

Exhibit to Agenda Item #3

Adopt the **California Public Employees' Retirement System (CalPERS) "Resolution for Paying and Reporting the Value of Employer Paid Member Contributions"** for all "Classic Member" employees effective January 1, 2022, for each of the following applicable groups:

- a. Executive, Management, Professional, Administrative, and Supervisory (PAS) employees (including civil service exempt employees) and confidential employees (collectively, the "unrepresented employees"); and
- b. Security employees of the SMUD Public Safety Officers' Association (PSOA).

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, December 7, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

Background

SMUD contracts with The California Public Employees' Retirement System ("CalPERS") to manage the pension benefits for our employees and retirees.

Employees are required to contribute up to 7% of their salary into CalPERS. CalPERS also allows employers to contribute a portion of the employee contribution through Employer Paid Member Contributions (EPMC). This is only allowed for Classic member employees.

SMUD currently contributes 1.75% EPMC for Classic member executive, management, professional, administrative, and supervisory (PAS) employees (including civil service exempt employees), confidential employees, and security employees of the SMUD Public Safety Officers' (PSOA) Association.

Under the current Memorandum of Understanding (MOU) between SMUD and the PSOA, all Classic Member PSOA employees will contribute the full employee contribution of 7% effective January 1, 2022, thereby reducing SMUD's contribution for EPMC to 0%.

SMUD will continue to contribute 1.75% EPMC for Classic member executive, management, professional, administrative, and supervisory (PAS) employees (including civil service exempt employees) and confidential employees.

Board Action

Adopt the following two resolutions for paying and reporting the Value of Employer Paid Member Contributions (EPMC) for all “Classic Member” SMUD Public Safety Officers’ Association and Unrepresented employees:

- Resolution No. 1 - for all “Classic Member” security employees of the SMUD Public Safety Officers’ (PSOA) Association to consist of paying and reporting down to zero (0%) of the normal contributions as EPMC and reporting the same percent (value) of compensation earnable** {excluding Government Code Section 20636(c)(4)} as additional compensation effective January 1, 2022.
- Resolution No. 2 - for all “Classic Member” executive, management, professional, administrative, and supervisory (PAS) employees (including civil service exempt employees) and confidential employees to consist of paying and reporting 1.75% of the normal contributions as EPMC and reporting the same percent (value) of compensation earnable** {excluding Government Code Section 20636(c)(4)} as additional compensation effective January 1, 2022.