



TESTIMONY IN SUPPORT OF SUPPLEMENTAL APPROPRIATION TO FY21 BUDGET FOR EMPLOYEE BENEFITS AND COMPENSATION March 9, 2021

Gino Renne, President, UFCW Local 1994 MCGEO, International Vice President, UFCW

Good afternoon President Hucker and members of the council. I am here today in support of the agreement reached between the County Executive and The UFCW Local 1994 MCGEO. I have had the privilege of leading the talented and dedicated members of MCGEO for the past 38 years. I have always been proud of our membership. However, I have never been prouder than I am during the Covid-19 pandemic. Worldwide, essential workers have sustained us all through this unprecedented public health disaster. They have managed our physical and mental health, secured our food, and cared for the most vulnerable among us.

A substantial number of MCGEO members are front-line/essential employees. Deputy Sheriffs assured the public safety of our community, Corrections staff ensured the safety and wellbeing of those incarcerated, HHS employees maintained the health of our citizens, Social Workers and Therapist helped individuals and families cope in this most stressful time. Importantly, Ride-On transit workers, drivers, mechanics, schedulers, etc., brought essential employees throughout the region to work in grocery stores, nursing homes, daycare facilities and other critical operations. And yes, Liquor Department employees were essential as well.

MCGEO members, like most essential workers everywhere, work in jobs that are not highly compensated. Like MOST essential workers everywhere, MCGEO's membership is majority female/minority. Many are front-line essential employees who could not work from home like other public and private sector employees. Rather, they reported for every assigned shift. In doing so, they put themselves and their loved ones at serious risk. Sadly, several of our members and many of their loved ones paid the ultimate price. These tragic losses continue to haunt our entire union family as well as the communities they were a part of. Fortunately, most of MCGEO's members remain healthy, vigilant, and eager to continue to serve.

All MCGEO members, however, have paid a steep economic price. Once again, an uncertain economy has resulted in cancelled General Wage Adjustments and Service Increments. Such actions have caused significant damage to our membership's career earnings. MCGEO has previously provided council members data documenting our members' losses from denied Service Increments and General Wage Adjustments. We have updated those slides and attached them to written copies of this testimony made available to all council members.

General Wage Adjustments have been denied or cancelled in 4 of the past 10 years. General Wage Adjustments are necessary to offset increases in the cost of consumer goods. The Consumer Price Index for the Washington DC area has increased by over 16% the past 10 years. MCGEO General Wage Adjustments have increased only 14%, leaving a 2.29% gap in the purchasing power of MCGEO members compared to 10 years ago.

Similarly, Service Increments were denied 4 times over the past 10 years. The attached slides show that denied Service Increments have resulted in the loss of \$36,000 in earnings over 10 years for a grade 9 General Service Worker. A Grade 24 Community Health Nurse has lost \$69,000 over the same 10-year period. MCGEO recognizes that Montgomery County needs to be fiscally prudent with taxpayer's money. But we do not believe those taxpayers want economic problems solved by withholding \$36,000 from the custodians who maintain their County facilities, or by shorting the Nurses who care for their sick children by \$69,000. Taxpayers certainly do not want such draconian cuts when they consider that the average Management Leadership Service (MLS) salary increased by \$29,000 over the past 10 years compared to an average increase of only \$11,900 for MCGEO employees. Those salary increases were 2 ½ times larger for managers than front line employees. And over 10 years, the number of managers has increased by 3 ½% while the number of MCGEO employees has increased by only 1½%. Keeping the number and salary increases of MLS employees to the same levels as MCGEO would save \$14 million per year. Instead, fiscal restraints were aimed first and hardest at the lowest level employees leading to nothing but recruitment, retention, and morale problems.

Those problems need not continue. We can begin to fix this today. The terms of this negotiated agreement are fair, affordable, and past due. Yes, I am enormously proud of MCGEO members, essential and non-essential. I believe all Montgomery County citizens are proud of them as well. If you too hold them in high esteem, please approve this agreement and let's get back to work.

Attachments to Gino Renne's 3/9/2021 Testimony to the Montgomery County Council

10 Year Comparison MCGEO GWAs to CPI-U DC

FY	GWA Date	GWA %	Compounded	CPI-U	
			GWA	Washington-	
2010		0.00%	0.00%	Nov-10	230.531
2011		0.00%	0.00%		
2012		0.00%	0.00%		
2013		0.00%	0.00%		
2014	Jul-13	3.25%	3.25%		
2015	Jul-14	3.25%	6.61%		
2016	Jul-15	2.00%	8.74%		
2017	Jul-16	0.50%	9.28%		
2017	Jan-17	0.50%	9.83%		
2018	Aug-17	2.00%	12.02%		
2019	Dec-18	2.00%	14.26%		
2020		0.00%	14.26%	Nov-20	268.7
Total Change			14.26%		16.56%
Difference					-2.29%

Continuing Impact of Denied Service Increments

General Maintenance Worker Grade 9											
2010 Salary = \$29,509											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
GWA	0%	0%	0%	3.50%	3.50%	2%	1%	2%	2%	0%	
Salary with GWA	\$29,509	\$29,509	\$29,509	\$30,542	\$32,680	\$34,477	\$36,029	\$38,010	\$40,101	\$41,504	
Actual Increments	0%	0%	0%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	0.00%	
Total Actual Earnings	\$29,509	\$29,509	\$29,509	\$31,611	\$33,824	\$35,684	\$37,290	\$39,341	\$41,504	\$41,504	
Promised Service Increments	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
Salary had Service Increments been paid	\$30,542	\$31,611	\$32,717	\$35,007	\$37,458	\$39,518	\$41,296	\$43,568	\$45,964	\$47,573	
Difference in Earnings	(\$1,033)	(\$2,102)	(\$3,208)	(\$3,397)	(\$3,634)	(\$3,834)	(\$4,007)	(\$4,227)	(\$4,460)	(\$6,068)	
Cumulative Difference in Earnings	(\$1,033)	(\$3,135)	(\$6,343)	(\$9,739)	(\$13,374)	(\$17,208)	(\$21,215)	(\$25,442)	(\$29,901)	(\$35,970)	

Continuing Impact of Denied Service Increments

Community Health Nurse Grade 24											
2010 Salary = \$56,487											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
GWA	0%	0%	0%	3.50%	3.50%	2%	1%	2%	2%	0%	
Salary with GWA	\$56,487	\$56,487	\$56,487	\$58,464	\$62,557	\$65,997	\$68,967	\$72,760	\$76,762	\$79,449	
Actual Increments	0%	0%	0%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	0.00%	
Total Actual Earnings	\$56,487	\$56,487	\$56,487	\$60,510	\$64,746	\$68,307	\$71,381	\$75,307	\$79,449	\$79,449	
Promised Service Increments	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
Salary had Service Increments been paid	\$58,464	\$60,510	\$62,628	\$67,012	\$71,703	\$75,647	\$79,051	\$83,399	\$87,985	\$91,065	
Difference in Earnings	(\$1,977)	(\$4,023)	(\$6,141)	(\$6,502)	(\$6,957)	(\$7,340)	(\$7,670)	(\$8,092)	(\$8,537)	(\$11,616)	
Cumulative Difference in Earnings	(\$1,977)	(\$6,000)	(\$12,141)	(\$18,643)	(\$25,600)	(\$32,940)	(\$40,610)	(\$48,701)	(\$57,238)	(\$68,854)	

Ten Year Change in the Number and Average Salary of MLS and MCGEO Employees

	Number of Employees		Average Salary	
	MLS	MCGEO	MLS	MCGEO
Start Year				
2010	374	5016	\$114,256	\$64,169
End Year				
2020	387	5093	\$143,227	\$76,048
# Difference	13	77	\$28,970	\$11,879
% Difference	3.48%	1.54%	25.36%	18.51%
MLS/MCGEO % Difference		1.94%		6.84%

Cost of Added MLS Employees and Excess Salary Adjustments

Pay Scale	2004 Number of Employees	2019 Number of Employees	% Change	Excess Managers	2004 Average Annual Salary	2019 Average Annual Salary	% Change	Cost of Salary Increase Above EEs (w/35%benefits)	Cost of Excess Managers (w/35% benefits)	Total
MLS	329	387	18%	35.2	\$96,420	\$143,227	49%	\$4,109,460	\$6,807,198	\$10,916,657
OPT/SLT/GS ¹	4763	5093	7%		\$53,161	\$76,048	43%			
Mgt./EE Ratio	14.5	13.2								
Police Management	164	215	31%	26.0	\$84,038	\$117,294	40%	-\$1,635,790	\$4,121,480	\$2,485,691
FOP	926	1067	15%		\$56,458	\$81,513	44%			
Mgt./EE Ratio	5.6	5.0								
Fire Management	234	303	29%	-2.3	\$86,007	\$113,695	32%	\$1,191,937	-\$359,388	\$832,550
IAFF	738	963	30%		\$54,944	\$71,223	30%			
Mgt./EE Ratio	3.154	3.178								
Total				58.9				\$3,665,607	\$10,569,291	\$14,234,898

OPT/SLT/GS¹ Includes all MCGEO and all GS employees below Grade 28 (pass through employees)