

# Exhibit to Agenda Items #14a & 14b

Adopt the following:

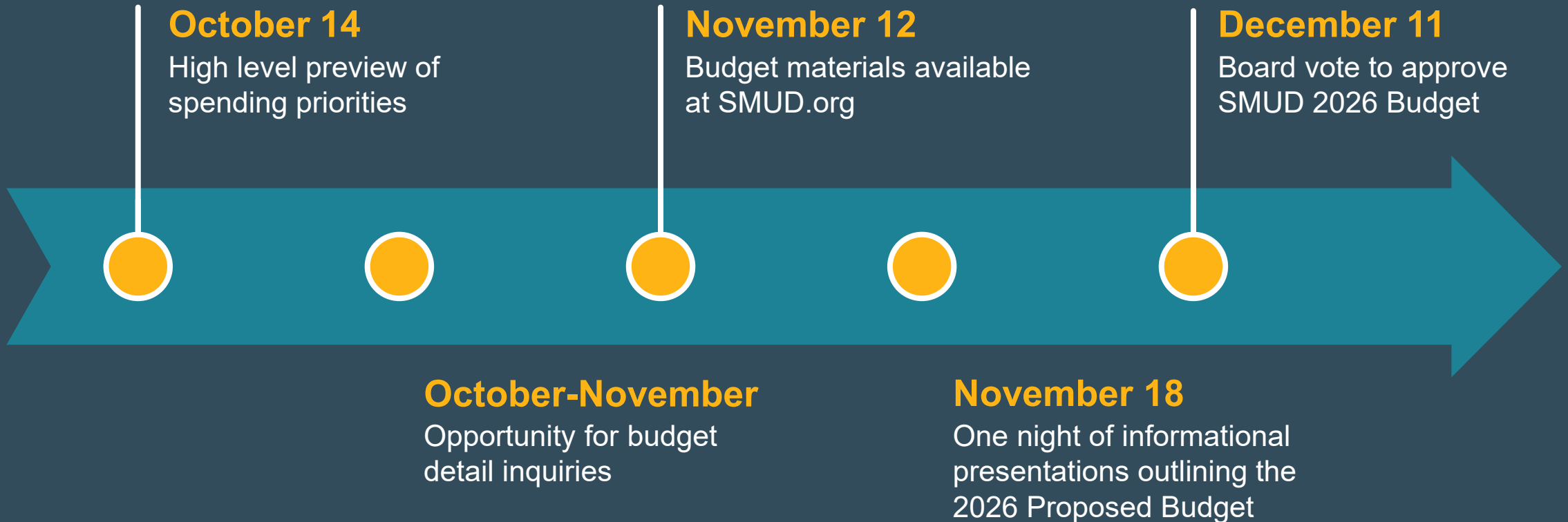
- a. **2026 Budget** which, among other things, establishes:
  - An Operations and Maintenance Budget of \$1,434.5 million (including Public Goods Charge of \$104 million);
  - A Debt Service budget of \$216.3 million;
  - A Capital and Reserve Budget of \$671.6 million; and
  - Authorized contingencies.
  
- b. Declaration of Intent to Issue Debt to create \$400 million of additional bonding authority to reimburse for qualifying capital expenditures, and Official Intent to reimburse for 2026, 2025 and 2024 capital expenditures from bond proceeds, which is required to maintain tax-exempt financing capability.

Board of Directors Meeting

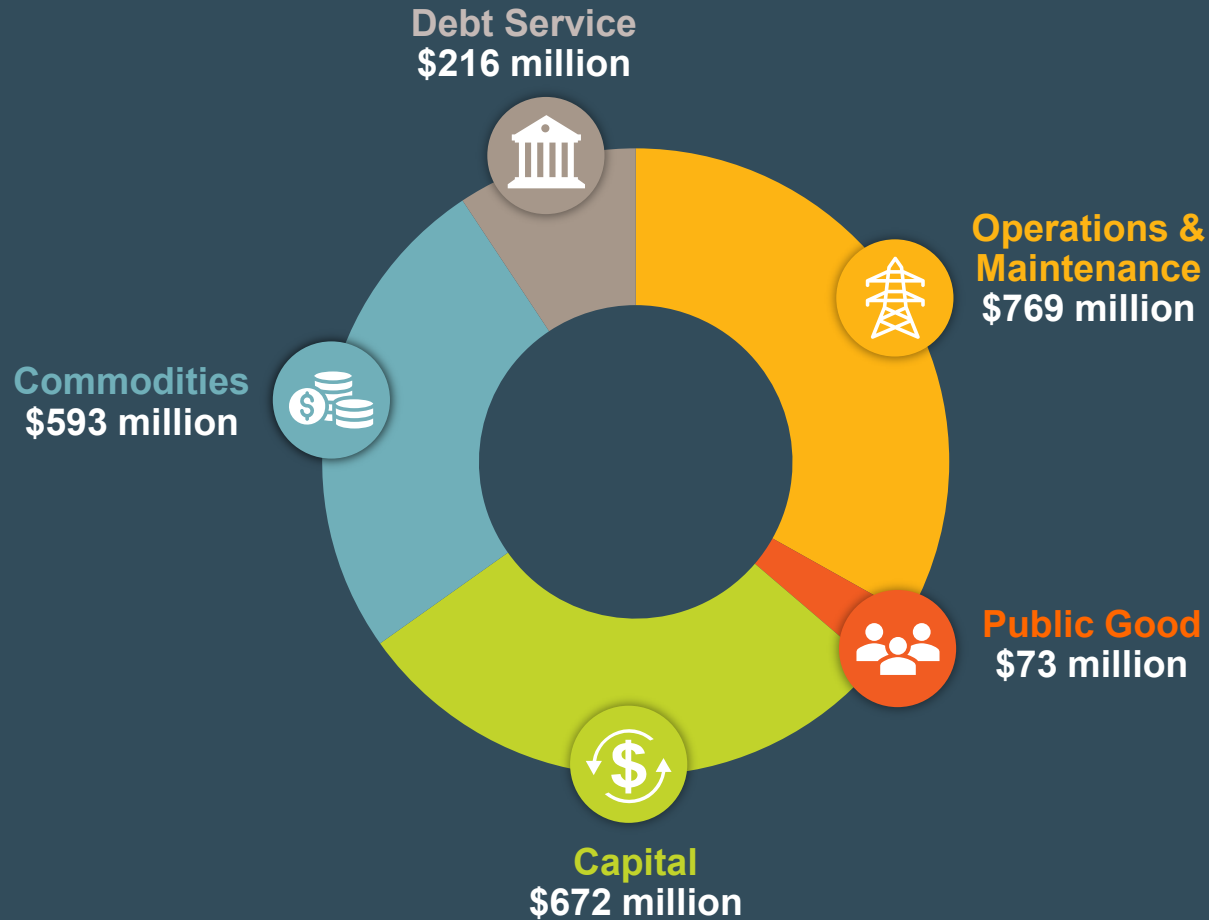
Thursday, December 11, 2025, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

# 2026 Budget Timeline



# Board Request: \$2.3 Billion 2026 Budget



## 2026 SMUD Budget

- Authority for Rate Stabilization Fund transfers
- Provisions for adjusting budget authority
- Staffing level

## Debt Management

- Declaration of intent to issue debt
- Reimbursement of capital expenditures from bond proceeds

## Employee Pay Schedule

- Required by law

# 2026 Budget Net Income

Electric Sales	\$1,931
Other Revenue	74
<b>Total Revenue</b>	<b>\$2,005</b>
Commodities	593
Business Unit O&M	842
Other Costs/Income	344
<b>Net Income</b>	<b>\$226</b>

\$Millions

## Positive net income

- Helps offset capital costs
- Manages current and future risks
- Ensures we can meet our minimum financial metrics

# Request to Approve SMUD 2026 Budget

- 2026 SMUD Budget Resolution
- 2026 Debt Resolution