

Employee Compensation

Four of the City's six bargaining units are in contract negotiations as the City approaches FY 2010-11:

- ❖ Modesto City Employees Association (MCEA) contract expires on June 21, 2010. MCEA agreed to take 96 hours of unpaid furlough in 2009-10, totaling a 4.62% reduction in salary. MCEA represents non-sworn, rank and file throughout the organization except for those non-sworn staff in Police and Fire. There are approximately 420 employees represented by MCEA.
- ❖ Modesto Confidential and Management Association (MCMA) contract expired on June 22, 2009. MCMA agreed to a contract extension that expires June 21, 2010; the extension included 96 hours of unpaid furloughs in 2009-10, totaling a 4.62% reduction in salary. This Association represents 240 employees in the management and confidential ranks throughout the organization, excluding sworn management in Police and Fire.
- ❖ The Modesto Police Non-Sworn Association (MPNSA) contract expires on June 21, 2009. MPNSA agreed to take 96 hours of unpaid furlough in 2009-10, totaling a 4.62% reduction in salary. The Association represents the non-management, non-sworn staff in both Police and Fire, including positions such as Community Services Officer and Police Clerk. The association represents approximately 80 employees
- ❖ 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 expired June 22, 2009. The Association agreed to a side letter agreement on concessions totaling 4.6% of salary for 2009-10.

In addition, unrepresented managers which includes Department Directors, Deputy Directors, and Police and Fire top management accepted 96 hours of unpaid furlough in 2009-10, totaling a 4.62% reduction in salary

The non management sworn staff have contracts in place. The Modesto City Fire Fighters Association (MCFFA) agreement initially would have expired on December 20, 2010 and provided, the 140 members of this bargaining unit FY 09-10 increases of 2.5% effective June 23, 2009 and 3% effective December 22, 2009. The unit agreed to a one year extension which deferred increases 12 months. The current extension expires December 19, 2011 and has FY 2010-11 increases of 2.5% effective June 22, 2010 and 3% effective December 21, 2010.

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 were 3% effective June 23, 2009 and 2% effective February 2, 2010.

For 2010-11 the City is at the table with all six bargaining units seeking concessions to reduce the budget shortfall.

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 \$462-\$805 toward 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.