

# Exhibit to Agenda Item #2

Board Policy Committee and Special SMUD Board of Directors Meeting  
Wednesday, December 19, 2018, scheduled to begin at 5:30 p.m.  
Customer Service Center, Rubicon Room

# Board Member Compensation/Benefit Considerations

	Current	Potential Options	Comments
Pension	No retirement contributions to any plan; not eligible for CalPERS membership	<ul style="list-style-type: none"> <li>Provide 401k or 457 match up to \$2,000 similar to PAS employees.</li> <li>Consider direct contribution of classic member normal cost into 401k or 457 plan.</li> </ul>	<p><b>Regulations: GC20322(c)</b> Excludes elected or appointed officers of a contracting agency from membership in CalPERS. An individual may qualify for CalPERS membership by virtue of their status as an employee/prior employee, but not by virtue of being a director.</p> <p>Direct contribution of classic member employer portion of normal cost (2019=9.92%). Consistent with contribution made for PAS/Mgmt employees upon reaching pension cap. Recommend contribution to Board member 401k or 457 plan since no longer eligible for participation in CalPERS.</p>



# GP-12, Board Compensation and Benefits

In keeping with the MUD Act, members of the Board of Directors are entitled to compensation for their service. Specifically:

- a) Each Board member shall receive for each attendance at the meetings of the full Board, Board committee meetings, ad hoc committee meetings, publicly noticed SMUD workshops or meetings, other publicly noticed meetings where the Board member is representing the Board, state or federal legislative briefings or meetings where the Board member is representing the Board, meetings with SMUD customers or staff relating to SMUD business, community meetings or events where the Board member is representing SMUD, events where SMUD is being recognized, conferences and organized educational activities, the sum of \$150.00 per day of service. No director shall receive compensation for more than ten (10) days in any one calendar month. Campaign and political meetings, events, and fundraisers are not compensable under this policy.
- b) Each Board member shall also be reimbursed for expenses related to travel, meals, lodging and other actual and necessary expenses incurred in the performance of his or her official duties as described in subsection (a). Reimbursement shall be in accordance with Internal Revenue Service regulations as established in Publication 463, or any successor publication.

# GP-12, Board Compensation and Benefits (cont.)

- c) Compensation forms shall be completed by a Director and distributed by the Board office for review and approval prior to a Board meeting. The Board shall review and approve compensation at each regular Board meeting. Board member compensation shall be placed on the consent calendar at each regular Board meeting, unless a Board member requests that it be placed on the discussion calendar. Expense reimbursement forms and requests for expenditures for travel and training shall be completed by a Director and submitted to the Board President or Vice President for approval as appropriate.
  
- d) SMUD shall provide and contribute payment for health care benefits, equivalent to the contribution made to SMUD employees in the PAS employee group, to any Board member who elects such benefit.