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 17th  Board Approval
June 18th  Post POS/Begin marketing bonds
June 23rd  Pricing
July 14th  Closing
Questions?