

# Exhibit to Agenda Item # 1

Provide the Board with the financial results from the seven-month period ended July 31, 2021.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Wednesday, September 15, 2021, Immediately following the Energy Resources &  
Customer Services Committee Meeting Scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# July 2021 YTD Financial Highlights

**\$131**  
million

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

<p><b>\$862</b> Million</p>	<p><b>Customer Revenue</b> \$21 million or 2.5% higher customer revenues than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• Customer revenue \$36M over target due to higher usage and warmer weather</li> <li>• Offset by increased bad debt expense of \$15M over target</li> <li>• \$74M Accounts Receivable arrears balance with estimated uncollectible balance of \$66M</li> </ul>
<p><b>\$315</b> Million</p>	<p><b>Commodity</b> \$11M or 3.7% 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>\$280</b> Million</p>	<p><b>Other Operating Expenses</b> \$52M or 15.7% lower expenditures than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• Administrative and general expenditures lower due to various general expenses</li> <li>• Public Good was lower due to decreased research and development expenses</li> </ul>
<p><b>\$128</b> Million</p>	<p><b>Non-cash Expenses</b> \$20M or 13.5% 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>

*\$8 million in other net expenses and revenues not included in the highlights above*

# July 2021 Energy Sources



Hydro generation was substantially lower than budget for July, and 76% lower than year-to-date.



Thermal plants generated more than budget to make up the shortfall of hydro for July, and 38% more than budget year-to-date.



Net purchased power made up for the shortfall of hydro and thermal generation at 4% higher than budget, year-to-date.

