

# Exhibit to Agenda Item #10

Discuss, with possible amendment, **Governance Process GP-12, Board Compensation and Benefits.**

Board of Directors Meeting

Thursday, April 16, 2026, scheduled to begin at 6:00 p.m.

Auditorium, SMUD Headquarters Building

# GP-12: Board Compensation and Benefits

## GP-12 sets forth Board's policy for Board member compensation and benefits:

- Based on Municipal Utility District (MUD) Act section 11908.1 "...annual adjustment of not more than five percent for each calendar year following the operative date of the last adjustment."
- Ability to increase amount no greater than \$341.00 (not to exceed 10 days of service per month)
- Prohibited from automatically adjusting compensation every year

## Current Compensation:

- Board last updated per day compensation effective July 2025 to \$325.00 per event and meeting attendance (max of \$3,250 per calendar month)

# Compensation Options

## Starting Point of \$325.00:

- 1) Adjustment based on annual Consumer Price Index (CPI) for the period December 2024 to December 2025 (2.7%): **\$334.00**
- 2) Adjustment of \$10 (3%): **\$335.00**
- 3) Adjustment of \$13 (4%): **\$338.00**
- 4) Adjustment of \$16 (5%): **\$341.00**
- 5) No adjustment: **\$325.00**