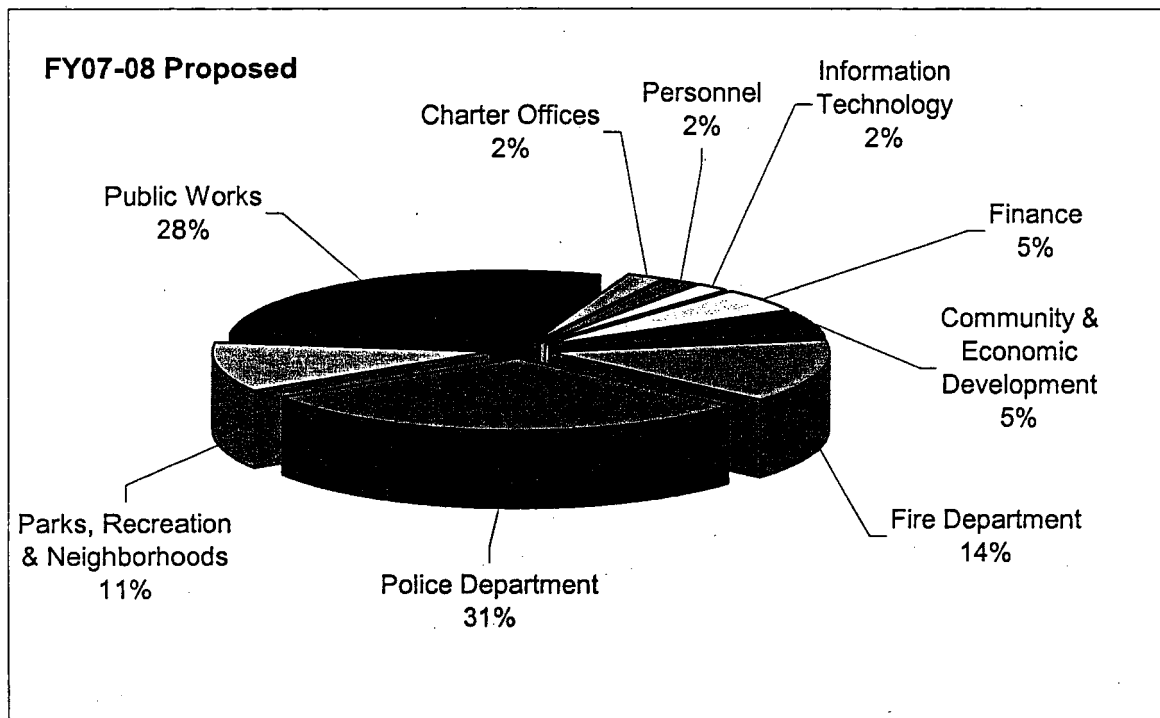


City of Modesto Position Allocation by Department

Department	FY04-05 Actual	FY 05-06 Actual	FY06-07 Adopted	FY07-08 Proposed
City Manager	11.10	9.10	9.10	7.00
Personnel	22.13	21.00	22.60	24.60
City Attorney	16.00	14.00	16.00	16.00
City Clerk & Auditor	7.00	7.00	7.00	7.00
Information Technology	25.00	26.00	29.00	29.00
Finance	64.00	65.00	69.00	69.00
Community & Economic Development	53.00	55.00	56.00	70.10
Fire Department	184.00	189.00	189.00	189.00
Police Department	381.00	383.75	399.75	399.75
Parks, Recreation & Neighborhoods	144.00	130.75	146.75	146.75
Public Works	388.00	391.50	392.50	381.25
Total	1295.23	1292.10	1336.70	1339.45

Note: This table does not include the City Council.



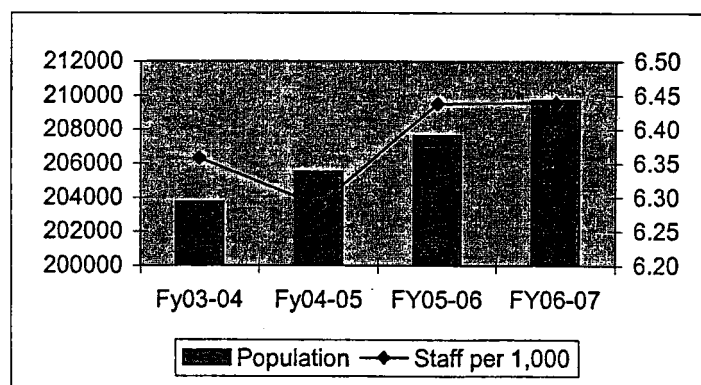
City of Modesto Position Allocation by Fund

Fund	FY04-05 Actual	FY05-06 Actual	FY06-07 Adopted	FY07-08 Proposed
General Fund (0100)	814.625	804.00	857.50	870.50
Kaiser Improvements (0300)	1	1	1	1
Capital Improvement Support Services (0300)	28	28	29	29
Special Gas Tax (0700)	91	83.50	58.00	58.00
Water (6100)	76	81	79	79
Wastewater (6210)	101	103	102	103
Storm Drainage (6280)	22	22	22	21
Compost Operations (6290)	6	7	7	7
P/R Building Services (7800)	22	22	23	23
Information & Technology (7130)	25	26	29	29
Fleet Management Fund (7200)	23	23	23	23
Bus Services (6510)	16	17	18	18
SDEA (8850)	0	6	6	6
Operation Grants Block Grants (0400)	0	0	0	0
Operation Grants Reimbursed (0410)	21	20	28	28
CDBG Direct Program (1130)	10	10	10	10
Home Program (1170)	1	1	1	1
Parking (6000)	2	2	7	7
Airport Operation (6310)	6	6	6	7
Community Center Operations (6700)	9.5	9.50	9.50	9.50
Inventory Purchases (7110)	4	4	4	4
Central Services - Mail (7120)	2	2	2	2
Community Facilities District-Admin (2900)	3.1	3.10	3.10	3.10
Insurance - Administration (7310)	6	6	6.60	7
Employment Benefits Management (7510)	1	1	1	1
JPA Building Services (8500)	4	4	4	4
Total	1295.225	1292.100	1336.700	1350.450

Note: This table does not include the City Council.

General Fund	814.625	804.00	857.50	870.50
Other Funds	480.60	488.10	479.20	479.95
Total	1295.225	1292.1	1336.70	1350.45

City Population	203,718	205,500	207,634	209,710
# of FTE per City Populations (per 1,000)	6.36	6.29	6.44	6.44



EMPLOYEE COMPENSATION

Three of the City's six bargaining units are in contract negotiations as the City approaches FY 2007-08:

- ❖ Modesto City Employees Association (MCEA) contract expires on July 23, 2007. The final salary increase under their existing MOU took place on February 20, 2007, increasing salaries by 2.5%. MCEA represents non-sworn, rank and file throughout the organization except for those non-sworn staff in Police and Fire. There are approximately 439 employees represented by MCEA.
- ❖ Modesto Confidential and Management Association (MCMA) contract expires on June 25, 2007. Under this agreement, MCMA members received a 3.5% salary increase on December 26, 2006. This Association represents 220 employees in the management and confidential ranks throughout the organization, excluding sworn management in Police and Fire.
- ❖ The Modesto Police Non-Sworn Association (MPNSA) is the newest bargaining unit within the City organization having formed in June, 2006 and representing 96 employees. The Association represents the non-management, non-sworn staff in both Police and Fire, including positions such as Community Services Officer and Police Clerk. Under their existing agreement, these members received a 2.5% salary increase on February 20, 2007.

The three associations representing sworn staff in either Police or Fire remain under contract through FY 07-08. The Modesto City Fire Fighters Association (MCFFA) entered into a new agreement on December 26, 2006 that continues through December 20, 2010. Under this contract, the 157 members of this bargaining unit received a 6% increase on December 26, 2006 of 6%. In FY 07-08, they receive a second increase of 5% on December 25, 2007.

The Modesto Police Officers Association (MPOA) represents 214 rank and file sworn staff in the Police Department. Their members are under contract through December 22, 2008. This agreement provided for two increases in FY 06-07 – 3% on July 25, 2006 and 4% on January 9, 2007. An additional increase of 6% percent will occur in FY 07-08 on January 8, 2008.

The sixth association, Modesto Police Management Association represents the management positions in the Police Department – Police Corporal, Sergeant, and Lieutenant. There are approximately 49 employees in this bargaining unit. The contract with this Association expires June 22, 2009. Under this agreement, members will receive two increases in FY 06-07 – a 3% jump on November 28, 2006 and on June 26, 2007, a 4.5% increase.

While salary is always a key interest for bargaining units, the ever-rising cost of health care can be expected to be a major discussion area in all negotiations. Likewise, PERS retirement options (2% at 55 is the City's current retirement formula) and the cost of health care will also be critical discussions. At this time, the average employee (excluding MCFFA) contributes \$229 - \$285 on family health, dental, and vision premiums each month.

Directly tied to the City's contributions to active employees' health coverage are the costs associated with retiree health coverage. Based on the conversion of accumulated sick leave at retirement, most employees can convert sick leave to City-paid health contributions when they retire. The significant unfunded liability associated with this retiree health benefit is being re-examined, as is the potential to negotiate cost effective alternatives to the current program.

