

# Exhibit to Agenda Item #1

SMUD's 2024 Financial Statements Independent Audit Report.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Tuesday, March 18, 2025, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium



# **Sacramento Municipal Utility District and JPAs**

## **2024 Financial Statement Audit Presentation**

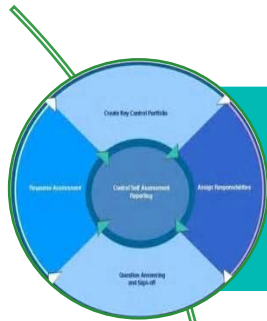
March 18, 2025

# AGENDA

- Audit Recap
- Audit Results
- Communication to the SMUD Oversight Body



# Audit overview



**Audit assesses internal controls**



**“....a means by which an organization’s resources are directed, monitored, and measured. It plays an important role in preventing and detecting fraud and protecting the organization’s resources”**



**Controls must meet the goal and objectives of Operations, Reporting and Compliance**



# Testing methods



# Major transactional areas tested

Controls  
reviewed in  
key  
transaction  
areas

Expenditures

Payroll

Revenues

Cash and investments

Capital assets

Information technology



# What were the audit results?



**Audit performed in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards***



**Audit objective – reasonable assurance that financial statements are free from material misstatement**



**Financial statements of SMUD and JPAs received Unmodified Opinions**



**There were no material weaknesses or significant deficiencies in controls**



# Auditor communication to oversight body

Area to be Communicated	Area to be Communicated
Accounting Policies	Accounting Estimates
Financial Statement Disclosures	Significant Unusual Transactions
Significant Difficulties Encountered in Performing the Audit	Disagreements with Management
Audit Report	Audit Consultations Outside Engagement Team
Corrected and Uncorrected Misstatements	Other Audit Findings or Issues





# Auditor communication to oversight body

Area to be Communicated	Area to be Communicated
Other Information in Documents Containing Basic Financial Statements	Management's Consultations with Other Accountants
Written Communications Between Management and Baker Tilly	Compliance with Laws and Regulations
Fraud	Going Concern
Independence	Related parties
Other Matter (RSI)	



**We appreciate the help of the SMUD  
Accounting and Audit and Quality Services  
teams in preparing for and assisting in the  
audit!**



# Discussion

# Contact Info



**Aaron Worthman, CPA**  
Principal

P: +1 (512) 975 7281  
E: aaron.worthman@bakertilly.com



**Ryan O'Donnell, CPA**  
Director

P: +1 (608) 240 2606  
E: ryan.odonnell@bakertilly.com



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