

**UFCW Local 663 Proposals to Haug Companies  
UNION 5 - March 26, 2025 @ 2pm**

**UNION RESPONSE TO EMPLOYER PROPOSALS**

3/26 TA for Three Year Term

3/26 Union: TA

**1) Section 2.5 (F) – Haug altered to original language except insertion in blue**

The minimum hours expressed in paragraphs (A), (B) and/or (C) above shall not apply if a new hire and/or employee makes a written request approved by the Employer to be regularly scheduled for less hours. Any such approved written request shall remain valid until the employee requests a change or the agreed upon time period has lapsed, at which time a new written request must be submitted by the employee for the Employer's approval. If no new written request is submitted and approved All such approval requests shall be promptly sent to the Union, and any employee who is working under such an approved written request shall not be counted for purposes of the ratio language expressed in Section 17.2(l).

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**2) Section 4.6**

Vacation schedules in each store shall be posted by January 1 and vacations selected on the basis of seniority by February 15th of each year. ~~The Employer may black out the sales weeks of Thanksgiving, Christmas, and the 4<sup>th</sup> of July.~~ The approved vacation schedule shall be posted in each market by March 15 of each year for the following twelve (12) month period to March 15th. Employees who fail to select vacations by February 15th will be placed at the bottom of the seniority list for the purpose of vacation selection.

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**3) New Language Section 4.8 – Vacation Use – Haug will hold on this proposal**

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**4) New Language Section 4.9 – Haug holds on this proposal**

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**5) New Language Section 5.6 City, State or Federal Wage and Other Wage Increases: – Haug holds on this proposal**

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#### **6) Article 11: Leave of Absence – Haug will hold on counter for 14 days notice**

Section 11.2: Union Leave. An employee with at least one (1) year of seniority, who is elected or appointed to a full-time Union office, shall be granted a leave of absence for the term of such appointment, to a maximum of one (1) year. Temporary leaves of absence to attend state or national conventions shall be granted to all Executive Board members and elected delegates of the Union. Leaves of absence for Executive Board members for Union business will be granted as needed. Such members shall give their Employer a minimum of one (1) week's notice (except Union emergencies), stating the starting and ending time for such leave.

The Employer shall not be required to give a leave for more than one (1) employee from each store.

~~The Employer, at its sole discretion, may grant a request for a leave of absence from an employee who is elected or appointed to a Union Office to perform Official Union Business. The Union will provide a 30-day minimum notice of the request to the Employer stating the starting and ending time for such requested leave. All wages and benefit expenses for the employee shall be paid by the Union for all time served on said leave.~~

### 3/26 Union Rejects

#### **7) Section 11.6: SPUR (Special Project Union Representative) Leave:**

A leave of absence will be provided for a period of time, not to exceed one (1) year, for an employee requested by the Union to assist the UFCW International or Local 663 for temporary work as a union representative in the SPUR program. The Union will provide a 30-day minimum notice to the Employer. It is understood that the Union would make any contributions necessary to continue the employee's participation in Health & Welfare and Pension programs as provided by the agreement during this leave of absence. The Employer would provide this leave without loss of seniority. For Employers with two (2) or fewer stores, the SPUR leave will be granted only upon mutual agreement of the Employer and the Union.

~~The Employer, at its sole discretion, may grant a request for a leave of absence, for an employee requested by the Union to assist the UFCW International or UFCW Local 663 for temporary work as a union representative in the SPUR program. The Union will provide a minimum 30-day notice of the request to the Employer stating the starting and ending time of such requested leave. All wages and benefit expenses for the employee shall be paid by the Union for all time served on said leave.~~

### 3/26 Union TAs

#### **8) *New Language* – Section 11.11 Minnesota Paid Family Medical Leave Act (MNPFMLA)**

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**3/26 Union Counter:** See edits in blue plus VAP changes per previous Union proposal

- Article 14: Pension

(A) The Minneapolis Retail Meat Cutters and Food Handlers Pension Fund (the Legacy Plan) will be frozen for all accrued benefits after February 28, 2019. Existing Legacy Plan participants will continue to earn vesting service and credited service for benefit eligibility purposes pursuant to the terms of this Article.

(B) The Employer and Union will make a request to the board of trustees of the Legacy Plan to adopt IRC Section 432(b), Section 4, of the Multiemployer Pension Reform Act of 2014 (MPRA), which will allow the Legacy Plan to accelerate its certification into Critical Status (Red Zone) for fiscal plan year 2018.

(C) The Employer and Union agree to the scheduled industry Rehabilitation Plan schedule for the Legacy Plan that requires Employer contributions to increase by 6.0% effective March 5 2023, and 6.0% effective March 3 2024 **10.4% effective March 2, 2025; 10.4% effective March 1, 2026; and 10.4% March 7, 2027.** The Employer also will contribute \$163,027.07 to the Legacy Plan by a redirect of contributions from the MRMC Health Fund effective March 5, 2023. The Employer shall continue to make contributions to the Legacy Plan for all active employees in classifications for whom they have previously made contributions to the Legacy Plan and for future active newly hired employees (who are in classifications for whom contributions have been made under the Legacy Plan pursuant to the prior CBA) who are participants in the Variable Annuity Plan (VAP) Plan. In addition, the 30 year and out pension benefit has been eliminated with respect to accrued benefits, as allowed under the Rehabilitation Plan after effective March 1, 2019. Specifically, and not including the above referenced redirect, the employer contribution rates to the Legacy Plan will increase according to the following schedule:

Pre-March <del>2023</del> <b>2025</b> Contribution Rates	Effective March <del>2023</del> <b>2, 2025</b>	Effective March <del>2024</del> <b>1, 2026</b>	<b>Effective March 7, 2027</b>	<b>Effective March 5, 2028</b>
Full-time: <del>\$149.13</del> <b>\$167.56</b> per week	<del>\$158.08</del> <b>\$184.99</b>	<del>\$167.56</del> <b>\$204.23</b>	<b>\$225.47</b>	<b>\$203.67</b>
Part-time: <del>\$48.64</del> <b>\$54.65</b> per week	<del>\$51.56</del> <b>\$60.33</b>	<del>\$54.65</del> <b>\$66.60</b>	<b>\$73.53</b>	<b>\$66.43</b>

~~In addition, the Employer will redirect \$5.00 of each contribution otherwise due to the Variable Annuity Pension Plan (VAP Plan) to the Legacy Plan effective March 2, 2025 through March 4, 2029.~~

The Full-time Contribution Rate amounts referred to in this Article shall be paid on behalf of all applicable employees as defined above for each week when such

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employee has worked thirty-two (32) or more hours or thirty (30) or more hours (for those employees on the four (4)-ten (10) hour workweek) excluding hours worked on Sundays and holidays, except for floating and banked holidays.

The Part-time Contribution Rate amounts referred to in this Article shall be paid on behalf of all applicable employees as defined above (excluding retirees who are receiving a UFCW Local 663 pension, Courtesy and Custodial and Group 3 part-time employees) who have worked less than thirty-two (32) hours per week (excluding hours worked Sundays and on holidays).

The Employer shall remit a minimum of [x] Full-Time and [x] Part-Time Contributions each week. [Calculate as (% of unfunded liability) X (59,700 FT weeks & 55,900 PT weeks) / 52]

(D) Active employees with 30 years of service as of February 28, 2019, are a protected group, and will not be affected by the elimination of the 30 and out benefit in Paragraph (C) above.

(E) The Employer and Union agree to establish a Variable Annuity Plan (VAP Plan) for future service benefits effective January 1, 2019. Employers will make contributions to the VAP Plan for all current active employees and future active newly hired employees in classifications for whom contributions have been made under the prior CBA. The following Employer contribution rates will be made to the VAP Plan, ~~minus \$5.00 per week per employee that is redirected pursuant to Paragraph C above:~~

Weekly Contribution Rates	Effective January 1, 2022	March 2, 2025
Full-time:	\$38.58	
Part time:	\$14.94	

(F) All current active and future active employees (excluding Group 3 Part-time, Courtesy/Clean Team and Retirees who are receiving a Legacy Plan pension) are eligible for coverage under the VAP Plan. All current active employees will bridge their vesting service between the Legacy Plan and the VAP Plan.

In the event that a modified part-time or regular part-time employee, on whose behalf a Legacy pension contribution was being made, retires, quits, or is terminated and is not replaced, then the Employer will pay a contribution on behalf of the most senior Group 3 part-time employee at the rate in Paragraph (C) above. The intent of this provision is to maintain Legacy pension funding for the life of this contract. This provision will not be applicable however in the event of a store closure.

(G) Effective January 1, 2021, the annual benefit accrual of the VAP Plan for employees will be as follows:

	Effective January 1, 2025
VAP Accrual Rate	\$25.00
[Increase per Union Proposal]	

The service and vesting provisions of the VAP Plan will be the same as the Legacy Plan. The death benefit and disability benefits of the VAP Plan will be the same as the Legacy Plan. The forms of retirement benefit options of the VAP Plan will be the same as the Legacy Plan.

(H) The Normal Retirement Age of the VAP Plan will be age 65. Eligibility for Early Retirement will be the same as the Legacy Plan with benefits reduced 6.0% per year for each year of retirement commencement prior to Normal Retirement Age. For example, if a pension-eligible employee retires at age 61, the employee's pension benefit shall be reduced by 24% ((retirement commenced 4 years prior to age 65) x 6% reduction per year).

(I) All accrued annual benefits in the VAP Plan will be adjusted annually based on investment performance benchmarked to a hurdle rate of 5.5%.

(J) Annual increases in accrued benefits will be capped at 3.0% above the hurdle rate. Any surplus increase in fund revenue based on investment performance above the 3.0% capped annual benefit adjustment will be allocated to a Stabilization Reserve. The purpose of the Stabilization Reserve is to support the maintenance of accrued benefits (for both actives and retirees) in years in which the investment return is less than the hurdle rate and which would normally cause a decrease in the accrued benefit. The Stabilization Reserve will be governed by the board of trustees of the VAP Plan according to the intent of this paragraph.

(K) Upon retirement, employees eligible for pension benefits pursuant to the VAP Plan will have the option to choose whether (1) their retirement benefits will be fixed as of the date of their retirement, or (2) their retirement benefits will continue to vary annually based on investment performance. For employees who leave their employment for any reason prior to retirement, the accrued benefits will remain variable until retirement, at which point the employee may choose whether (1) their retirement benefits will be fixed as of the date of their retirement, or (2) their retirement benefits will continue to vary annually based on investment performance.

(L) An Employer may withdraw from the Legacy Plan during the term of this Agreement and pay its allocated withdrawal liability, as long as it continues to participate in the VAP Plan pursuant to the terms of the collective bargaining agreement.

(M) The Employer agrees that it will make available to employees who have completed the probationary period the option to contribute to an Employer-sponsored 401(k) retirement savings plan or have the option to offer a Roth Plan, subject to the conditions and requirements of that plan. It is understood that the Employer itself will have no obligation to make contributions to this plan on behalf of any employee or to match any contributions to such plan which may be made by any employee. The sole purpose of this provision is to provide employees with an advantageous opportunity to set aside personal funds for retirement savings.

(N) The Employer is not required to make contributions to the Legacy Plan or VAP Plan after termination of employment (e.g. on vacation pay-outs after termination). **[open to including only if the parties agree to language on minimum # of contribution weeks]**

~~(O) The trustees shall provide the Employer and Union quarterly updates: [Employer should get these from the Employer Trustees]~~

~~(P) The Employer and Union agree to direct the trustees to conduct RFPs commensurate with the vendors' next contract renewal.~~

**9) Article 15: Health and Welfare:** - Haug will hold on H&W Proposal

- A. The Employer agrees to pay into the Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund contributions on behalf of any employee who has worked thirty-two (32) or more hours (full-time), exclusive of hours worked on Sundays and holidays, except for floating and banked holidays. The Employer further agrees to pay into the Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund contributions on behalf of any employee (excluding Courtesy, Custodial, Regular part-time and Group 3 part-time employees) working less than thirty-two (32) hours per week (part-time) exclusive of hours worked and/or paid for on Sundays and holidays. Such Trust Fund is jointly administered, is a part of this Agreement, and is in lieu of all Employer established programs including life insurance, sickness and accident insurance, hospitalization insurance, or any other said forms of insurance now in practice.

The Employer agrees to pay contributions into the same Health and Welfare Fund on behalf of its Classified Assistant and Retail Specialist employees on the

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same basis as provided in Section A of this Article except that, in the case of such employees, hours worked on Sundays (but not on holidays, other than floating and banked holidays) shall be counted in calculating the amount of the contribution to be made for these employees for any particular week.

The Employer will make contributions for Ancillary Benefits (Doctor on Demand, Dental, Vision, Life and AD&D) for Regular Part-time, Group 3 Part-time and Carryout and Maintenance Part-time employees who choose to opt-in for the benefit. New hires will have a ninety (90) day open enrollment period from their date of hire. An annual open enrollment will be held the months of January and February for all eligible employees. The Employer will make contributions to the Fund for Ancillary Benefits after a ninety (90) day waiting period for new hires. The Employer will make contributions to the Fund for Ancillary Benefits the month after the open enrollment period for current employees.

The schedule of contributions for the Employer is as follows:  
(Also, see chart in Appendix F)

Effective March 5, 2023 through March 3, 2024:

Full-time employees: \$239.83 per week  
Modified part-time employees: \$143.32 per week  
Ancillary employees: \$5.58 per week

Effective March 3, 2024 through March 2, 2025:

Full-time employees: \$257.82 per week  
Modified part-time employees: \$153.84 per week  
Ancillary employees: \$5.76 per week

- B. The Employer will collect the employee contributions which will offset the Employer contributions. The Employer will implement a pre-tax plan for employee contributions. In the event that an employee should "opt out" of coverage, then there will be no employer nor employee contribution due on their behalf.

Effective March 5, 2023 through March 1, 2025:

Full-time Employees: \$30.00 per week

Modified Part-time Employees: \$15.00 per week

Regular Part-time, Group 3 Part-time, Courtesy and Custodial Part-time Employees: \$1.00 per week

- C. Modified part-time employees who wish to purchase dependent (not spousal) coverage will be required to contribute the difference between the Employer paid part-time contributions and the full-time contributions, as set forth above.

- D. The Employer agrees to make the health and welfare contributions for full-time employees and Retail Specialist employees only who work thirty (30) or more hours during the week.
- E. The program of benefits of this full-time plan and of this part-time plan are as agreed to between the Employer and the Union Trustees be maintained for the life of this labor Agreement. Benefits may be modified by mutual agreement of the Board of Trustees.
- F. The Employer is bound by the existing Trust Agreement covering the aforesaid Trust Fund and any amendments thereto.
- G. The Employer agrees to pay the weekly health and welfare payment for those modified part-time employees with five (5) years or more service, with the same Employer, when said part-time employees are on a paid vacation.
- H. The Employer agrees to make weekly health and welfare contributions on all participating employees (full-time employees and modified part-time employees in accordance with Paragraph H above) for all earned or accrued vacation and holidays, provided that in no case shall there be more than fifty-two (52) weeks of contributions in any anniversary year on behalf of any employee (as in the case where an employee chooses to work and take pay in lieu of earned vacation).
- I. The Employer agrees to pay the weekly health and welfare payment for those part-time employees with two (2) years or more service, with the same Employer, when said part-time employees are on a paid vacation.
- J. MRMC Health & Welfare contributions will be redirected for a temporary period that will draw down the current unencumbered (free) reserves of the MRMC H&W Fund by \$7.65 million. The Employer's share of redirected contributions, as calculated by Wilson McShane, will be directed to the MRMC Pension Fund over the course of this two (2) year collective bargaining agreement, beginning March 5, 2023 and expiring March 1, 2025

**Article 15: Health and Welfare**

- (A) Health & Welfare Fund:** The Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund (the "Fund") is jointly administered by Union Trustees and Employer Trustees. The Employer is bound by the existing Trust Agreement covering the Fund and any amendments thereto to the extent they do not conflict with this Agreement. The Employer agrees to pay into the Fund contributions on behalf of any employee who meets the eligibility criteria outlined below. The benefit plans are as agreed upon by the Employer Trustees and Union Trustees and will remain in effect for the life of the Agreement except as may be modified by agreement of a majority of the Board of Trustees, which shall not conflict with the eligibility terms of this Agreement.

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**(B) Benefit Commencement:** Newly eligible employees that elect coverage specified in Article 15(D) under the Minneapolis Retail Meat Cutters and Food Handlers (MRMC) Health and Welfare Plan (the "H&W Plan") shall have coverage commence the first day of the calendar month following the calendar month the Fund receives contributions on the employee's behalf.

**(C) Benefit Elections:** The H&W Plan Administrator shall administer the benefit election process directly with employees for newly eligible employees, open enrollment, and qualified mid-year election changes. Newly eligible employees shall have 30 days to make their benefit elections from the date they begin employment in an eligible classification. classification.

**[Amend to ensure timely selection of which Tier so proper deductions can be made. Open to suggested language from Employer. Language subject to review with Plan Administrator.]**

~~**(D) Benefit Coverage Options:**~~

- ~~• Full-time employees are eligible to elect one of the following tiers of coverage: Single, Single and Spouse, Single and Child(ren), or Family.~~
- ~~• Modified part-time employees are eligible to elect one of the following tiers of coverage: Single or Single and Child(ren). Employees who wish to purchase Single and Child(ren) coverage will be required to contribute the difference in premiums between Single and Single and Child(ren) coverage with the Employer's contribution capped at the Single coverage rate.~~
- ~~• All other part-time employees (including courtesy and custodial employees) are eligible to elect Ancillary benefits (e.g., Doctor on Demand, Dental, Vision, Life, and AD&D) that provide single coverage for themselves.~~

**(D) Benefit Coverage Options:**

- Full-time employees are eligible to elect one of the following tiers of coverage: Single, Single and Spouse, Single and Child(ren), Family, or Ancillary.
- Modified part-time employees are eligible to elect any tier of coverage. Employees who wish to purchase coverage other than Single will be required to contribute the difference in premiums between Single and the tier of coverage that they elect, with the Employer's contribution capped at the Single coverage rate.
- All other part-time employees (including courtesy and custodial employees) are eligible to elect Ancillary benefits that provide certain coverages for themselves. Upon completion of six (6) months of employment, all other part-time employees (including courtesy and custodial employees) are eligible to buy up to a different tier of coverage with the employee and employer contribution rates listed below.

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- (E) Open Enrollment:** Pursuant to the H&W Plan rules, eligible employees will annually have the opportunity to elect or change coverage under the H&W Plan effective the following January 1. Should an eligible employee elect or change coverage during the annual open enrollment period, the Employer must begin contributions in December, so long as the employee had actual hours worked in November, for coverage to begin January 1. Employees who are already enrolled and do not need to modify their coverage election in H&W Plan do not need to take any action during the annual open enrollment period to continue their existing coverage. Open enrollment for Health & Welfare and Ancillary benefits will occur annually. The H&W Plan Administrator shall notify the Employer of all new or changed benefit elections no later than October 15. The Employer shall cooperate with the Fund Office in providing the Fund Office with eligible employee information to allow for enrollment to be conducted by the Fund Office during periods of open enrollment and as employees become eligible for coverage during the year.
- (F) Qualifying Life Event:** Pursuant to the H&W Plan rules, eligible employees will have the opportunity to elect or change coverage under the H&W Plan should they experience a qualifying life event in accordance with applicable law.
- (G) Benefit Contributions:** The Employer agrees to contribute to the Fund for employees electing coverage on the basis of employee classification as follows:
- **Full-Time:** Full-time employees for each week the employee actually worked, was on FMLA, or received compensation required by this Agreement for vacation, bereavement leave, jury duty, or holidays; with contributions commencing in the first full week of the first month following the month the employee was hired or moved into that classification.
  - **Modified Part-Time:** Modified part-time employees for each week the employee actually worked, was on FMLA, or received compensation required by this Agreement for vacation, bereavement leave, jury duty, or holidays; with contributions commencing in the first full week of the first month following the month the employee was hired or moved into that classification.
  - **Ancillary:** All other part-time (including courtesy and custodial employees) for each week the employee actually worked, was on FMLA, or received compensation required by this Agreement for vacation, bereavement leave, jury duty, or holidays; with contributions commencing the first full week of the second month following the month the employee was hired or moved into that classification.

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- The Employer may, at its option, begin contributing to the Fund earlier than required so as to provide coverage sooner than as prescribed above.

Benefit contribution rates are as follows:

**Weekly Health & Welfare Cost**

Effective March 2025	TOTAL Weekly Contribution Rate	Full Time		Mod PT		All Other PT	
		Employer Cost	Employee Cost	Employer Cost	Employee Cost	Employer Cost	Employee Cost
Single	\$176.52	\$146.52	\$30.00	\$161.52	\$15.00	\$88.26	\$88.26
Family	\$283.23	\$253.23	\$30.00	\$161.52	\$121.71	\$88.26	\$194.97
Ancillary	\$7.54	\$6.54	\$1.00	\$6.54	\$1.00	\$6.54	\$1.00
Effective March 2026	TOTAL Weekly Contribution Rate	Full Time		Mod PT		All Other PT	
		Employer Cost	Employee Cost	Employer Cost	Employee Cost	Employer Cost	Employee Cost
Single	\$192.95	\$162.95	\$30.00	\$177.95	\$15.00	\$96.48	\$96.48
Family	\$304.68	\$274.68	\$30.00	\$177.95	\$126.73	\$96.48	\$208.21
Ancillary	\$8.29	\$7.29	\$1.00	\$7.29	\$1.00	\$7.29	\$1.00

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Effective March 2027	TOTAL Weekly Contribution Rate	Full Time		Mod PT		All Other PT	
		Employer Cost	Employee Cost	Employer Cost	Employee Cost	Employer Cost	Employee Cost
Single	\$207.05	\$177.05	\$30.00	\$192.05	\$15.00	\$103.53	\$103.53
Family	\$327.94	\$297.94	\$30.00	\$192.05	\$135.89	\$103.53	\$224.42
Ancillary	\$8.58	\$7.58	\$1.00	\$7.58	\$1.00	\$7.58	\$1.00

A pre-tax plan for employee contributions will be implemented by the Employer. ~~If an employee at any time ceases to allow the Company to deduct the employee's share of the Fund contributions the Company will no longer be required to make contributions to the Fund on the employee's behalf.~~ The Employer and employee will not have to pay contributions into the Fund should the employee ~~not elect~~ waive benefit coverage.

~~The Employer shall not be responsible for any additional benefit costs for the term of this Agreement.~~

**(H) Termination of Contribution at Employment Separation:** Upon end of employment, regardless of reason (e.g. retirement, layoff, termination), the final contribution remitted to the Fund on the former employee's behalf shall be in the calendar month following the month in which the employee last incurred actual hours worked.

~~(I) **Remittance:** The Employer will remit contributions to the Fund each month on the date specified by the H&W Plan Administrator. The Employer will collect the Employee contribution for each week an employer contribution is due if the Employee was given a paycheck for the payroll period with sufficient net earnings to pay the Employee contribution. If the Employer did not issue a paycheck to the employee or the employee's paycheck does not have sufficient net earnings to pay the employee contribution, then the employee is responsible for remitting the employee contribution directly to the Fund.~~

**(I) Remittance:** The Employer will remit contributions to the Fund each month on the date specified by the H&W Plan Administrator for the total contribution rate. The Employer will collect the Employee contribution for each week an employer contribution is due if the Employee was given a paycheck for the payroll period with sufficient net earnings to pay the Employee contribution. If the Employer did not issue a paycheck to the employee or the employee's paycheck does not

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have sufficient net earnings to pay the employee contribution, then the employer shall deduct any Employee contributions due from the Employee's next paycheck.

- (J) Fund Reserves: Both the Employer and the Union have a mutual interest in maintaining a financially healthy and stable Health & Welfare Fund that maintains sufficient reserves. As such, should Fund assets decline to an amount that is less than six (6) months of Continuation Value, as determined by the Fund's actuarial consultants, either the Union or Employer Trustees may request that the Fund's actuarial consultants recalculate the true-cost rates for the remainder of the term of the Agreement. Such recalculation shall occur within thirty (30) days of the request. Upon adoption of the new rates by the Trustees, such Total Contribution Rates shall replace those in this Agreement, however, the Employee Contribution Rates shall remain unchanged.

Likewise, effective September 2025, should Fund assets at any point exceed twelve (12) months of Continuation Value, as determined by the Fund's actuarial consultants, the Employer shall be granted a contribution holiday for thirteen (13) weeks. During such time, Employee Contributions shall still be deducted by the Employer and shall offset any future remittance to the Fund.

The provisions of this section shall be valid through March 3, 2028.

[The proposed language in this section is subject to review, modification, and agreement between Fund co-counsels consistent with the intent of the parties.]

Remove Appendix E.

3/26 Union Rejects. Counter change to panel of 7, reject other changes.

## 12) **Article 16: Arbitration – Haug will hold on all Arbitration Language**

**Section 16.1:** Any complaint to be processed under this Agreement must be registered within ten (10) days by either party to this Agreement except that a complaint as to the payment or nonpayment of the applicable wage rate must be registered within ninety (90) calendar days after the date of the alleged violation. The applicable wage rate means the minimum contract wage rates, overtime rates, and rates for vacation, holiday, jury pay and bereavement pay.

**Section 16.2:** Any controversy arising over the interpretation of or adherence to the terms and provisions of this Agreement shall be settled by negotiations between an officer of the Union and the Employer or his/her representative. Any controversy which cannot be so settled promptly may be referred to Arbitration. The Federal Mediation and Conciliation Services (FMCS) shall be called upon to furnish a panel of five (5) arbitrators from which the arbitrator will be selected.

The panel of five (5) arbitrators furnished by the Federal Mediation and Conciliation Services (FMCS) will be from its master panel of arbitrators who have experience in

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grievance arbitration in the private sector. The decision of the arbitrator shall be final and binding on all parties concerned.

**Section 16.3:** The expense of the arbitrator shall be divided equally between the Employer and the Union.

**Section 16.4:** There shall be no strike or lockout during the life of this Agreement, except in the case of failure of either party to pursue the arbitration procedure within the time limits specified in the contract for each step or in case of failure to abide by an arbitration award.

**Section 16.5:** Failure to comply with the time limits set forth in Steps 1, 2, and 3 below, may result in an automatic decision in award by default in favor of the other party excepting in cases of extension of time mutually agreed upon. The steps to be followed are as follows:

- (A) The complaint must be registered in writing within the specified time limits of the particular type of grievance.
- (B) If the complaint is not satisfactorily resolved, either party may request arbitration within the next ten (10) day period and request a panel from the Federal Mediation and Conciliation Service (FMCS).
- (C) The arbitration bearing shall be held within a ten (10) day period unless there is a mutual agreement to extend such bearing or unless the arbitrator is not available within such period.

In each of the above steps, the days referred to are working days.

3/26 Union Rejects.

13) **Article 28(3): - Haug will hold on this proposal**

The Employer will not require that employees listed on the notice bring in a copy of their Social Security card for the Employer to review, complete a new I-9 form, or provide new or additional proof of work authorization or immigration status.

3/26 Union Rejects.

14) **New Article 29: Management Rights** (re-number subsequent articles) – Haug holds on counter proposal

3/26 See Union Counter Proposal

15) **Appendices B, C, and D: Wages** (remove existing appendices and replace with the attached)

Previously TA'd

16) **Side Letter of Understanding.** Renew side letter of understanding dated Feb. 2, 2024 regarding employees with special needs. – Union TA'ed 2/27/2025

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### 3/26 Union TAs

- 8(B) – Haug will counter with, “Part-Time employees duly designated by management as a MOD and who have completed the Employer’s MOD training and are food safety certified, shall receive a one dollar and fifty cents (\$1.50) per hour premium for the shift or portion of the shift in which the employee is designated as the MOD. This MOD Premium will not be payable to employees working the night crew.

### 3/26 Union TAs

- 9(B) – Haug counters with the following language: If cross training is mutually agreed to, the employee will be scheduled to shadow department leadership for at least 3 consecutive shifts before expected to work independently.
- 11(A) Haug TA'd to add stepparent to bereavement language.

## UNION PROPOSALS

\*\*\* Wages and all terms of a final TA retroactive to CBA expiration date in 2025 \*\*\*

Maintain all tentative agreements to-date.

All other employer proposals not referenced herein are rejected by the Union.

### 1) Wages

- A) See wage scales - [Union 5 - 3.26.25](#)

### Wage Differentials

#### A) **Union Hold**

PT Supervisor - \$2.00 shift differential for all hours scheduled for the shift when supervising 2 or more employees

#### B) **3/26/25 Union TA Employer Counter**

8(B) – Haug will counter with, “Part-Time employees duly designated by management as a MOD and who have completed the Employer’s MOD training and are food safety certified, shall receive a one dollar and fifty cents (\$1.50) per hour premium for the shift or portion of the shift in which the employee is designated as the MOD. This MOD Premium will not be payable to employees working the night crew.

#### D) **Union Hold**

Deli - \$2.00 shift differential for all hours scheduled for the shift

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E) **Union Hold**

All hours worked between 10pm and 6am - ~~\$1.50~~ ~~\$2.00~~ shift differential for all hours scheduled for the shift

2) **Retirement - Legacy Pension, Variable Annuity Pension (VAP), 401(k)**

A) Legacy Pension

**See counter proposal above**

B) Variable Annuity Pension Plan

**Union Hold [See 3/18 Proposal]**

C) Establish Multi-Employer Defined Contribution Plan

**Union DROPS**

3) **Health & Welfare **Union Counter Above****

4) **Employee Discount**

A) **Union Hold** Employee Discount

- Haug's - 10% all products

6) **Scheduling and Hours**

A) **Union Drop**

All full-time and part-time employees will not be asked to be available:

- For more than 2x the number of hours they seek to work (i.e. part-time employees will provide 48 hours of availability to be scheduled for 24; full-time employees will provide 80 hours of availability to be scheduled for 40) OR
- For more availability than the employee provided at hiring

B) **Union Drop**

If employees in a department are on any form of leave or time off, paid or unpaid, those hours shall be made available for other employees (i.e. if 1 employee is on PTO for 3 days, they will be replaced in that department instead of department working short)

E) **Union Drop**

- No more than 2 night time shifts per week for full-time employees, unless by mutual agreement.
- Bookkeeping, receiving, bakery and pricing will not be scheduled for night shifts, unless by mutual agreement.

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- F) **Union Drop**  
Employees will only be scheduled for more than 7 consecutive days in a row by mutual agreement.
- G) **Union Hold**  
All part-time employees guaranteed 20 hours per week, unless waived by employee
- H) **Union Drop**  
Breaks - Employer will ensure scheduled hours do not lead to employees missing a second break, unless there are extenuating circumstances that require it (i.e. youth cannot work before / past certain time of day)
- K) Employer shall supply to the Union an electronic copy of work schedules weekly. Entire weekly schedules for all associates and departments shall be provided in Excel spreadsheets and emailed as attachments to the Union.  
**Union Hold** Employer does not have HRIS in place to send Excel - Union counter: email clear PDFs of written schedules for the 2 Haug's stores

**7) Ratios - The Employer shall reach at least:**

- A) **Union Hold**  
40% FT ratio by the end of this CBA (Employer shall make all necessary Fund contributions)
- B) **Union Hold**  
40% PT Modified ratio by the end of this CBA (Employer shall make all necessary Fund contributions)
- C) **Union Hold**  
Increase PT top 24% to 30%

**8) Wage Differentials**

See Union 1 above

**9) Cross training and working in more than one department**

- A) **Union Drop** Cross training and/or requiring employees to work outside their department will be by mutual agreement only

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- B) **Union TA's Employer Counter** If cross training ~~is mutually agreed to~~, the employee will be scheduled to shadow department leadership for at least 3 consecutive shifts before expected to work independently

## 11) PTO / ESST / Leave

- A) Increase Bereavement **Previously TA'd**
- B) Holiday pay
- ii. **Union Hold** - Holiday pay increased from 4 to 6 hours paid for all part-time
  - iii. Part-time employees and courtesy / custodial / clean team are eligible for holiday pay after 90 days **Union Holds on 90 days proposal for all PT and c/c**

## 12) Classifications

- A) **Union Drops**  
**Union edits:** Part-time employees with five (5) or more years of service in each store shall be offered promotion to Modified part-time
- C) **Union Hold**  
Group 3 - reclassified as Regular Part-time
- D) **Union Hold**  
Retail Specialist - reclassified as Classified Assistant
- E) Department Heads:
- i) **Union Hold**  
All Department Heads shall be classified as Traditional Full-Time Food Handlers for purposes of Appendix A-1 "Food Handlers Sunday Clause."
  - ii) **Union Hold**  
Any Department Head who is demoted or chooses to step down will revert to the classification they held prior to becoming a Department Head.
  - iii) **Union Hold**  
Ensure that all FT heads of departments are classified and paid as Department Heads (i.e. Pricing, Front End, E-Commerce, Floral, Gift, General Merchandising, Coffee, Cheese)

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iv) **Union drops** Any time a department manager is scheduled to work less than 5 days in their designated work week, a replacement will be identified and assigned to fill in as department manager and will fill out the Employer's designated replacement form. In this instance, the employee assigned to fill in as a department manager will receive department manager pay for each shift replacing a department manager.

G) **Union Hold**

Amend full-time waiver rate to \$23.00 for the duration of the waiver period up to a maximum of one thousand two hundred (1,200) hours of said period. If an employee exceeds a maximum of 1,200 hours, the employee will become a Classified Assistant.

H) **Union Hold** Maintaining seniority for students

Students who cease employment because of their education **will maintain and continue their seniority on their return to work.** ~~and return to work within twelve (12) months shall receive and continue to accrue seniority credit for actual time worked. The Employer has no obligation to rehire Employees subject to this provision.~~

### 13) Safety and Wellbeing

A) **Union Hold** Employer shall update schedules and nametags of an employee once informed of a name change and with employee's consent

B) **Union Hold** Employer will require that any federal immigration agent, Immigration and Customs Enforcement (ICE) agent, Department of Homeland Security (DHS) agent, or State and Local law enforcement officials present a valid judicial warrant signed by a judge before admission to employee only areas at the worksite or access to employee records. Employer shall immediately notify UFCW 663 in the event of such an incident.

### 14) Tools and Training

C) **Union Drops** **LOA** to define details for creating a joint UFCW 663 and Employer program for Meat Apprenticeships & Job Training

D) **Union Hold**

Edit CBA language: In the event the employer introduces technological changes, **which for the purpose of this article is defined as price marking and electronic scanners** that would result in the elimination of bargaining unit work...

### 15) Check-off

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A) **Union Hold**

**Union will check in with designated Employer staff to determine processes and then language redlines needed.**

All check-off remittances (dues, initiation fees, ABC) collected by the Company shall be promptly remitted to the Union no later than the 5th of the month following the month of such deductions.

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Union Proposal 5 to Haug's - 3.26.2025				
<b>APPENDIX B</b>				
<b>Minimum Meat Rates</b>				
	Current	Effective 3/5/2025	Effective 3/1/2026	Effective 3/7/2027
<b>Head Meat Cutter</b>	\$31.44	\$32.94	\$34.44	\$35.94
<b>Journeyman</b>	\$30.44	\$31.94	\$33.44	\$34.94
<b>Mod PT Meat Cutter*</b>	\$20.00	\$21.50	\$23.00	\$24.50
* Upon successful completion of a twelve (12) month program, Mod PT Meat Cutter will become Journeyman				
* Reclassify all Class Asst in Meat Dept as Journeyman				
	Current	Effective 3/5/2025	Effective 3/1/2026	Effective 3/7/2027
<b>Meat Helper</b>				
Step 1	\$21.00	\$22.00	\$24.00	\$26.00
Step 2	\$22.75	\$24.00	\$26.00	\$28.00
Step 3	\$24.50	\$26.00	\$28.00	\$30.00
Step 4	\$26.25	\$28.00	\$30.00	\$32.00
Step 5	\$29.33	\$30.83	\$32.33	\$33.83
	Current	Effective 3/5/2025	Effective 3/1/2026	Effective 3/7/2027
<b>Service Meat Employees</b>				
0-6 months	\$18.00	\$20.00	\$24.00	\$26.00
6-12 months	\$19.00	\$22.00	\$26.00	\$28.00
1-2 Year	\$20.00	\$24.00	\$28.00	\$30.00
2-3 Year	\$26.55	\$28.05	\$29.55	\$31.05
All Meat employees who are at the top or above scale will receive the following increases:				
	3/5/2025	\$1.50		
	3/1/2026	\$1.50		
	3/7/2027	\$1.50		
<b>APPENDIX C</b>				
<b>Minimum Grocery Rates</b>				
	Current	Effective 3/5/2025	Effective 3/1/2026	Effective 3/7/2027
<b>Assistant Mgr, Produce Head, FF Head, Bookkeeper, Deli Head, Company Designated</b>	\$30.33	\$31.83	\$33.33	\$34.83
	Current	Effective 3/5/2025	Effective 3/1/2026	Effective 3/7/2027
<b>FT Food Handler &amp; Pharmacy</b>				
Step 1	\$21.00	\$21.00	\$21.00	\$21.00
Step 2	\$22.75	\$22.75	\$22.75	\$22.75
Step 3	\$24.50	\$24.50	\$24.50	\$24.50
Step 4	\$26.25	\$26.25	\$26.25	\$26.25
Step 5	\$29.33	\$30.83	\$32.33	\$33.83
	Current	Effective 3/5/2025	Effective 3/1/2026	Effective 3/7/2027
<b>Classified Assistant</b>				
Step 1	\$19.33	\$21.00	x	x
Step 2	\$20.33	\$22.50	\$22.50	x
Step 3	\$21.10	\$24.00	\$24.00	\$24.00
Step 4	\$22.00	\$25.50	\$25.50	\$25.50
Step 5*	x	\$27.00	\$27.00	\$27.00
Step 6*	x	x	\$28.50	\$28.50
Step 7*	x	x	x	\$30.00
Top Step	\$27.33	\$28.83	\$30.33	\$31.83
All Retail Specialists eliminated & reclassified as Classified Assistants; current RSs & CAs place into this scale at next highest wage rate at least \$1.50 more than current rate.				
When a member is promoted from PT to FT, they slot into Step 1 of the Classified Assistant scale, or the next highest wage rate at least \$1 more than current rate.				
Step progression occurs annually in March				
* Only applies to employees hired after ratification				
All FT employees who are at the top or above scale will receive the following increases:				
	3/5/2025	\$1.50		
	3/1/2026	\$1.50		
	3/7/2027	\$1.50		
	<b>Part Time Employees</b>			
Step 1	\$17.00			
Step 2	\$17.75			
Step 3	\$18.50			
Step 4	\$19.25			
Step 5	\$20.00			
Step 6	\$20.75			
Step 7	\$21.50			
Step 8	\$22.25			
Step 9	\$23.00			
Step 10	\$23.75			
Step 11	\$24.50			
Over & TOS yearly increase	\$1.50			
PT scales starting at \$17.00 - EEs place at step at least \$0.75 above current rate (retro to March), progress to next step every September and March of CBA				
Provided further that Food Handlers, Custodial, and Courtesy employees shall not receive less than fifty cents (\$0.50) above federal, state, city or county minimum wage, whichever is higher, during the term of this agreement.				