

# Exhibit to Agenda Item #1

SMUD 2022 Financial Statements External Audit Plan.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Tuesday, December 6, 2022, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# Sacramento Municipal Utility District

## Finance & Audit Committee Meeting – 2022 Financial Statement Audit Plan

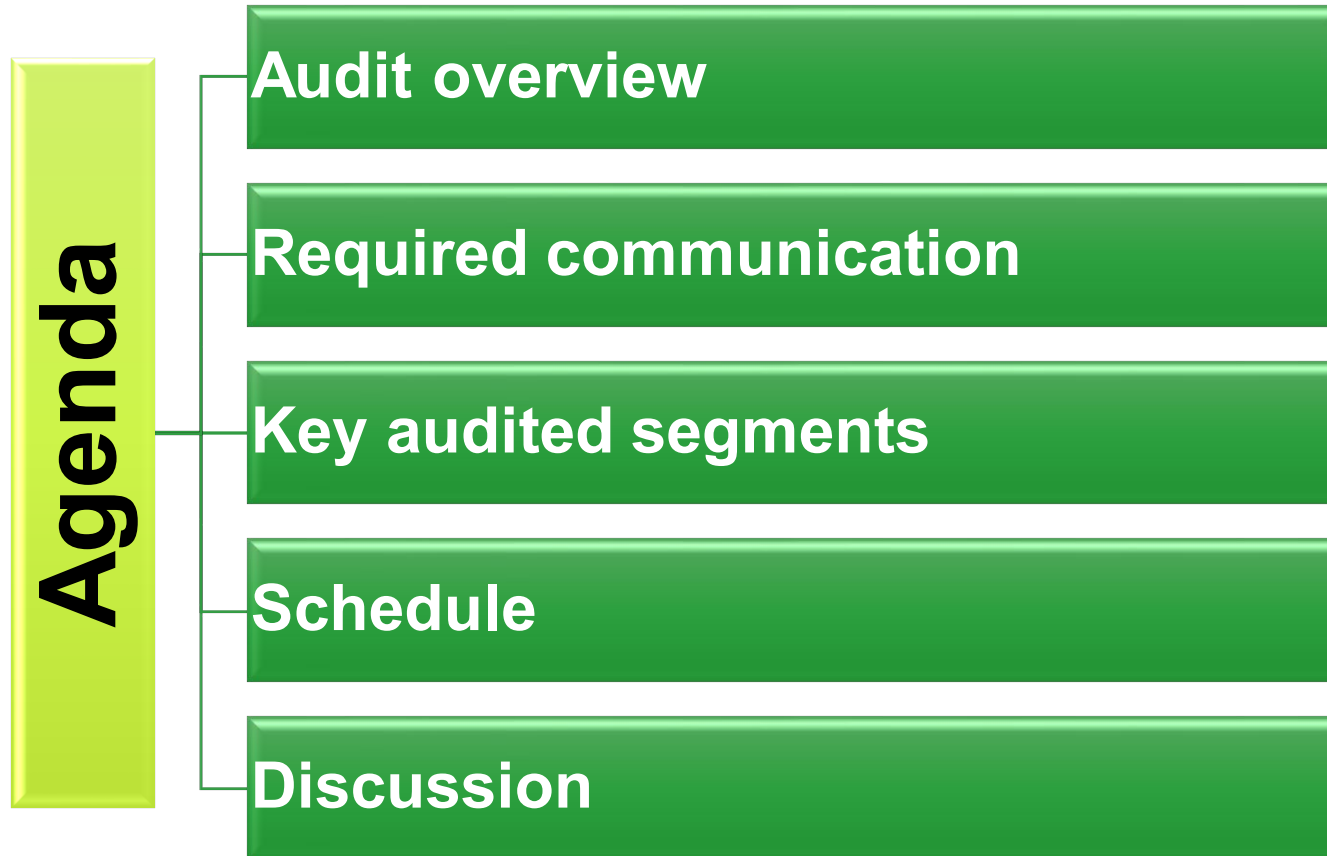
December 6, 2022



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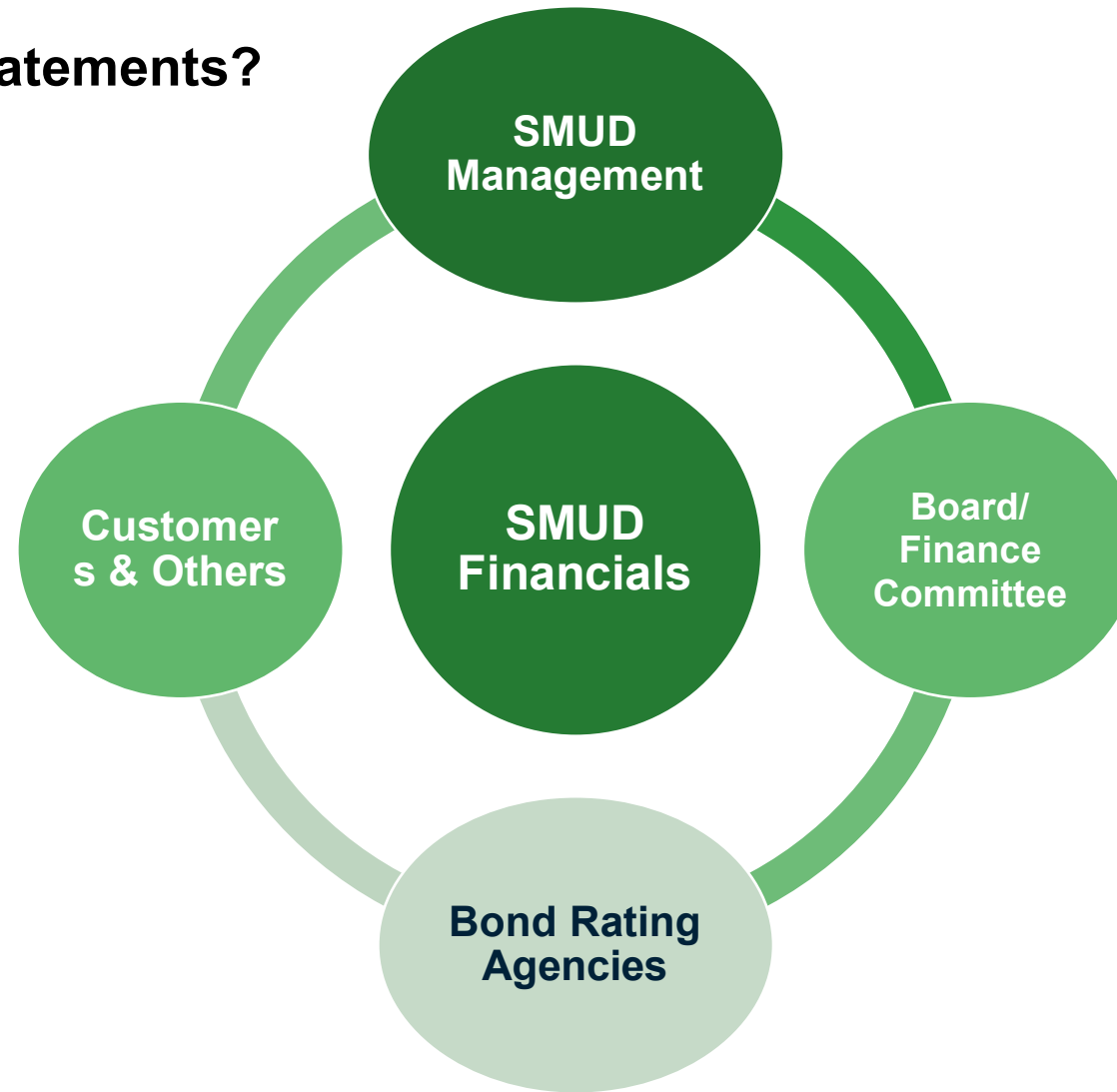


**SMUD**  
**Pre-Audit Discussion**



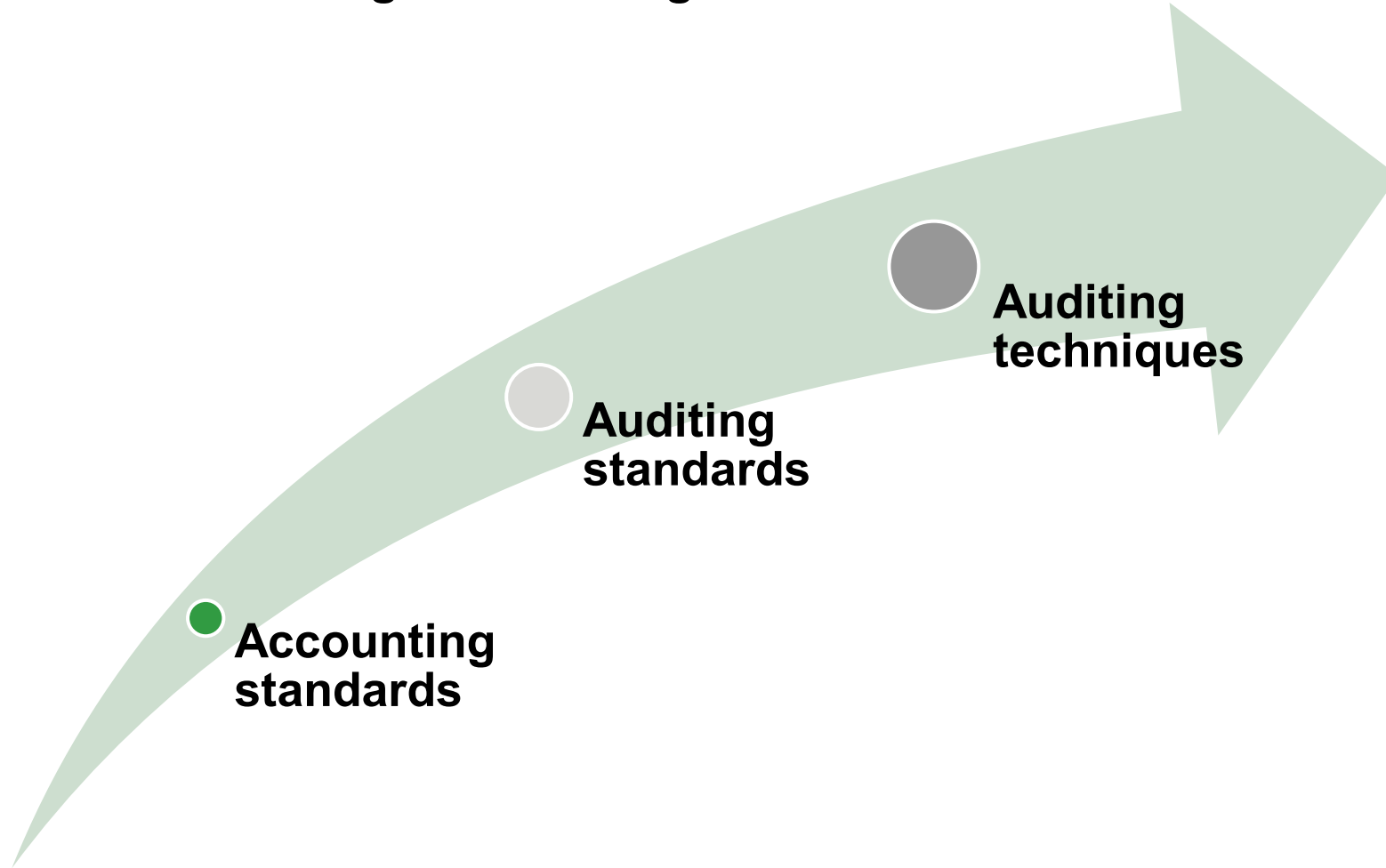
# SMUD

## Who's reading our financial statements?



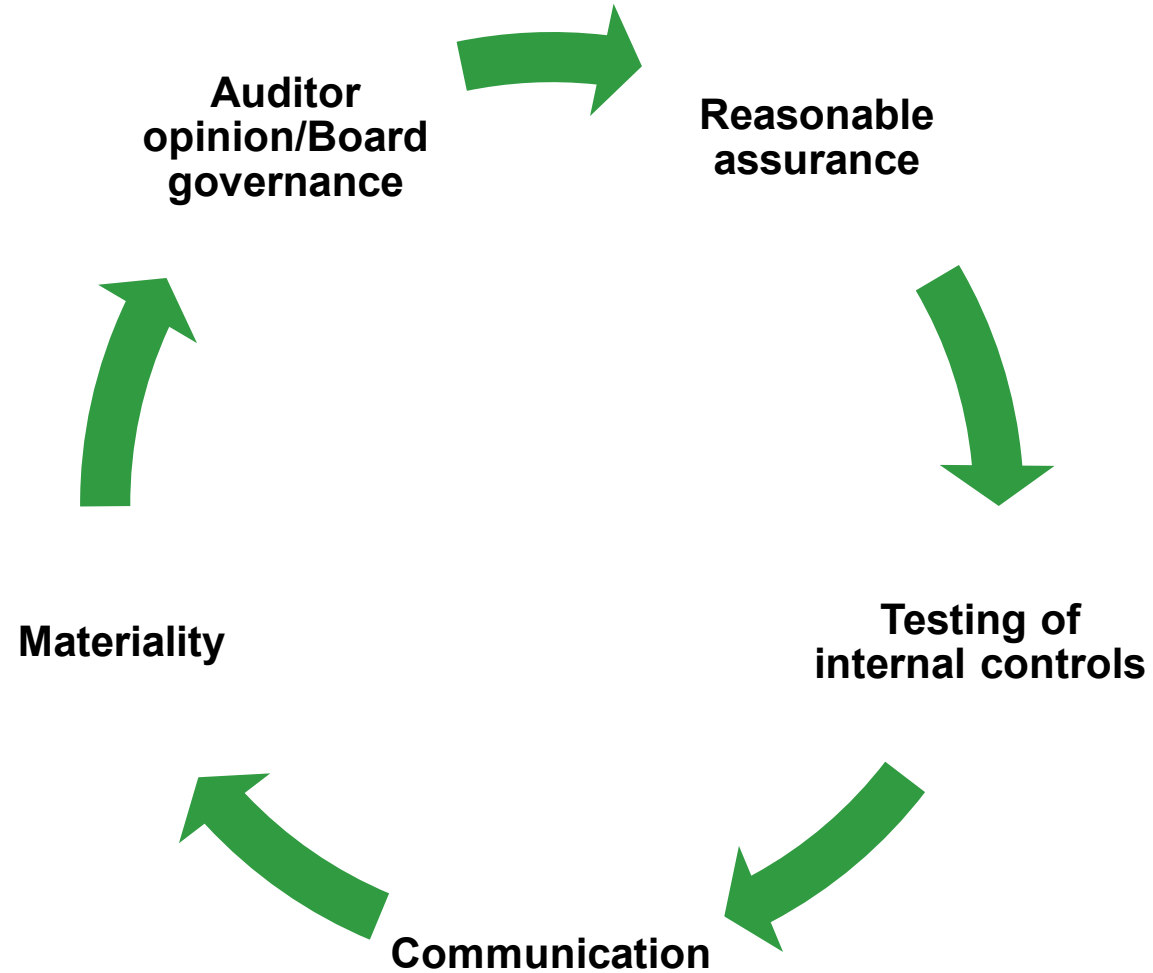
# SMUD

## What's new in the accounting and auditing world?



# SMUD

## Required Auditor Communication



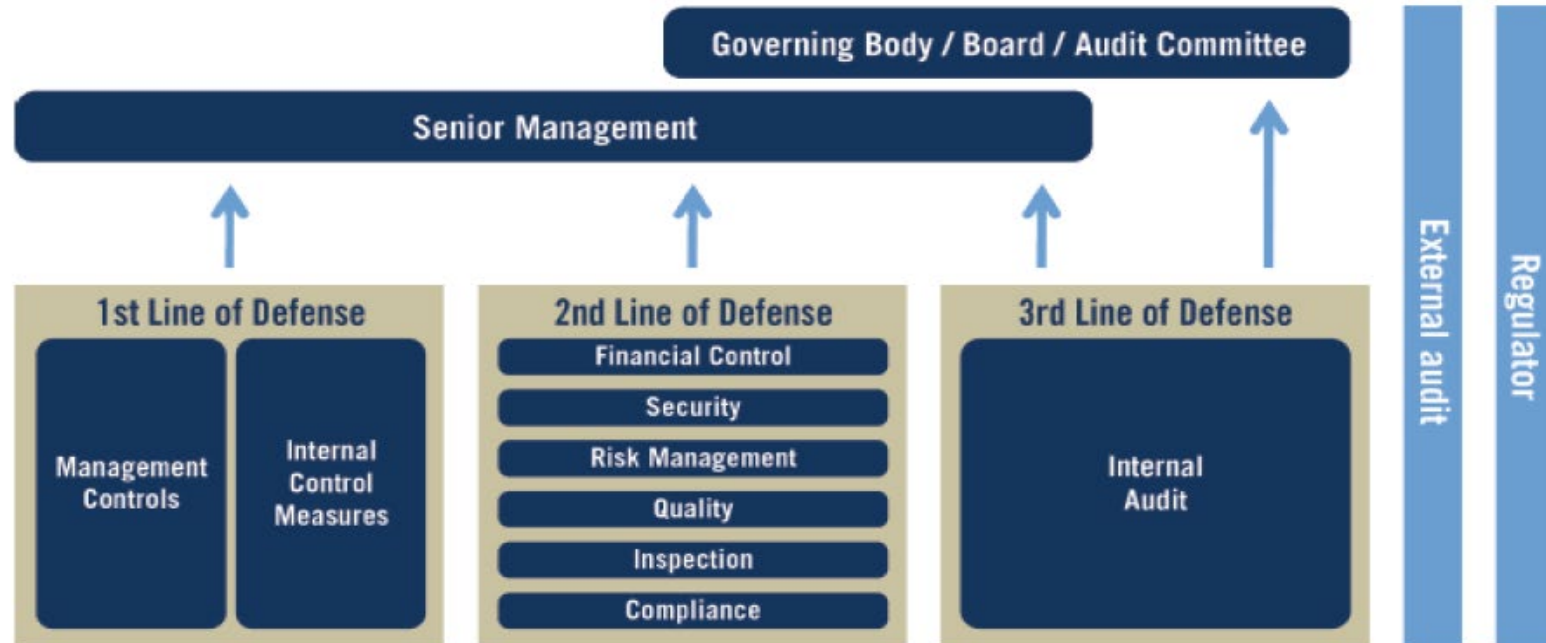
# SMUD

## Audit Work Plan Main Areas of Audit Focus

Area of Focus	Area of Focus
Control environment	Internal controls
Information technology	Cash and investments
Regulatory assets and liabilities	Derivative contracts
Fixed assets	Revenues and receivables
Expenditures and payables	Financing and debt
Cost of production	Compliance with laws and regulations
Payroll	Contracts and contingencies
Financial reporting	Board and Finance Committee presentations

# SMUD

## Finance Committee and Board involvement in the audit



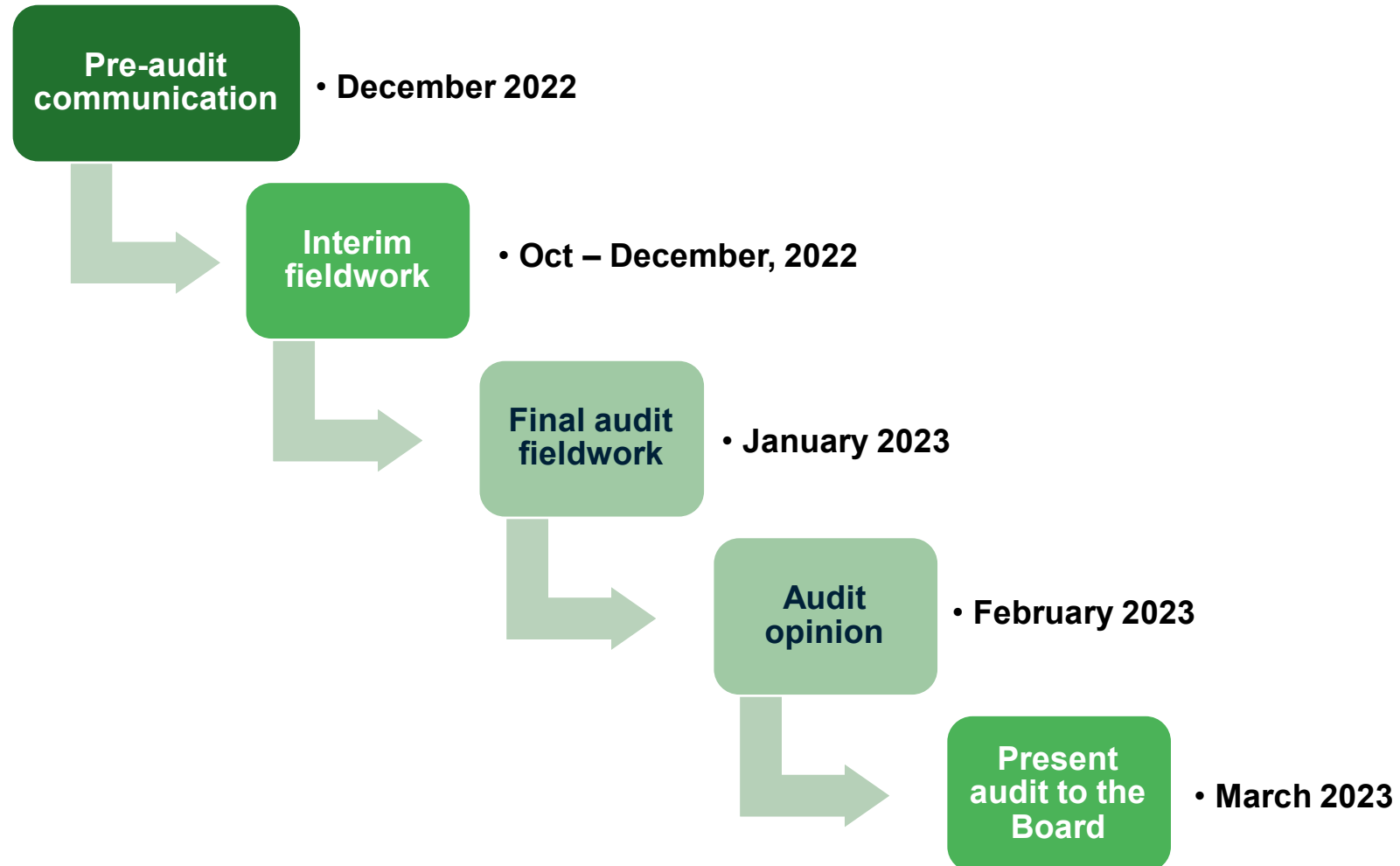
Institute of Internal Auditors' Three Lines of Defense in Effective Risk Management and Control

**We encourage Board and Finance Committee input into the audit process – areas for further review and focus on controls, areas of concern, areas for further financial reporting and analysis, and areas of compliance with laws and regulations.**



# SMUD

## Audit Schedule – 2022 Audit



We appreciate the help of the SMUD Accounting and Audit and Quality Services team in assisting in the audit!





# Discussion



## Contact Info



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