



## Employee Compensation

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Four of the City's six bargaining units are in contract negotiations as the City approaches FY 2009-10:

- ❖ Modesto City Employees Association (MCEA) contract expires on June 22, 2009. The salary increase under that MOU took place on August 5, 2008, increasing salaries by 3%. MCEA represents non-sworn, rank and file throughout the organization except for those non-sworn staff in Police and Fire. There are approximately 450 employees represented by MCEA.
- ❖ Modesto Confidential and Management Association (MCMA) contract expires on June 22, 2009. This Association represents 230 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 approximately 80 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. Their existing MOU expires on June 22, 2009.
- ❖ Modesto Police Management Association (MPMA) represents the management positions in the Police Department – Police Corporal, Sergeant, and Lieutenant. There are approximately 45 employees in this bargaining unit. The contract with this Association expires June 22, 2009. Members received their last increase under this agreement, 5.5%, on June 24, 2008.

The primary compensation increase for non-sworn employees for FY 08-09 was in the form of salary increases for only those classifications deemed to be more than 15% "below market." This was determined by an extensive labor market salary survey.

Two of the three associations representing sworn staff in either Police or Fire remain under contract into FY 09-10. The Modesto City Fire Fighters Association (MCFFA) agreement expires on December 20, 2010. Under this contract, the 140 members of this bargaining unit have FY 09-10 increases of 2.5% effective June 23, 2009 and 3% effective December 22, 2009.

The Modesto Police Officers Association (MPOA) represents 200 rank and file sworn staff in the Police Department. Their members are under contract through March 28, 2011. Their FY 09-10 increases under this contract are 3% effective June 23, 2009 and 2% effective February 2, 2010.

While salary is always a key interest for bargaining units, the ever-rising cost of health care continues to be a major discussion area in all negotiations. At this time, employees (excluding MCFFA) contribute \$357-\$477 towards their family health, dental and vision premiums each month, although employees enrolled in the High Deductible Health Plan have no premium expense. 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.

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