

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF TRACY

AND

**THE TRACY POLICE MANAGERS ASSOCIATION
(TPMA)**

July 1, 2025 through June 30, 2029



Think Inside the Triangle™

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TRACY POLICE MANAGERS ASSOCIATION (TPMA)
July 1, 2025 through June 30, 2029

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CITY OF TRACY
TRACY POLICE MANAGERS ASSOCIATION
MEMORANDUM OF UNDERSTANDING
July 1, 2025 – June 30, 2029

Tracy Police Managers' Association (TPMA) and the City of Tracy (City) met and conferred in good faith regarding wages, hours, and other terms and conditions of employment and freely exchanged information, opinions, and proposals.

This Memorandum of Understanding (Agreement) was entered into pursuant to the Meyers-Milias-Brown Act (Government Code Sections 3500, et. seq.) and was jointly prepared by the parties.

Section 1. Recognition

1.1 Association Recognition

Tracy Police Managers' Association (Association) is recognized as the sole and exclusive representative as provided in the City's Employer-Employee Relations resolution for employees assigned to the classifications of Police Lieutenant and Police Captain.

Section 2. Wages

2.1 Salary

Effective July 13, 2025, all classifications will receive a five percent (5%) salary increase. All employees in this unit employed on or before the date of Council approval shall receive a one-time (non-PERSable) lump sum payment in the amount of eighteen thousand, two hundred and four dollars (\$18,204). Employees may elect to receive the lump sum payment as a direct payment, a contribution to their deferred compensation account, or a combination of both, subject to applicable laws and plan limits.

Effective June 28, 2026, all classifications will receive a four percent (4%) salary increase.

Effective June 27, 2027, all classifications will receive a four percent (4%) salary increase.

Effective June 25, 2028, all classifications will receive a four percent (4%) salary increase.

2.1.1 Market/Equity Adjustments

Effective July 13, 2025, the classifications outlined below will receive equity adjustments:

- Police Captain 5%
- Police Lieutenant 5%

2.1.2 Me-Two Clause

The City is providing TPMA a me-too clause for general salary increases (Cost of Living Adjustments) for other represented units on a prospective basis. This provision expires June 30, 2029.

2.1.3 Term

This Agreement is effective July 1, 2025 and continues in full force and effect through June 30, 2029.

2.2 Temporary Upgrade Pay

When an employee is appointed to fill a Senior Manager vacancy the employee will receive the entry level of Senior Manager position or ten percent (10%) of their base rate of pay, whichever is greater. Temporary Upgrade Pay is provided in the Administrative Procedures.

2.2.1 Supervisor Premium

Employees who are routinely and consistently assigned by the Chief of Police to supervise in the absence of a Senior Manager will receive Supervisor Premium in the amount of ten percent (10%) of their base rate of pay for those hours worked.

2.3 Bilingual Pay

Employees certified by the City as bilingual in an approved language will receive Bilingual Pay in the amount of two percent (2%) of their base rate of pay.

Approved languages are Spanish, American Sign Language, and any other language approved by the City Manager.

Section 3. Leave

3.1 Vacation

Employees accrue vacation based upon months of continuous service per pay period as follows:

Months of Continuous Employment	Hours Accrued
0 to 59	3.69
60 to 120	5.54
121 to 180	6.15
192	6.46
204	6.77
216	7.08
228	7.39
240	7.70
252	8.01
264	8.32
276+	8.63

3.1.1 Vacation Accumulation

Employees may accrue a maximum of four hundred and forty-eight (448) hours of vacation.

Employees who accrue more than two hundred and twenty-four (224) hours per year of vacation are considered “grandfathered” and will continue to accrue the same number of hours.

3.2 Holiday Pay

The City observes the following holidays:

1. New Year’s Day
2. Martin Luther King Jr. Day
3. President’s Day
4. Memorial Day
5. Juneteenth
6. Independence Day
7. Labor Day
8. Veteran’s Day
9. Thanksgiving
10. Day After Thanksgiving
11. Christmas Eve
12. Christmas Day

3.2.1 Holiday In-Lieu

Employees who are in positions that are scheduled to work without regard for the holidays listed above receive holiday-in-lieu pay. Employees receive holiday-in-lieu in the amount of six-point-five percent (6.5%) of their base hourly rate of pay in lieu of receiving any other form of holiday compensation.

3.2.2 Observed Holidays

The City observes holidays proclaimed by the Governor of the State of California or President of the United States that are approved by the City Council.

3.3 Management Leave

Employees are exempt from FLSA and accrue one-hundred twenty (120) hours of management leave annually on the first full pay period in January. Management leave is accrued in a management leave accrual bank. Employees may cash out management leave at any time during the year; any remaining management leave is paid to the employee annually on the last regular paycheck in the month of December or upon separation.

3.4 Vacation Sell-Back

By November 1 of each year, an employee may make an irrevocable election to cash out up to 50 percent (50%) of vacation leave that will accrue in the next calendar year. The employee can elect to receive the percentage selected for cash-out on either the second pay period in July, or the first pay period in December.

3.5 Sick Leave

3.5.1 Accrual Rates

Employees accrue three point six-nine (3.69) hours of sick leave per pay period during their first twenty (20) years of employment. After the completion of twenty (20) consecutive years of employment, employees accrue seven point two-four (7.38) hours of sick leave per pay period with no limit.

3.5.2 Retirement Conversion of Sick Leave

Any employee covered by this Agreement, who retires from the City of Tracy, may elect to convert all accrued sick leave to a medical insurance bank. The value of the medical insurance bank is determined by multiplying the number of accrued sick leave hours by the employee's hourly rate of pay including incentives. The retired employee and their dependents are entitled to continued group health insurance coverage, dental and/or vision coverage currently in effect, with premiums for such coverage being deducted from the medical insurance bank until said bank is exhausted, subject to the provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA).

Thereafter, the employee and their dependents may continue to participate in the City's group health plan, at group rates, provided the City receives the employee's payment for the premium by the 10th of each month for the following month's coverage, subject to the provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA).

Terms of the Policy Agreement with the City's insurance carrier regarding coverage and eligibility apply to the employee and their dependents.

Section 4: Benefits

4.1 CalPERS Retirement

Employees hired before July 2, 2010, receive CalPERS three percent at age 50 (3% @ 50) safety formula with the one (1) year final average compensation period. These employees pay the required twelve percent (12%) member contribution on a pre-tax basis.

Employees hired after July 1, 2010, who are not classified as a new member receive CalPERS three percent at age 55 (3% @ 55) safety formula with the one (1) year final average compensation period. These employees pay the required twelve percent (12%) member contribution on a pre-tax basis.

Employees hired after December 31, 2012, who are classified as a "new member" under the Public Employees' Pension Reform Act (PEPRA) receive the CalPERS two-point seven percent at age 57 (2.7% @ 57) retirement formula with a "three (3) year" final average compensation period. These employees pay one-half of the total normal cost as determined annually by CalPERS plus three percent (3%) of the employer's contribution on a pre-tax basis.

4.2 Deferred Compensation

The City matches the employee's contributions to their deferred compensation plan up to two and a half percent (2.5%) of their annual salary.

4.3 Mileage Reimbursement

An employee who is required to provide transportation for the performance of their job or to attend required training is compensated at the Internal Revenue Service (IRS) mileage rate. This reimbursement does not apply to employee commutes to or from their residences.

4.4 Health Insurance

4.4.1 Plans Provided

The City offers medical insurance through Kaiser and Sutter. The City reserves the right to change medical providers, and the parties will meet and confer regarding any such change.

4.5 New Employees

New employees are required to select and maintain a medical plan for at least the employee.

4.6 Dental

The City offers dental insurance coverage for full-time employees and their eligible dependents through the existing providers.

4.7 Vision Care

The City offers vision care benefits for full-time employees and their eligible dependents.

4.8 Life Insurance

The City provides life insurance of up to fifty thousand dollars (\$50,000) maximum. This coverage is mandatory for employees. The City pays the premium by adding the actual cost of the premium to the amount provided in the cafeteria plan each month.

4.9 Cafeteria Plan

4.9.1 City Contribution

The City maintains an account for each full-time employee in regular or probationary status within the City's cafeteria plan. The City contributes \$2,994.13 into the employee's cafeteria plan for the purchase of Medical, Dental, and Vision insurance. The cafeteria plan is increased annually by 75% of the average dollar increase of the family HMO plan premiums. The City makes monthly payments of no more than the employee's benefit level, either family, employee plus one or employee only, to each employee's account.

4.9.2 Cash Out Options

Employees hired on or before June 1, 2006, who opt out of medical insurance receive nine hundred and eighty-one dollars and fifty cents (\$981.50) per month.

4.9.3 Approved Account Uses

The cafeteria plan may be used for one or more of the following purposes only: (1) payment of medical premiums that the employee is enrolled, (2) payment of dental premiums that the employee is enrolled, (3) payment of vision premiums that the employee is enrolled, (4) mandatory payment of life insurance premiums.

Employees provide Human Resources in writing on a form provided and at times designated by the City each year all information necessary to administer the cafeteria plan during the twelve-month period beginning the first day of each plan benefit year. Thereafter, no changes to designations may be made until the following open enrollment period without a qualifying event.

4.9.4 Notification of Changes in Number of Dependents

Employees are responsible for providing immediate written notification to Human Resources of any change to the number of their dependents affecting the amount the City pays on their behalf. Changes in insurance premiums will take effect the first full pay period in the month following receipt of notice of a change in dependents.

4.9.5 Flexible Benefits Plan (IRS Section 125)

The City implemented an Internal Revenue Code Section 125 Plan to redirect employees' pre-selected amount of base salary to pay employee paid insurance premiums and other approved expenses. The City does not treat these contributions as compensation subject to income tax withholding unless otherwise directed by the Internal Revenue Service or the Franchise Tax Board.

4.10 Annual Physical Exam

An annual physical (medical) examination is provided by the City, if desired and/or requested by the employee.

4.11 Education Expense Reimbursement

Under Police Chief approval, an employee who completes a course of study and receives a grade of "C" or better may be reimbursed for University of California's fees, books, and tuition up to a maximum of \$5,000.00 per year to a lifetime maximum of \$20,000.00. Employees enrolled in an accelerated degree program may be eligible for accelerated reimbursement subject to Department approval.

4.12 Uniform Allowance

Employees receive an allowance of thirty-eight dollars and forty-six cents (\$38.46) per pay period for the purchase and maintenance of uniforms.

4.13 Education Incentive

Employees who possess a Bachelor of Art's or Master of Art's degree receive education incentive of five percent (5%) of their base rate of pay.

4.14 Longevity Pay

Employees receive longevity pay as follows:

- Upon completion of ten (10) years of service, the employee receives longevity pay of two and a half percent (2.5%) of their base hourly rate of pay.
- Upon completion of fifteen (15) years of service, the employee receives an additional two and a half percent (2.5%) of their base hourly rate of pay.
- Upon completion of twenty (20) years of service, the employee receives an additional two and a half percent (2.5%) of their base hourly rate of pay.

4.15 P.O.S.T. Incentive

Employees who possess a POST Supervisory Certificate will receive a POST incentive of two and a half percent (2.5%) of their base rate of pay.

Employees who possess a POST Management Certificate will receive a POST incentive of four point five percent (4.5%) of their base rate of pay.

4.16 Command Duty Officer

Employees are responsible to serve as Command Officer as required.

4.17 Lateral Police Officer Referral Program

Employees who refer an eligible Lateral Police Officer hire and complete the Employee Referral Form, will receive an incentive of up to one thousand dollars (\$1,000.00) for newly hired and retained Lateral Police Officers. The City pays the referral incentive in two (2) installments. The City pays the first installment of five hundred dollars (\$500.00) to the referring employee when the candidate is hired and five hundred dollars (\$500.00) to the referring employee once the candidate completes their field-training program.

The City will only identify one (1) employee as the referring employee for each eligible applicant. The Police Chief retains the right to modify the program based on the needs of the department.

Section 5. Conditions of Service

The discipline process is governed by the Personnel Rules.

In the event an employee receives an overpayment by the City, the employee will reimburse the City for the total overpayment and the City may obtain reimbursement by payroll deduction(s). Typically, such repayment occurs over a schedule equal to the amount of time over which the overpayment occurred. At the employee's request, the City may extend the repayment over a longer period, to be determined by mutual agreement of the employee and the Director of Human Resources.

APPROVED AND ACCEPTED:

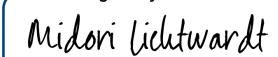
TRACY POLICE MANAGERS' ASSOCIATION

Signed by:

By: _____
Luis Mejia, TPMA President

Dated _____
7/14/2025 | 4:39 PM PDT

CITY OF TRACY

DocuSigned by:

By: _____
Midori Lichtwardt, City Manager

Dated _____
7/16/2025 | 2:15 PM PDT