Cub Foods Response to Local 663 Proposals

Received on February 27, 2025

Union Proposal #1 - Wages

Employer Response to Union Proposal 1 (3.17.25)

Cub counterproposes wages and classifications as set forth in the attached wage grids, with wage changes to be effective as of the Sunday prior to contract ratification.

The following language from the 2023-2025 contract to be maintained:

• Food Handlers and Pharmacy Employees shall receive not less than ten cents (\$.10) above federal state, city or county minimum wage, whichever is higher, during the term of this agreement.

<u>Cub Proposed Wages and Classifications – Meat Employees</u>

Classification	Minimum Rate
Head Meat Cutter	\$32.44
Journeyman	\$31.44
Modified PT Meat Cutter	\$21.00

Apprentices

Time worked	Minimum Rate
0-6 months	\$20.00
6-12 months	\$21.00
12-18 months	\$22.00
18-24 months	\$23.00
Thereafter	\$31.44

Meat Helper (includes Service Employees)

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Time worked	Minimum Rate
0-6 months	\$16.00
6 -12 months	\$16.50
1-2 years	\$17.00
2-3 years	\$18.00
3-4 years	\$19.00
4-5 years	\$20.00
5 years and over	\$30.32

Employees who are at the top or above scale will receive the following increases:

	Effective upon ratification*	3/7/2026	3/6/2027	3/4/2028
Head Meat Cutter	\$0.90	\$0.90	\$0.90	\$0.90
Journeyman	\$0.85	\$0.85	\$0.85	\$0.85
Meat Helper/Service Employees	\$0.85	\$0.85	\$0.85	\$0.85

^{*}Initial wage increase is retroactive for up to one week if ratified after contract expires and is effective early if ratified before contract expires.

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Cub Proposed Wages and Classifications - Full Time Employees

Classification	Minimum Rate
Assistant Manager	\$31.33
Produce Department Head	\$31.33
Frozen Food Department Head	\$31.33
Bookkeeper or Head Cashier	\$31.33
Delicatessen Department Head	\$31.33
Company Designated (up to 5 per store)	\$31.33

Full-Time Food Handlers and Pharmacy Employees

Time worked	Minimum Rate
0-6 months	\$16.00
6-12 months	\$16.50
1-2 years	\$17.00
2-3 years	\$18.00
3 -4 years	\$19.00
4-5 years	\$20.00
5-6 years	\$25.00
6 years and over	\$30.33

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Cub Proposed Wages and Classifications - Full Time Employees (cont'd)

Classified Assistants

Time worked	Minimum Rate
Start -one year	\$18.00
1-2 years	\$19.00
2-3 years	\$20.00
3-4 years	\$21.00
4-5 years	\$22.00
5-6 years	\$25.15
Over 6 years	\$28.33

Full-Time Maintenance

Time worked	Minimum Rate
0-6 months	\$14.00
6-12 months	\$14.50
1-2 years	\$15.00
2-3 years	\$15.50
3 -4 years	\$16.00
4-5 years	\$16.50
5+ years	\$24.93

Employees who are at the top or above scale will receive the following increases:

	Effective upon ratification*	3/7/2026	3/6/2027	3/4/2028
Assistant Manager	\$0.85	\$0.85	\$0.85	\$0.85
Produce Department Head	\$0.85	\$0.85	\$0.85	\$0.85
Frozen Food Department Head	\$0.85	\$0.85	\$0.85	\$0.85
Bookkeeper or Head Cashier	\$0.85	\$0.85	\$0.85	\$0.85
Delicatessen Department Head	\$0.85	\$0.85	\$0.85	\$0.85

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	Effective upon ratification*	3/7/2026	3/6/2027	3/4/2028
Company Designated	\$0.85	\$0.85	\$0.85	\$0.85
Full-time Food Handlers & Pharmacy	\$0.85	\$0.85	\$0.85	\$0.85
Classified Assistant	\$0.80	\$0.80	\$0.80	\$0.80

^{*}Initial wage increase is retroactive for up to one week if ratified after contract expires and is effective early if ratified before contract expires.

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Cub Proposed Wages and Classifications - Part Time Employees

	Hours	Contract Minimum
Step 1	Hire – 600 hours	\$13.75
Step 2	Next 600 hours	\$14.00
Step 3	Next 600 hours	\$14.50
Step 4	Next 600 hours	\$15.00
Step S	Next 600 hours	\$15.50
Step 6	Next 600 hours	\$16.00
Step 7	Next 600 hours	\$16.75
Step 8	Next 600 hours	\$17.25
Step 9	Next 600 hours	\$18.00
Step 10	Next 600 hours	\$18.75
Step 11	Next 600 hours	\$19.50
Step 12	Next 600 hours	\$20.25

Employees who are at the top or above scale will receive the following increases:

	Effective upon ratification*	3/7/2026	3/6/2027	3/4/2028
All Part-Time	\$0.55	\$0.55	\$0.55	\$0.55

^{*}Initial wage increase is retroactive for up to one week if ratified after contract expires and is effective early if ratified before contract expires.

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Union Proposal #2 – Retirement

Employer Response to Union Proposal 2 (03.17.25)

Employer counterproposes to modify Article 14 as set forth below:

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 a Rehabilitation Plan schedule for the Legacy Plan that requires Employer contributions to increase by 5.0% effective March 2, 2025; 5.0% effective March 1, 2026; 5.0% March 7, 2027; and 5.0% March 5, 2028. 6% effective March 5, 2023 and 6% effective March 3, 2024. The Employer also will contribute \$2,643,633.42 million to the Legacy Plan by a redirect of contributions from the MRMC Health Fund effective for the contribution month beginning April 2, 2023, payable to the Legacy Plan in May 2023, and continuing thereafter until the redirection amount attributable to the Employer is fully paid, at which time the redirection shall cease. 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 will be eliminated with respect to accrued benefits, as allowed under the Rehabilitation Plan after February 28, 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 2023 2025 Contribution Rates	Effective March	Effective March	Effective March	Effective March
	<u>2, 2025</u> 2023	<u>1, 2026</u> 2024	<u>7, 2027</u>	<u>5, 2028</u>
Full-time: \$149.13 \$167.56 per week	\$175.94 \$158.08	\$184.73 \$167.56	<u>\$193.97</u>	<u>\$203.67</u>
Part-time: \$48.64 \$54.65 per week	<u>\$57.38</u> \$51.56	<u>\$60.25</u> \$54.65	<u>\$63.26</u>	<u>\$66.43</u>

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.

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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 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 653 pension, Clean Team and Group 3 part-time employees) who have worked less than thirty-two (32) hours per week (excluding hours worked Sundays and on holidays).

- (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 established 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 March 2, 2025 January 1, 2022		
Full-time:	\$52.36		
Part time:	\$19.43		

(F) All current active and future active employees (excluding Group 3 Part-time, 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) The annual benefit accrual of the VAP Plan for employees will be as follows:

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	Effective January	Effective	Effective	Effective
	1, 2019	January 1, 2020	January 1, 2021	January 1, 2022
VAP Accrual Rate	\$26.25	\$28.75	\$ 32.50	\$35.00

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 and the Union agree that during the term of this contract the parties will convert the Legacy Plan and VAP Plan Weekly Contribution Rates set forth above to an Hourly Composite Contribution Rate, to be effective with the employer's contribution payments for January 2019 to the VAP Plan and effective with the March 2019 payments for the Legacy Plan per the Plan Board of Trustees policy and as bargained.

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The Board of Trustees will vote on a plan contribution conversion policy no later than October 31, 2018. The hourly composite contribution rates will be equivalent to what the weekly contribution rates would have been for the same time periods. Such policy must protect the financial integrity of the two plans and treat the converting employers fairly and equitably.

The collective bargaining agreement will be revised to state the hourly composite contribution rates and procedures once they are adopted by the board of trustees.

- (M)(N) 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).
- (O) The trustees shall provide the Employer and Union quarterly updates.
- (P) The Employer and Union agree to direct the trustees to conduct RFPs commensurate with the vendors' next contract renewal.

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Union Proposal #3 - Health and Welfare

Employer Response to Union Proposal 3 (03.17.25)

Employer counterproposes to modify Article 15 as set forth below:

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.
- (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.

(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.
- (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,

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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.
 - 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 first reporting period following ratification	Employer Cost	Employee Cost	Total Benefit Cost	Employer %	Employee %
FT	\$267.82	\$20.00	\$287.82	93.1%	6.9%
Modified PT – Single Only	\$158.84	\$10.00	\$168.84	94.1%	5.9%

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Effective first reporting period following ratification	Employer	Employee	Total Benefit	Employer	Employee
	Cost	Cost	Cost	%	%
Ancillary	\$5.76	\$1.00	\$6.76	85.2%	14.8%

Effective 1/1/2026	Employer Cost	Employee Cost	Total Benefit Cost	Employer %	Employee %
FT – Single	\$148.73	\$16.53	\$165.26	90.0%	10.0%
FT – Single + Spouse	\$304.91	\$33.88	\$338.79	90.0%	10.0%
FT – Single + Children	\$297.47	\$33.05	\$330.52	90.0%	10.0%
FT – Family	\$513.13	\$57.02	\$570.15	90.0%	10.0%
Modified PT - Single					
Only	\$148.73	\$16.53	\$165.26	90.0%	10.0%
Ancillary	\$6.70	\$0.75	\$7.45	90.0%	10.0%

Effective 1/1/2027	Employer Cost	Employee Cost	Total Benefit Cost	Employer %	Employee %
FT – Single	\$148.73	\$16.53	\$165.26	90.0%	10.0%
FT – Single + Spouse	\$304.91	\$33.88	\$338.79	90.0%	10.0%
FT – Single + Children	\$297.47	\$33.05	\$330.52	90.0%	10.0%
FT – Family	\$513.13	\$57.02	\$570.15	90.0%	10.0%
Modified PT – Single					
Only	\$148.73	\$16.53	\$165.26	90.0%	10.0%
Ancillary	\$6.70	\$0.75	\$7.45	90.0%	10.0%

Effective 1/1/2028	Employer Cost	Employee Cost	Total Benefit Cost	Employer %	Employee %
FT – Single	\$148.73	\$16.53	\$165.26	90.0%	10.0%
FT – Single + Spouse	\$304.91	\$33.88	\$338.79	90.0%	10.0%
FT – Single + Children	\$297.47	\$33.05	\$330.52	90.0%	10.0%
FT – Family	\$513.13	\$57.02	\$570.15	90.0%	10.0%
Modified PT – Single					
Only	\$148.73	\$16.53	\$165.26	90.0%	10.0%
Ancillary	\$6.70	\$0.75	\$7.45	90.0%	10.0%

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 benefit coverage.

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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.

Union Proposal #4 - Employee Discount

Employer Response to Union Proposal 4 (02.26.25; 03.17.25)

Current Employer policy allows 10% discount for all private label.

Union Proposal #6 - Scheduling and Hours

Employer Response to Union Proposal 6 (03.17.25)

- A. The employer believes that the minimum hours for each classification already work for the business and the employees. Additionally, this does not seem to account for situations in which a part-time employee provides availability at hiring then moves to full-time.
- B. The employer believes that staffing levels should be left to management discretion.
- C. [withdrawn.]
- D. [withdrawn.]
- E. The contracts already provide that the Employer will make an effort to provide consistent scheduling for all part-time employees that is consistent with the Employers business needs and part-time employees' availability. In addition, part-time employees have the right to have their schedules temporarily changed to accommodate their personal needs, providing they give management two (2) weeks advance notice.
- F. The contracts already provide that all full-time and part-time employees who have worked a complete shift shall be given a minimum of eight (8) hours break before their next shift.
- G. The employer believes that the minimum hours for each classification already work for the business and the employees. The employer is also confused as to how this proposal aligns with Proposal A lowering the minimum availability requirements for employees while also requiring the employer to schedule employees for additional hours.

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- H. The employer provides for a paid rest period of fifteen (15) minutes for any three hours worked.
- I. [withdrawn.]
- J. [withdrawn.]
- K. N/A as to Cub Foods.

Union Proposal #7

Employer Response to Union Proposal 7 (02.26.25; 03.17.25)

The employer believes the current classification ratios in the contract remain appropriate for the business and the workforce.

Union Proposal #8

Employer Response to Union Proposal 8 (03.17.25)

See employer's counteroffer on wages; in addition, the employer counterproposes the following change to Section 17.5 as follows:

Section 17.5 Certified Pharmacy Technicians: For purposes of layoff and recall, Certified Pharmacy Technicians shall have seniority based on their most recent date of hire. The seniority of Certified Pharmacy Technicians will be separate from any other employees within the bargaining unit. The Employer shall reimburse its Certified Pharmacy Technician employees for costs incurred in paying registration fees required for the performance of their duties in the store pharmacy.

The Employer agrees to provide for certification of certain employees within the Pharmacy Technician classification on the following basis:

Upon successful completion of the certification examination, the employee's application/examination fee and the cost expended for necessary training materials will be reimbursed by the Employer. Only one examination fee will be reimbursed per employee. Employees who obtain certification will be entitled to receive an hourly "certification premium" in the amount of seventy-five cents (\$.75) per hour in addition to the regular rate of pay in Appendix "C" for so long as the employee remains certified. Fees required to be expended by the employee to obtain recertification will be reimbursed by the Employer if recertification is obtained. The fees paid by the employee for attending continuing education courses required for renewal of certification will be reimbursed by the Employer if recertification is obtained. The Employer reserves the right to approve in advance the numbers of those employees who obtain certification at its expense, together with the accompanying premium pay.

Each district shall have up to five (5) job postings for "District Pharmacy Technicians" who shall receive training and be available to support multiple stores within an assigned group of stores. These District Pharmacy Technicians shall have an assigned base store, but shall be scheduled to work at other stores

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within the group to assist with onboarding of new technicians and to address staffing shortages, vacations, sick call-outs and other scheduling needs. Schedules for District Pharmacy Technicians shall be posted two (2) weeks in advance, but shall remain subject to changes to the schedule and/or location. District Pharmacy Technicians shall receive an additional premium of \$0.75 per hour, which may be stacked with the certified premium.

Further, the employer counterproposes the following language for MOD shift differential:

Part-time employees duly designated by management as a MOD, when the Store Director or Assistant Store Director are not scheduled to work, and who have completed the Employer's MOD training class, shall receive a one dollar and fifty cents (\$1.50) per hour premium for the shift in which the employee is designated as the MOD. This MOD premium will not be payable to employees working the night crew.

Union Proposal #9

9) Cross training and working in more than one department

Employer Response to Union Proposal 9 (01.16.25; 03.17.25)

The Employer holds on its prior responses to this proposal:

- A. This would be an overly burdensome restriction. Employees should be willing and able to help out where the customers need them most. It's good for customers, good for business, and good for the employee: being cross-trained can help position an employee to have more hours and promotion opportunities available to them.
- B. The grocers are capable of designing, and in fact already have, training programs that are realistic for the average learner and provide store leadership the flexibility to adjust based on individual learner needs. Individualized bargaining is the best format for discussions about any employer's individual training programs.
- C. Cross-training affords the employee an opportunity to learn about our businesses and prepares an employee for career advancement opportunities. And even if the employee is only looking at the short-term benefits, cross training can give them greater opportunities to be scheduled or pick up more hours as compared to their colleagues who are limited in what they are trained to do.

Union Proposal #10

Employer Response to Union Proposal 10 (01.16.25; 03.17.25)

The Employer holds on its prior responses to this proposal:

A. There's a reason most grocers operate multiple stores in the Twin Cities metro area. That model serves customers better because they allow the stores to help each other out. Transfers also often offer employees a faster path

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- to promotion and the corresponding increases in pay and benefits. The same is true for transferring departments (which is also why the grocers find cross training so important).
- B. Transfers are a means to better serve customers and the community. And the current contracts already address disciplinary transfers between stores: "No employee will be transferred as a means of discipline."
- C. The grocers are not interested in going back to a seniority system for determining promotions. As we discussed at length earlier in negotiations today, the grocers think it is very important that the most qualified and capable person is selected for every role. This should matter to employees too, because these processes determine who will manage them and be their coworkers. Seniority does not consider qualifications and ability to best serve customers and fellow employees.

Union Proposal #11

Employer Response to Union Proposal 11 (03.17.25)

- A. The majority of this language was added to the contract in 2023. The employer does not believe further changes should be made at this time.
- B. The employer believes the current language relating to holiday pay eligibility is appropriate given the nature of its business, and the fact that the language currently prohibits the employer from fully staffing its business on holidays.

Union Proposal #12

Employer Response to Union Proposal 12 (03.17.25)

The Employer will respond to proposal H when a specific proposal is made by the union, but notes that our contract already contains language on this point. In addition, the employer only has one contract for a single bargaining unit with the union. Otherwise the employer response as set forth below:

- A. See employer response to Union Proposal 10, Item C.
- B. N/A as to Cub Foods.
- C. The employer will review the classifications currently in place as we go through the bargaining process, but does not believe additional consolidation is supported at this time.
- D. N/A as to Cub Foods.
- E. The employer addressed several of these items in prior negotiations, but will consider specific proposals to the current contract language if made by the union.
- F. [withdrawn.]
- G. This was addressed in our prior contract.
- H. Cub Foods asks the Union to propose new or amended language if it believes it is necessary for compliance.

Cub Foods Response to Local 663 Proposals

Received on February 27, 2025

13) Safety and Wellbeing

Employer Response to Union Proposal 13 (03.17.25)

The Employer does not believe that any additional language is required on these topics, as they are sufficiently addressed in the contract's provisions on uniforms and safety. Proposal B is not, in the employer's view, permissible under applicable law, which does not require a judicial warrant before admission to the worksite, back office areas, or before providing employee records. Employer has and will continue to comply with applicable law on immigration matters.

14) Tools and Training

Employer Response to Union Proposal 14 (03.17.25)

The Employer already provides non-slip mats and other reasonable accommodations where supported. Applicable law prohibits water in Pharmacy areas, so employer is not able to agree to change contract language on that point. Employees can already participate in other apprenticeship programs available to them. The Employer does not agree to language that would limit its ability to use advances in technology to better serve all stakeholders.

15) Check-off

Employer Response to Union Proposal 14 (02.27.25; 03.17.25)

The Employer believes the current contractual requirement of payment of check-off remittances within ten (10) days is sufficient and usually results in remittances being made by the 5th of the following month, and does not believe changes to the language is necessary.

Cub Foods Second Employer Proposal Provided to Local 663 on March 17, 2025

Employer Proposal #1 - Term of Agreement

Employer proposes a four (4) year agreement.

Employer Proposal #2 - New Article - Management Rights

Add the following Article to the contract and renumber as necessary:

The Employer's right to manage is retained and preserved except as abridged or modified by the restrictive language of this agreement. This Agreement shall be interpreted as if every possible right of management is expressly included herein. The parties agree that their decision not to list other rights or the above rights in more specific detail is for the sake of brevity only and shall not be construed as a limitation on the Employer's right and ability to unilaterally exercise such rights. The Employer's exercise of such rights shall not be subject to bargaining or the grievance/arbitration provisions of this Agreement unless the exercise of such rights violates a clear and express provision of this Agreement.

Employer Proposal #3 - SPUR Leave

Cub Foods withdraws its proposal to modify Section 11.7.

Employer Proposal #4 - MN PFML

Add new Section 11.11 as follows:

SECTION 11.11: MINNESOTA PAID FAMILY AND MEDICAL LEAVE Paid Family and Medical Leave. Upon implementation of the State of Minnesota Paid FMLA law, the employer retains the right to deduct payroll taxes to the maximum amount allowed by state Paid Family Medical Leave legislation or implement a private plan substitution should state legislation and commissioner approval be granted. This private plan shall provide no less than the minimum benefits required under any said state law. The Employer shall have the ability to design its private plan however it sees fit provided it receives commissioner approval.

Employer Proposal #5 - Union Leave

Cub Foods modifies its proposal as follows:

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 notice (except Union emergencies), The Union will provide a 30-

Cub Foods Second Employer Proposal Provided to Local 663

on March 17, 2025

day minimum notice of the request to the Employer, stating the starting and ending time for such leave.

All wages and benefit expenses for the employee shall be paid by the Union for all time served on union leave.

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

Employer Proposal #6 - Discharge

Modify Article 6 as follows:

No employee shall be discharged without good and sufficient cause. Dishonesty, drunkenness, gross inefficiency, theft, harassment, possession of a firearm in the store, threatening or engaging in violence, vandalism, insubordination, or serious safety violations, or and use of illegal controlled substance(s) (drugs) will be considered as causes for dismissal without progressive discipline. Dismissed drug offenders who provide the Employer with a certificate of rehabilitation will be reinstated. Being under the influence of alcohol or illegal controlled substances (drugs) while at work will be considered as causes for dismissal without progressive discipline to the extent permitted by law.

The Employer agrees that in cases of suspension or discharge of an Employee, a Union representative will be permitted to attend administration of the discipline. Employees shall be allowed to include their own written accounts and rebuttals to all Employer-generated documents in their personnel file. The Employer will notify the Union via email within forty-eight (48) hours following the administration of a suspension or discharge to a bargaining unit employee. If the Employer fails to provide the notice within forty-eight (48) hours, in order to remedy the delay, the timeline for the grievance procedure will begin when the Union is notified of the suspension or discharge.

Employer Proposal #7 - Minimum Wage Increases

Add new Section 5.10 as follows:

Section 5.11: City, State, or Federal Minimum Wage and Other Wage Increases:

Any unscheduled wage increases received in the twelve (12) months prior to any scheduled wage progression will be credited against the scheduled wage progression increase. If an employee has received more than the scheduled progression in unscheduled wage rate adjustments during the prior twelve (12) months, that employee will not receive the scheduled wage progression.

In the event the minimum wage is increased, the parties agree that no employee shall receive both a minimum wage increase and a scheduled wage progression in any calendar year. An employee shall receive only the greater of either a scheduled wage progression or the combined value of a minimum

Cub Foods Second Employer Proposal Provided to Local 663

on March 17, 2025

wage increase and wage decompression increase, if applicable. When there is an increase in the minimum wage, the wage rate for all employees shall be raised to the new minimum wage. The employer may apply greater hourly wage increases at its discretion to address wage compression.

Employer Proposal #8 - Vacation

Add new Section 4.9 as follows:

Effective upon ratification, employees must use all vacation time earned during the anniversary year in which it is allocated, except that employees shall be authorized to roll over a maximum of one year's worth of vacation time based on years of service. However, an employee who rolled over more than one year's worth of vacation on their anniversary date prior to ratification of this Agreement may roll over up to that amount of vacation in each anniversary year during the term of this Agreement. Any carried over vacation pay due to an employee termination will be paid at the wage rate effective as of March 5, 2025 or at the rate of the year in which it was earned thereafter. Active employees' vacation will be paid on a first earned basis.

Employer Proposal #9 - MN ESST

Add new Section 7.5 as follows:

Section 7.5: Minnesota Earned Sick and Safe Time. Pursuant to the Employer's Sick and Safe Policy on the Minnesota Earned Sick and Safe Time Act ("Act"), up to forty-eight (48) hours of an employee's available vacation and/or personal/floating holidays may be used as eligible Earned Sick and Safe Time (ESST) for permissible purposes defined under the Act. Employees entitled to fewer than 48 hours of frontloaded vacation and/or personal/floating holidays, will accrue time off for ESST purposes in accordance with the Employer's policies on the Act, provided such policies do not reduce time off available to Employees during the term of this Agreement.

Employer Proposal #11 - Staffing on Easter and Thanksgiving

Allow Employer to fully staff on Easter and Thanksgiving as business requires.

(C) Easter: Easter is not a holiday for purposes of this article nor the rest of this Agreement. Employers who desire may operate their stores on Easter. Stores opened on Easter will be staffed by volunteers only, who sign a posting to work. Only those employees signing the posting to volunteer shall be allowed to work Easter. The Employer shall provide the Union a copy of the signed posting. If there are not enough

Cub Foods Second Employer Proposal Provided to Local 663 on March 17, 2025

volunteers available to staff the stores, Employers may, at their discretion, schedule the required number from part-time employees, using reverse seniority.

Employees working on Easter shall receive:

- Traditional full-time will be paid time-and-one-half (1 ½) for hours worked on Easter.
- Classified Assistants shall receive a four (4) dollar premium per hour for hours worked on Easter.
- All other classifications shall receive a two (2) dollar premium per hour for hours worked on Easter.
- (D) Thanksgiving: Employers who desire may operate their stores on this holiday. Stores opened on this holiday will be staffed by volunteers only, who sign a posting to work. Only those employees signing the posting to volunteer shall be allowed to work this holiday. The Employer shall provide the Union a copy of the signed posting. If there are not enough volunteers available to staff the stores, Employers may, at their discretion, schedule the required number from part-time employees, using reverse seniority.

Employer Proposal #12 - Holiday Qualification

Clarify Holiday pay as follows:

Section 3.3 Holiday Qualifications: Full-time employees will be eligible for holiday pay if they are a full-time employee as of the date the holiday(s) occur. Part-time employees (excluding Group 3 employees through March 2, 2019) will be eligible if they have completed ninety (90) calendar days of employment as part-time employees, except for regular part-time Clean Team employees who will be eligible only after they have completed one (1) year of continuous service.

In addition to the above qualifications, employees must have worked one of the following: in the week before the holiday occurs, in the week in which the holiday occurs, or in the week after the week the holiday occurs. In addition, the employee must work his/her scheduled workday before the holiday, his/her scheduled workday on the holiday, and his/her scheduled workday after the holiday unless excused by the Employer or unless absent due to proven illness or injury. If the employee does not meet these requirements, he/she will not be eligible for holiday pay.

Cub Foods Further Response to the Union's Response at 11:55pm on Feb. 27:

Further Response to the Union's Response at 11:55pm on Feb. 27 (03.27.25)

The Union said it could TA deletion of retail specialists in pension language if only about language clean-up. Cub Foods no longer has Retail Specialists; changes would be clean up only.

Cub Foods - Tentative Agreements Reached Through March 17, 2025

Employee Waivers

Adjust language on employee waivers on minimum hours in Section 2.5(F) as follows:

Section 2.5(F)

(F) The minimum hours expressed in paragraphs (A), (B) and/or (C)-above shall not apply if the 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 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. for six (6) months, at which time a new written request must be submitted by the employee for the Employer's approval. Upon lapse or requested change by the employee, the employee must provide updated and suitable availability to allow the Employer to schedule the respective minimum hours for their classification 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(1).

Tentative Agreement Reached on 2.27.25