Exhibit to Agenda Item #8

Approve a Memorandum of Understanding between *Sacramento Municipal Utility District* and the *SMUD Public Safety Officers’ Association* for the period January 1, 2023, through December 31, 2026.

Board of Directors Meeting
Thursday, January 19, 2023, scheduled to begin at 5:30 p.m.
Virtual Meeting (online)
Agenda

• Outcomes Achieved through Negotiations with the PSOA
• Key Terms of the Proposed Memorandum of Understanding (MOU) between SMUD and the PSOA
• Summary & Request for Approval of PSOA Successor MOU
Outcomes Achieved

• Represents a fair and financially responsible outcome for SMUD, our customers, and the PSOA employees:
  ▪ Meets SMUD’s financial targets
  ▪ Maintains competitive pay with a total compensation package to attract and retain an engaged PSOA workforce

• Preserves positive relations with the PSOA
Proposed PSOA MOU

• Ratified by the PSOA on Dec. 13, 2022:
  ▪ 36 votes were counted (out of 37 members)
  ▪ Overwhelming support of those who voted: 72% voted YES

• Term of the new MOU:
  ▪ 4-year contract
  ▪ January 1, 2023 – December 31, 2026
Wages

- **General Wage Increases:**

<table>
<thead>
<tr>
<th>Job Class</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Protection Officer</td>
<td>3.75%</td>
<td>3.75%</td>
<td>3.5%</td>
<td>3%</td>
</tr>
<tr>
<td>Security Operations Dispatcher</td>
<td>3.5%</td>
<td>3.75%</td>
<td>3.75%</td>
<td>3.25%</td>
</tr>
<tr>
<td>Security Operations Supervisor</td>
<td>3.5%</td>
<td>3.5%</td>
<td>3.25%</td>
<td>4% lump sum*</td>
</tr>
</tbody>
</table>

*Security Operations Supervisors will receive the lump sum in 2026 in lieu of a general wage increase.

- Additionally, SMUD agreed to increase overtime pay for PSOA employees from time and a half to double time.
Health Care Benefits

Medical Premium % Cost Sharing for HMO Plans for 2023-2026 for Full Time PSOA Employees Freezing at 2022 percentages:

<table>
<thead>
<tr>
<th>Employee Tier</th>
<th>Kaiser High</th>
<th>Kaiser Low</th>
<th>UHC HMO High</th>
<th>UHC HMO Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>13%</td>
<td>11%</td>
<td>14%</td>
<td>11%</td>
</tr>
<tr>
<td>Employee + 1</td>
<td>14%</td>
<td>12%</td>
<td>15%</td>
<td>12%</td>
</tr>
<tr>
<td>Employee + Family</td>
<td>15%</td>
<td>13%</td>
<td>16%</td>
<td>13%</td>
</tr>
</tbody>
</table>
Health Care Benefits

Medical Premium % Cost Sharing for HMO Plans for 2023-2026 for Part Time PSOA Employees Freezing at 2022 percentages:

<table>
<thead>
<tr>
<th>Employee Tier</th>
<th>Kaiser High</th>
<th>Kaiser Low</th>
<th>UHC HMO High</th>
<th>UHC HMO Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>35%</td>
<td>34%</td>
<td>36%</td>
<td>34%</td>
</tr>
<tr>
<td>Employee + 1</td>
<td>36%</td>
<td>35%</td>
<td>37%</td>
<td>35%</td>
</tr>
<tr>
<td>Employee + Family</td>
<td>37%</td>
<td>36%</td>
<td>38%</td>
<td>36%</td>
</tr>
</tbody>
</table>
In Summary

This successor MOU between SMUD and the PSOA:

- Represents a fair and financially responsible outcome for SMUD, our customers, and the PSOA employees:
  - Meets SMUD’s financial targets
  - Maintains competitive pay with a total compensation package to attract and retain a well-qualified and engaged PSOA workforce
- Preserves positive relations with the PSOA

January 19, 2023 8 Board of Directors Meeting