

Memorandum of Understanding  
Implementation of VEBAs

WHEREAS, current master agreements (“Agreements”) between Independent School District #256 (“School District”) and Education Minnesota Red Wing, Red Wing Directors’ Association, Red Wing Cooks’ Association, Local #320 of the Minnesota Teamsters Public and Law Enforcement Employees’ Union, Red Wing Principals’ Association, and RW Education Support Personnel Association (“Bargaining Groups”) provide payments to Health Reimbursement Accounts (HRA) for eligible employees and retirees;

WHEREAS, on October 13, 2020, the School District’s Business Manager shared information about the possibility of using Voluntary Employee Beneficiary Association (VEBA) accounts instead of HRAs with members of the Labor-Management Committee (LMC);

WHEREAS, employees benefit from the use of VEBAs;

NOW, THEREFORE, the parties agree to the following:

1. All references to HRAs in Agreements will be changed to VEBAs.
2. Contribution levels to VEBAs will be the same as contributions to HRAs in Agreements; and
3. HRA accounts will be converted to VEBAs for each employee.

FOR THE SCHOOL DISTRICT:

\_\_\_\_\_  
Clerk of School Board

\_\_\_\_\_  
Date

FOR BARGAINING GROUPS:

\_\_\_\_\_  
Authorized Representative of  
Education Minnesota Red Wing

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Representative of  
Red Wing Directors’ Association

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Representative of  
Red Wing Cooks’ Association

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Date

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Authorized Representative of  
Local #320 of the Minnesota Teamsters Public  
and Law Enforcement Employees' Union

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Date

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Authorized Representative of  
Red Wing Principals' Association

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Date

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Authorized Representative of  
RW Education Support Personnel Association

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Date