

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into between Independent School District No. 548, Pelican Rapids Public School (hereafter "School District") and the Pelican Rapids Education Association (hereafter "PREA").

WHEREAS, the School District and the Union are parties to the Master Agreement, effective July 1, 2013 through June 30, 2015; and

NOW, THEREFORE, the parties hereto have agreed as follows:

Section 11. Post-Retirement Health Care Savings Plan: Employees, as designated below, are eligible to participate in the Minnesota Post-Retirement Health Care Savings Plan (PRHCSP) established under Minnesota Statutes, Section 352.98 (Minn. Supp. 2001) and as outlined in the Minnesota State Retirement System's Trust and Plan Documents. All funds collected by the employer on the behalf of the employee will be deposited into the employee's post-retirement health care savings plan account.

All employees who are eligible for the severance payment outlined in Article III, Section 10 of the 2013-2015 Collective Bargaining Agreement will contribute 100% of that payment to the Post-Retirement Health Care Savings Plan administered by the Minnesota State Retirement System. In the event a teacher is eligible for a waiver from Minnesota State retirement system (MSRS) his/her severance payment is placed into his/her 403(b) at retirement.

By signing below, the parties agree to the terms of this Memorandum of Understanding.

INDEPENDENT SCHOOL DISTRICT NO. 548

District Representative

Date

PELICAN RAPIDS EDUCATION ASSOCIATION

PREA Representative

Date