

# Exhibit to Agenda Item #6

Provide the Board with the financial results from the 10-month period ended October 31, 2021.

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)

# October 2021 YTD Financial Highlights

**\$244**  
million

“Net income”  
Net position YTD  
*Favorable compared to budget*

<p><b>\$1,308</b> Million</p>	<p><b>Customer Revenue</b> \$52 million or 4.1% higher customer revenues than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• Customer revenue \$67M over target due to higher usage and warmer weather</li> <li>• Offset by increased bad debt expense of \$15M over target</li> <li>• \$110M Accounts Receivable arrears balance with estimated uncollectible balance of \$69M</li> </ul>
<p><b>\$471</b> Million</p>	<p><b>Commodity</b> \$32M or 7.2% higher commodity expenditures than budgeted (unfavorable)</p> <ul style="list-style-type: none"> <li>• Purchased power higher due to reduced hydro generation available</li> <li>• Non-cash revenue transfer from Hydro Rate Stabilization fund of \$19 million will offset increased summer purchased power costs from lack of hydro</li> </ul>
<p><b>\$402</b> Million</p>	<p><b>Other Operating Expenses</b> \$71M or 15.0% lower expenditures than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• Administrative and general expenditures \$32M lower due to various general expenses</li> <li>• Customer expenses \$13M lower due to various impacts of COVID</li> <li>• Public Good \$18M lower due to decreased research and development expenses</li> </ul>
<p><b>\$183</b> Million</p>	<p><b>Non-cash Expenses</b> \$29M or 13.8% lower non-cash expenses than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• Accounting Governmental Accounting Standards Board required journal entries</li> </ul>

\* \$7 million in other net expenses and revenues not included in the highlights above

# October 2021 Energy Sources



Hydro generation was about half of budget for October, and 69% lower than budget year-to-date.



Thermal plants generated slightly more than budget to make up the shortfall of hydro for October, and 28% more than budget year-to-date.



Net purchased power slightly lower than budget for month of October due to thermal making up the shortfall of hydro for the month. However, 6% higher than budget year-to-date.

