

2025 Joint H&W Proposals to Local 663  
Presented on January 9, 2025 at 11:45am

These proposals are offered by the following grocers, who are jointly meeting on a coordinated basis with UFCW Local 663 to negotiate over Health and Welfare matters of common concern to them:

- Kowalski's Companies
- Jerry's Enterprises
- Shakopee Cub Foods
- Cub Foods
- Knowlan's/Festival Foods
- Lunds & Byerlys
- Haug Companies

These grocers have not consented to multi-employer bargaining; instead, they are coordinating their bargaining for their respective collective bargaining agreements with Local 663, which remain distinct from each other. If agreed, the proposals herein would form part of each of these respective collective bargaining agreements. These grocers make these proposals in a good faith effort toward reaching negotiated successor contracts to their respective collective bargaining agreements with Local 663 that expire in early March 2025. Any agreement as to a specific proposal is considered to be a tentative agreement subject to the final agreement between each grocer and Local 663 concerning all matters related to that grocer's negotiations. Each grocer reserves the right to add, modify, subtract, or delete any of its proposals at any time during these negotiations.

- Term of Contract:
  - Four (4) years.
- Contribution frequency:
  - Continues to be weekly.
- Contribution basis:
  - No H&W contributions due on vacation/PTO paid out after employee leaves employment.
- Premium amount:
  - To be determined based off calculations from Segal. Employers plan to ask Segal for premium calculations using the assumptions of this proposal and a reserve target of 5.7 months, 7 months, and 8 months. Union may want to seek info as well.
  - Employers contribute based on employee classification (i.e., employees do not move between contribution levels based on hours worked each week).
- Employer/employee premium split:
  - Percentage-based cost sharing, except maintain concept that modified part-time employees who wish to purchase dependent (not spousal) coverage are required to contribute the difference between that coverage and the Employer-paid part-time contributions (i.e., employee only).

- Move to Tiered Rates for Full-time employees:
  - Employee Only, Employee + Spouse, Employee + Children, Family
- Modified Part-Time Waiting Period/Tunnel:
  - Reduce waiting period to nine (9) months and eliminate tunnel contributions.
- Eligibility:
  - Remains the same as in current agreements, other than impacts of changes to contribution frequency and waiting period.