

# Exhibit to Agenda Item # 2

SMUD's Financial Results for the year 2020.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Tuesday, March 16, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# Change in Net Position – YTD December 2020

(millions of dollars)

- YTD customer sales – over target
  - Customer sales \$41M over budget
  - Offset by increase in bad debt expense of \$38M
  - Resulting in net \$3M over budget
- Net transfer to the rate stabilization fund for \$25M
- Variance of purchased power and production cost –net \$15M under budget
- Transmission & Distribution - \$13M over budget
- Other Operating cost - \$91M under budget
- Change in net position - \$105M over budget

	Actual	Budget	Variance
Total customer sales	\$ 1,431	\$ 1,428	\$ 3
Other operating revenues	\$ 46	\$ 46	\$ (0)
Transfer to rate stabilization fund	\$ (25)	\$ -	\$ (25)
<b>Total operating revenues</b>	<b>\$ 1,452</b>	<b>\$ 1,474</b>	<b>\$ (22)</b>
Purchased power	\$ 281	\$ 234	\$ 47
Production	\$ 245	\$ 307	\$ (62)
Transmission and distribution	\$ 187	\$ 174	\$ 13
Other operating costs	\$ 540	\$ 631	\$ (91)
<b>Total operating expenses</b>	<b>\$ 1,253</b>	<b>\$ 1,346</b>	<b>\$ (93)</b>
<b>Net operating income</b>	<b>\$ 199</b>	<b>\$ 128</b>	<b>\$ 71</b>
Total non-operating revenue	\$ 63	\$ 31	\$ 32
Total non-operating expense	\$ (109)	\$ (111)	\$ 2
<b>Change in Net Position</b>	<b>\$ 153</b>	<b>\$ 48</b>	<b>\$ 105</b>

# Cash Flows– December 2020

(millions of dollars)

- Cash flow from operations \$370M
  - Difference in operating income – depreciation and non-cash items
- Cash flow from financing (\$151M)
  - Most items not on income statement:
    - Bond issuance \$483M
    - Capital expenditures (\$338M)
    - Repayments of debt (\$168M)
- Cash from investing \$212M
  - Net sales/maturities of investments \$189M

## Operating Activities:

Receipts - retail customers	\$	1,426
Commodity expenses - net of sales	\$	(352)
Payments to vendors/employees/others	\$	(723)
Other receipts	\$	19

<b>Cash provided from operations</b>	<b>\$</b>	<b>370</b>
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## Financing Activities:

Proceeds from bonds/commercial paper	\$	483
Other receipts	\$	16
Capital expenditures	\$	(338)
Repayments and refunding of debt	\$	(168)
Interest payments	\$	(144)

<b>Cash used for financing activities</b>	<b>\$</b>	<b>(151)</b>
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## Investing Activities:

Net sales/maturities of investments	\$	189
Interest and investment receipts	\$	12
Other receipts	\$	11

<b>Cash provided from investing activities</b>	<b>\$</b>	<b>212</b>
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<b>Net increase in cash</b>	<b>\$</b>	<b>431</b>
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# 2020 - Other Financial Highlights

- Balance in Rate Stabilization fund - \$166M
  - \$35M deferral of operating revenues
- Issuance of new debt of \$400M
  - Paydown of Commercial Paper
  - Flexibility
- Balance in Net Pension liability - \$469M
  - Before the additional \$99M payment
- Net OPEB liability - \$0
  - Net OPEB asset at year-end