRS. No contributions or severance payments will be made to the account of a deceased employee.

D. Employee Contributions to the HCSP

Under this Memorandum, contributions to the HCSP will be established for the City of Marshall Non-union employees by the City of Marshall Non-union employees. Individual members may neither increase nor decrease their individual contributions from the amount established by the Non-union employees. All non-bargaining unit members will be included.

1) *Individual employees will contribute biweekly as a payroll deduction, based on years of service, in accordance with the following schedule:*

*0 to 4 yrs = 1%
5 to 8 yrs = 2%
9 to 29 yrs = 3%
30 to 34 yrs = 4%
35+ yrs = 5%*

2) Upon termination of employment from the City, individual employees will contribute 100% of the eligible accrued and unused vacation and sick leave as per the City's personnel policy.

3) Upon termination of employment from the City and based on the employee's years of service, individual employees will contribute his/her severance pay as per the City's personnel policy and in accordance with the following schedule:

20+ yrs =100%

E. Employer Contributions to the HCSP

Under this Memorandum, although the Employer is not legally required to make a contribution to the HCSP, the City of Marshall hereby agrees to contribute to the individual employee accounts as follows:

1) Annual (pro-rated) contribution of \$25.00; contribution to be made in December into active employee accounts.

F. Employee's Death

Upon an employee's death, contributions can no longer be made to the HCSP.

G. Investment Options

Individual employees may select their individual investment options from the list of options made available to employees by the MSRS.

For the City of Marshall

City of Marshall Non-Bargaining Unit

By: _____
Robert J. Byrnes, Mayor


Employee Representative

By: _____
Its: City Clerk


Employee Representative

Date: _____

Date: 11/17/2025