Memorandum of Understanding

This agreement is between the City of Springfield and AFSCME Local 1148 (Union).

The City of Springfield (Employer) has adopted the HRA VEBA plans offered and administered by the Voluntary Employees' Beneficiary Association Trust for Public Employees in the Northwest (collectively the "Plans"): the **Standard HRA Plan**, which shall be integrated with the Employer's or another qualified group health plan and to which the Employer shall remit contributions on behalf of eligible employees who are enrolled in or covered by such qualified group health plan and any other contributions that may be permitted by applicable law from time to time; and the **Post-separation HRA Plan** to which the Employer may remit contributions on behalf of eligible employees, including eligible employees who are not enrolled in or covered by the Employer's or another qualified group health plan, and which shall provide benefits only after a participant retires. Employer agrees to contribute to the Plans on behalf of all employees in the Union defined as eligible to participate in the Plans. Each eligible employee must submit a completed and signed Enrollment Form to become an eligible participant and become eligible for benefits under the Plans.

Contributions on behalf of each eligible employee shall be based on the following:

Sick leave cash-outs upon retirement. Eligibility is limited to employees who retire from service with leave cash-out rights during the term hereof. Contributions shall include the cash-out value of unused sick leave hours accrued per negotiated agreement or City policy subject to the voting membership on an annual basis per calendar year.

For the 2016 calendar year, Union membership has elected to participate at 100% of sick leave cash-out.

The term of this agreement shall be from 01/01/2016 until superseded by a successor agreement.

For the Union:

President

3/29/2016

For the City:

Human Resources Director

3/29/2016