

# Exhibit to Agenda Item #3 & 4

3. Discuss authorizing the Chief Executive Officer and General Manager to use up to \$25 million of SMUD's unrestricted cash to assist in defeasing the outstanding **Sacramento Municipal Utility District Financing Authority (SFA) Cosumnes Project Revenue Refunding Bonds, Series 2015.**
4. Discuss authorizing the Chief Executive Officer and General Manager, on behalf of **Sacramento Municipal Utility District Financing Authority (SFA)**, to purchase or fund escrow accounts to defease the remaining **SFA Cosumnes Project Revenue Refunding Bonds, Series 2015**, using **SFA** existing funds and up to \$25 million of SMUD unrestricted cash.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Tuesday, May 13, 2025, scheduled to begin at 6:00 p.m.  
SMUD Headquarters Building, Auditorium

# Sacramento Municipal Utility District Financing Authority (SFA) Bonds Defeasance

- In 2006, Sacramento Municipal Utility District Financing Authority (SFA) bonds were issued to finance Cosumnes Power Plant. The bonds were refinanced in 2015.
- Bonds are now “callable” and can be paid off ahead of their final 2030 maturity.
- Last outstanding bonds tied to SMUD’s gas power plants, which allows SMUD to decarbonize its debt portfolio.
- Repaying the bonds will help provide the flexibility needed to retool and further decarbonize SMUD’s portfolio.
- SFA assets will be combined with SMUD assets, creating efficiencies and cost savings.
- Reduces future debt service by \$13.8 million per year through 2030.

# | Questions?