

Appendix: Investment Return Assumption (Scenario 5)

7% Annual Return

- The results below assume that investment returns match the valuation assumption of 7.00% each year. Actual results may differ based on actual investment returns.

Scenario	March 1, 2025	March 1, 2026+	Final		First Yellow Zone Year	First Green Zone Year	Lump Sum Paid by February 28, 2025
	Contribution Rate Increase	Contribution Rate Increase	Contribution Rate Increase	Contribution Rate Increase			
A5	35.1%	16.0%	March 1, 2030	March 1, 2030	2029	2032	N/A
B5	19.7%	19.7%	March 1, 2030	March 1, 2030	2030	2032	N/A
C5	12.1%	12.1%	March 1, 2035	March 1, 2035	N/A	2035	N/A
D5	7.5%	7.5%	March 1, 2040	March 1, 2040	N/A	2040	N/A
E5	3.0%	3.0%	March 1, 2030	March 1, 2030	N/A	2030	\$98 million
F5	6.0%	6.0%	March 1, 2030	March 1, 2030	N/A	2030	\$78 million
G5	0.0%	0.0%	March 1, 2024	March 1, 2024	N/A	2025	\$106 million
H5	0.0%	0.0%	March 1, 2024	March 1, 2024	N/A	2025	\$117 million*

*Amount to remain in the Green Zone each year in the future

Appendix: Investment Return Assumption

7% Annual Return

- The table below outlines the actual annual contribution amounts (in millions) for Scenarios A5 (baseline), B5 (emerge by 2030), and D5 (emerge by 2040) using 67,600 full-time weeks and 63,900 part-time weeks.
- If requested, we can further break down by employer.

Scenario	March 1, 2025	March 1, 2026	March 1, 2027	March 1, 2028	March 1, 2029	March 1, 2030
A5	\$20.02	\$23.22	\$26.94	\$31.25	\$36.25	\$42.05
B5	\$17.74	\$21.23	\$25.42	\$30.42	\$36.42	\$43.59
D5	\$15.93	\$17.13	\$18.41	\$19.79	\$21.27	\$22.87

Scenario	March 1, 2031	March 1, 2032	March 1, 2033	March 1, 2034	March 1, 2035	March 1, 2036
A5	\$42.05	\$42.05	\$42.05	\$42.05	\$42.05	\$42.05
B5	\$43.59	\$43.59	\$43.59	\$43.59	\$43.59	\$43.59
D5	\$24.59	\$26.43	\$28.41	\$30.54	\$32.83	\$35.29

Scenario	March 1, 2037	March 1, 2038	March 1, 2039	March 1, 2040
A5	\$42.05	\$42.05	\$42.05	\$42.05
B5	\$43.59	\$43.59	\$43.59	\$43.59
D5	\$37.94	\$40.79	\$43.85	\$47.14

Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund

Exhibit 3

Assumptions

IN and OON medical plan effective 1/1/2026: \$500 Individual / \$1,500 Family (Full-Time Only) Deductible; \$2,500 Individual / \$5,000 Family (Full-Time Only) Out-of-Pocket Maximum.
 Vision exams are covered at 100% Fund paid effective January 1, 2026.
 Dental annual maximum increased from \$1,250 to \$2,000 effective January 1, 2026.
 Employer contribution rate holiday months (weeks) included in year beginning March 1, 2025.
 Continuation value months projected to equal 7.8 months as of February 29, 2028.
 For the HRA, \$10 per week (\$43.33 per month) is included in the weekly (monthly) rates shown below for Full-Time actives and Part-Time Full Benefits actives.
 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	Monthly Contribution Rates			
	Current No HRA Feb-25	With HRA Feb-26	With HRA Feb-27	With HRA Feb-28
Full-Time Tier				
Employee Only	n/a	\$764.90	\$836.11	\$897.22
Employee + Spouse	n/a	\$1,522.55	\$1,668.53	\$1,793.80
Employee + Children	n/a	\$1,486.47	\$1,628.89	\$1,751.11
Family	n/a	\$2,532.75	\$2,778.42	\$2,989.25
Composite	n/a	\$1,291.75	\$1,414.96	\$1,520.69
Part-Time Full Benefits Tier				
Employee Only	n/a	\$764.90	\$836.11	\$897.22
Part-Time Ancillary Only Benefits Tier ¹				
Employee Only	n/a	\$32.68	\$35.91	\$37.20

12 Months Ending	Weekly Contribution Rates			
	Current No HRA Feb-25	With HRA Feb-26	With HRA Feb-27	With HRA Feb-28
Full-Time Tier				
Employee Only	\$287.82	\$176.52	\$192.95	\$207.05
Employee + Spouse	\$287.82	\$351.36	\$385.05	\$413.95
Employee + Children	\$287.82	\$343.03	\$375.90	\$404.10
Family	\$287.82	\$584.48	\$641.17	\$689.83
Composite	\$287.82	\$298.10	\$326.53	\$350.93
Part-Time Full Benefits Tier				
Employee Only	\$168.84	\$176.52	\$192.95	\$207.05
Part-Time Ancillary Only Benefits Tier ¹				
Employee Only	\$6.76	\$7.54	\$8.29	\$8.58

¹ Excludes HRA contributions; assumes part-time ancillary only are not eligible for HRA.

n/a = not applicable

12 Months Ending	Aggregate Projections		
	Feb-26	Feb-27	Feb-28
Income			
Employer Contributions ¹	\$38,307,000	\$48,469,300	\$52,188,200
Self-Pay and Retiree Contributions	797,200	841,100	889,000
Investment Income	906,000	842,800	842,800
Total Income	\$40,010,200	\$50,153,200	\$53,920,000
Total Expenses ¹			
Operating Surplus (Deficit)	(\$5,677,800)	(\$500)	(\$100)
Beginning Fund Assets	\$43,394,777	\$37,716,977	\$37,716,477
Ending Fund Assets	\$37,716,977	\$37,716,477	\$37,716,377
Continuation Value (Months)	9.0	8.4	7.8
Number of Employer Contribution Holiday Months	1.58	n/a	n/a
Number of Employer Contribution Holiday Weeks (4.333 Weeks Per Month)	6.85	n/a	n/a

¹ Excludes HRA. The value of HRA income and expenses is shown in the section below.

12 Months Ending	Aggregate Projections		
	Feb-26	Feb-27	Feb-28
Income			
Employer Contributions without Rate Holiday	\$44,115,500	\$48,469,300	\$52,188,200
Employer Contributions with Rate Holiday	\$38,307,000	\$48,469,300	\$52,188,200
Value of Employer Contribution Rate Holidays	\$5,808,500	\$0	\$0
Expenses			
Additional HRA (Expenses Assumed To Equal Contributions)	\$1,686,900	\$1,686,900	\$1,686,900
Additional Medical, Dental, & Vision Cost Due to Benefit Enhancements ¹	\$187,700	\$1,255,800	\$1,337,600
Total Additional Expenses	\$1,874,600	\$2,942,700	\$3,024,500

¹ Additional cost effective for 2 months (January 2026 & February 2026) in fiscal 2026, and 12 months in fiscal 2027 and fiscal 2028.