

Exhibit to Agenda Item # 5

Provide the Board with the financial results from the eight-month period ended August 31, 2021.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, October 19, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

August 2021 YTD Financial Highlights

\$192
million

“Net income”
Net position YTD
Favorable compared to budget

<p>\$1,038 Million</p>	<p>Customer Revenue \$20 million or 2.0% higher customer revenues than budgeted (favorable)</p> <ul style="list-style-type: none"> • Customer revenue \$37M over target due to higher usage and warmer weather • Offset by increased bad debt expense of \$17M over target • \$87M Accounts Receivable arrears balance with estimated uncollectible balance of \$69M
<p>\$371 Million</p>	<p>Commodity \$20M or 5.6% higher commodity expenditures than budgeted (unfavorable)</p> <ul style="list-style-type: none"> • Purchased power higher due to reduced hydro generation available • Non-cash revenue transfer from Hydro Rate Stabilization fund of \$19 million will offset increased summer purchased power costs from lack of hydro
<p>\$321 Million</p>	<p>Other Operating Expenses \$56M or 14.9% lower expenditures than budgeted (favorable)</p> <ul style="list-style-type: none"> • Administrative and general expenditures \$30M lower due to various general expenses • Customer expenses \$9M lower due to various impacts of COVID • Public Good \$12M lower due to decreased research and development expenses
<p>\$147 Million</p>	<p>Non-cash Expenses \$22M or 13.0% lower non-cash expenses than budgeted (favorable)</p> <ul style="list-style-type: none"> • Accounting Governmental Accounting Standards Board required journal entries

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

August 2021 Energy Sources



Hydro generation was less than half of budget for August, and 72% lower than budget year-to-date.



Thermal plants generated slightly more than budget to make up part of the shortfall of hydro for August, and 31% more than budget year-to-date.



Net purchased power higher than budget that made up for the shortfall of hydro for August, and 8% higher than budget year-to-date.

