

APPENDIX C

POST EMPLOYMENT HEALTH CARE SAVINGS PLAN (HCSP) CONTRIBUTION SCHEDULE FOR LELS MEMBERS

Years of Service with the City of Shakopee	Hire – 1 yr.	Beginning 2nd through 15 yrs.	Beginning 16 th through 30 yrs.	Beginning 31 st yrs.
% of payroll contribution	0%	3%	3%	3%
City Contribution	\$35/month	\$35/month	\$35/month	\$35/month
Severance contribution of unused sick leave (45% of max of 960 hours)	None	50%*	100%*	100%**
Contribution of Accrued Vacation	None	None	50%	100%
Accelerated Sick Leave Payout***	NA	NA	100% of Step-up Formula	100% of Step-up Formula

*Upon eligibility after year 5

** For employees who are ineligible for Accelerated Sick Leave Payout

*** Upon eligibility after year 15

Accelerated Sick Leave Severance Payout

The City of Shakopee appreciates employees, who through long-term service and dedication, contribute to making the city a successful and positive service provider. In recognition, thereof, the City acknowledges such long-term service by providing an accelerated sick leave payout formula listed below if the employee meets all the following conditions:

- Full-time or part-time benefit-eligible employee with the City of Shakopee for 15 continuous years or more.
- Employee must reach the age (usually age 55, as governed by Minnesota Statutes, 2004, 353.29 and related chapters) and service requirements to be qualified for retirement under PERA.
- Employee is separating employment in good standing.
- The percentage of the severance pay-out shall be based on a maximum of 960 hours of accumulated sick leave calculated on the basis of the employee's current annual base pay.
- The accelerated severance payment will be deposited in the employee's HCSP account not later than the first regularly scheduled payday following the employee's final day of employment.

Completion of Continuous Service With the City of Shakopee

Step-up Payout formula

15 years	55%
16 years	57%
17 years	59%
18 years	61%
19 years	63%
20 years	65%
21 years	67%
22 years	69%
23 years	71%
24 years	73%
25 years	75%