

# Exhibit to Agenda Item # 2

Approve the issuance of **SMUD 2021 Series I Revenue Refunding Bonds**, authorize the distribution of the **Preliminary Official Statement**, and authorize the Chief Executive Officer/General Manager to execute documents necessary to complete the refunding transaction, including the **Bond Purchase Agreement**.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Tuesday, June 15, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# Bond Refunding Transaction & Authorization

- Approve Issuance of the 2021 Series I Refunding Bonds
  - Purpose: to refund remaining \$127 million of 2011 X bonds
    - Issue approximately \$106 million of fixed rate bonds maturing from 2022 to 2028
    - Termination of forward starting interest rate swap (hedge) entered in 2019
  - Savings: **\$23 million NPV savings** - over \$3 million per year through 2028
- Approve all necessary financing documents including:
  - Preliminary Official Statement (primary disclosure document)
  - Bond Purchase Agreement

# SB 450: Public Disclosure Requirement Related to Bond Issuance

Government Code Section 5852.1 requires a Good Faith Estimate of Costs provided by Underwriter/Financial Advisor

## 2021 Series I Refunding Bonds

– True Interest Cost (TIC)	1.16%
– Cost of Issuance	\$712,250
– Bond Proceeds	\$130,385,954
– Total Payment Amount (All Debt Service and Fees)	\$133,568,985**

*\*\*Note: “Total Payment Amount” on Refunded bonds was \$157 million, producing savings of \$23 million*

# Bond Sale Schedule

June 17 <sup>th</sup>	Board Approval
June 18 <sup>th</sup>	Post POS/Begin marketing bonds
June 23 <sup>rd</sup>	Pricing
July 14 <sup>th</sup>	Closing

# Questions?