

Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund

Exhibit 1

Assumptions

Rates and projections are based on the "Cub Foods Response to Local 663 Proposals Received on February 25, 2025" document.

Tunnel Contributions are assumed to end December 31, 2025.

Except changes noted above, all projections in this exhibit are based on assumptions used in Segal's Health Benefits Report dated December 9, 2024.

12 Months Ending	Total Weekly Contribution Rates			
	Dec-25	Dec-26	Dec-27	Dec-28
Full-Time Tier				
Employee Only	\$287.82	\$165.26	\$165.26	\$165.26
Employee + Spouse	\$287.82	\$338.79	\$338.79	\$338.79
Employee + Children	\$287.82	\$330.52	\$330.52	\$330.52
Family	\$287.82	\$570.15	\$570.15	\$570.15
Modified Part-Time Tier				
Employee Only	\$168.84	\$165.26	\$165.26	\$165.26
Part-Time Ancillary Only Tier				
Employee Only	\$6.76	\$7.45	\$7.45	\$7.45
12 Months Ending	Aggregate Projections			
	Dec-25	Dec-26	Dec-27	Dec-28
Income				
Employer Contributions	\$44,133,600	\$43,781,200	\$43,781,200	\$43,781,200
Tunnel Contributions ¹	2,383,600	n/a	n/a	n/a
Self-Pay Contributions	223,300	223,300	223,300	223,300
Retiree Contributions	565,500	610,500	657,700	709,300
Investment Income	988,800	986,600	889,100	700,900
Total Income	\$48,294,800	\$45,601,600	\$45,551,300	\$45,414,700
Total Expenses ¹	\$45,115,800	\$48,331,600	\$51,968,500	\$55,913,000
Operating Surplus (Deficit)	\$3,179,000	(\$2,730,000)	(\$6,417,200)	(\$10,498,300)
Beginning Fund Assets	\$42,557,027	\$45,736,027	\$43,006,027	\$36,588,827
Ending Fund Assets	\$45,736,027	\$43,006,027	\$36,588,827	\$26,090,527
Continuation Value (Months)	11.4	9.9	7.9	5.2

¹ Assumes tunnel contributions end December 31, 2025.

Employer & Employee Portion of Total Contributions Comparison

12 Months Ending	Employer / Employee Contribution % Splits			
	Dec-25	Dec-26	Dec-27	Dec-28
Total				
Employer Portion of Total Contribution Remitted to Fund	92.7%	90.0%	90.0%	90.0%
Employee Portion of Total Contribution Remitted To Fund	7.3%	10.0%	10.0%	10.0%
Total Employer Contributions ¹	100.0%	100.0%	100.0%	100.0%

¹ Excludes tunnel contributions.

12 Months Ending	Aggregate Projections			
	Dec-25	Dec-26	Dec-27	Dec-28
Total				
Employer Portion of Total Contribution Remitted to Fund	\$40,916,900	\$39,403,100	\$39,403,100	\$39,403,100
Employee Portion of Total Contribution Remitted To Fund ^{1,2}	\$3,216,700	\$4,378,100	\$4,378,100	\$4,378,100
Total Employer Contributions ³	\$44,133,600	\$43,781,200	\$43,781,200	\$43,781,200

¹ For calendar years 2026 through 2028, the effect of increasing the the employee portion of the total contribution remitted to the Fund from 7.3% to 10.0% is worth \$1,183,300 annually.

² The proposal includes moving employee contribution to a pre-tax plan (Section 125), which means that employee contributions will become pre-tax. This will reduce the employee income by the amount for the contributions. The employee will no longer pay income tax, or Social Security and Medicare taxes. The employer will also save on Social Security and Medicare taxes. The current Social Security and Medicare tax rate is 7.65%. By moving to a pre-tax rate, both the employers and the employees will save \$334,900 in Social Security and Medicare taxes.

³ Excludes tunnel contributions.

12 Months Ending	Employee Weekly Contribution Rates			
	Dec-25	Dec-26	Dec-27	Dec-28
Full-Time Tier ¹				
Employee Only	\$21.30	\$16.53	\$16.53	\$16.53
Employee + Spouse	\$21.30	\$33.88	\$33.88	\$33.88
Employee + Children	\$21.30	\$33.05	\$33.05	\$33.05
Family	\$21.30	\$57.02	\$57.02	\$57.02

¹ For calendar year 2025, the employee share of the total weekly contribution is either \$20 or \$30. The majority of employees pay \$20 per week.

Modified Part-Time Tier ²

Employee Only	\$10.64	\$16.53	\$16.53	\$16.53
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² For calendar year 2025, the employee share of the total weekly contribution is either \$10 or \$15. The majority of employees pay \$10 per week.

Part-Time Ancillary Only Tier ³

Employee Only	\$1.00	\$0.75	\$0.75	\$0.75
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³ For calendar year 2025, the employee share of the total weekly contribution for all employees is \$1 per week.

Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund

Exhibit 2

Assumptions

Rates and projections are based on the "Cub Foods Response to Local 663 Proposals Received on February 25, 2025" document.

Tunnel Contributions are assumed to end February 28, 2025.

Except changes noted above, all projections in this exhibit are based on assumptions used in Segal's Health Benefits Report dated December 9, 2024.

12 Months Ending	Total Weekly Contribution Rates			
	Dec-25	Dec-26	Dec-27	Dec-28
Full-Time Tier				
Employee Only	\$287.82	\$165.26	\$165.26	\$165.26
Employee + Spouse	\$287.82	\$338.79	\$338.79	\$338.79
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Employee Only	\$168.84	\$165.26	\$165.26	\$165.26
Part-Time Ancillary Only Tier				
Employee Only	\$6.76	\$7.45	\$7.45	\$7.45
Aggregate Projections				
12 Months Ending	Dec-25	Dec-26	Dec-27	Dec-28
Income				
Employer Contributions	\$44,133,600	\$43,781,200	\$43,781,200	\$43,781,200
Tunnel Contributions ¹	397,300	n/a	n/a	n/a
Self-Pay Contributions	223,300	223,300	223,300	223,300
Retiree Contributions	565,500	610,500	657,700	709,300
Investment Income	970,300	945,300	843,000	653,900
Total Income	\$46,290,000	\$45,560,300	\$45,505,200	\$45,367,700
Total Expenses ¹	\$45,115,800	\$48,331,600	\$51,968,500	\$55,913,000
Operating Surplus (Deficit)	\$1,174,200	(\$2,771,300)	(\$6,463,300)	(\$10,545,300)
Beginning Fund Assets	\$42,557,027	\$43,731,227	\$40,959,927	\$34,496,627
Ending Fund Assets	\$43,731,227	\$40,959,927	\$34,496,627	\$23,951,327
Continuation Value (Months)	10.9	9.5	7.4	4.8

¹ Assumes tunnel contributions end February 28, 2025.

Employer & Employee Portion of Total Contributions Comparison

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Total Employer Contributions ³	\$44,133,600	\$43,781,200	\$43,781,200	\$43,781,200

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³ Excludes tunnel contributions.

12 Months Ending	Employee Weekly Contribution Rates			
	Dec-25	Dec-26	Dec-27	Dec-28
Full-Time Tier ¹				
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Employee + Spouse	\$21.30	\$33.88	\$33.88	\$33.88
Employee + Children	\$21.30	\$33.05	\$33.05	\$33.05
Family	\$21.30	\$57.02	\$57.02	\$57.02
Modified Part-Time Tier ²				
Employee Only	\$10.64	\$16.53	\$16.53	\$16.53
Part-Time Ancillary Only Tier ³				
Employee Only	\$1.00	\$0.75	\$0.75	\$0.75

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² For calendar year 2025, the employee share of the total weekly contribution is either \$10 or \$15. The majority of employees pay \$10 per week.

³ For calendar year 2025, the employee share of the total weekly contribution for all employees is \$1 per week.

Disclosures

Category	Description
General	This document has been prepared for the exclusive use and benefit of Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund, based upon information provided by you and your other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. Except as may be required by law, this document should not be shared, copied or quoted, in whole or in part, without the consent of Segal. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.
Projections	The projections in this report are estimates of future costs and are based on information available to Segal at the time the projections were made. Segal has not audited the information provided. Projections are not a guarantee of future results. Actual experience may differ due to, but not limited to, such variables as changes in the regulatory environment, medical innovations/FDA approvals, trend rates, and claims volatility. The accuracy and reliability of projections decrease as the projection period increases. The ability to project future expenses accurately using current expenses, claims, premium rates and income is significantly lessened the further that projection is extended. Moreover, long-range projections will be influenced by other variables including; a shift in covered population, changes to health provider ownership, and the competitive landscape of local markets. Therefore, caution must be used when referring to these projections.
Retiree Projections	Projection of retiree costs takes into account only the dollar value of providing benefits for retirees during the period referred to in the projection. It does not reflect the present value of any future retiree benefits for active, disabled or terminated employees during a period other than that which is referred to in the projection.
Non-Grandfathered	The projections incorporate all known future plan changes needed to comply with ACA as a Non-Grandfathered plan, as of the date of this report.