

City Council
Special Meeting
September 14, 2026 - 3:30 PM
City Hall Annex
1 East Main Street
Auburn, WA 98001
Floor 3
Reconciliation Room

AGENDA

CALL TO ORDER

PUBLIC PARTICIPATION

- A. The Auburn Special City Council Meeting scheduled for Monday, September 14, 2026, at 3:30 p.m. will be held in person and virtually.

Virtual Participation Link:

To view the meeting virtually please click the below link, or call into the meeting at the phone number listed below. The link to the Virtual Meeting is:

<https://www.youtube.com/user/watchauburn/live/?nomobile=1>

To listen to the meeting by phone or Zoom, please call the number below or click the link:

Telephone: 253 205 0468

Toll Free: 888 475 4499

Zoom: <https://us06web.zoom.us/j/85763229136>

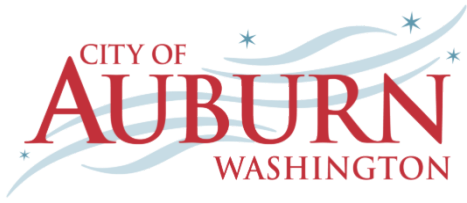
ROLL CALL

ANNOUNCEMENTS, MAYOR'S PROCLAMATIONS, AND PRESENTATIONS

- A. 2025 Audit Exit Conference Presentation with the State of Washington

ADJOURNMENT

Agendas and minutes are available to the public at the City Clerk's Office and on the City website (<http://www.auburnwa.gov>).



AGENDA BILL APPROVAL FORM

Agenda Subject:

2025 Audit Exit Conference Presentation with the State of Washington

Meeting Date:

September 14, 2026

Department:

City Council

Attachments:

Exit Conference Memo

Budget Impact:**Administrative Recommendation:****Background for Motion:****Background Summary:****Councilmember:****Staff:**



Office of the Washington State Auditor

Pat McCarthy

Exit Conference: City of Auburn

The Office of the Washington State Auditor's vision is increased trust in government. Our mission is to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective.

The purpose of this meeting is to share the results of your audit and our draft reporting. We value and appreciate your participation.

Audit Reports

We will publish the following reports:

- Financial statement and federal grant compliance audits for January 1, 2025 through December 31, 2025 – see draft report.
- Annual Comprehensive Financial Report opinion letter – see letter.

Audit Highlights

- We would like to thank City staff involved in the audit process. All City staff were professional yet welcoming, respectful, and open to answer questions.
- We would also like to specifically thank Janice Davies, Accounting and Financial Reporting Manager, and Al Kashef, Senior Accountant, for their collaborative efforts, responding to audit requests, and providing documentation timely.

Recommendations not included in the Audit Reports

Exit Items

We have provided exit recommendations for management's consideration. Exit items address control deficiencies or noncompliance with laws or regulations that have an insignificant or immaterial effect on the entity, or errors with an immaterial effect on the financial statements. Exit items are not referenced in the audit report.

Financial Statement Audit Communication

We would like to bring the following to your attention:

- We didn't identify any material misstatements during the audit.
- Uncorrected misstatements in the audited financial statements are summarized on the attached schedule. We agree with management's representation that these misstatements are immaterial to the fair presentation of the financial statements. However, the conditions that led to these misstatements may result in more significant misstatements if not corrected.
- The audit addressed the following risks, which required special consideration:

- Due to the possibility that management may be able to circumvent certain controls, standards require the auditor to assess the risk of management override. As part of this work, we did not identify any significant unusual transactions affecting the financial statements
- The audit performed limited procedures over Other Information as described in our report. While the results of this work identified no material inconsistencies, we provide no assurance over this information.

Finalizing Your Audit

Report Publication

Audit reports are published on our website and distributed via email in a .pdf file. We also offer a subscription service that notifies you by email when audit reports are released or posted to our website. You can sign up for this convenient service at <https://portal.sao.wa.gov/SAOPortal>.

Management Representation Letter

We have included a copy of representations requested from management.

Audit Cost

At the entrance conference, we estimated the cost of the audit to be \$95,000 and actual audit costs will approximate that amount.

Your Next Scheduled Audit

Your next audit is scheduled to be conducted in Fall 2026 and will cover the following general areas:

- Accountability for public resources – fiscal year 2025

The estimated cost for the next audit based on current rates is \$36,000 plus travel expenses. This preliminary estimate is provided as a budgeting tool and not a guarantee of final cost.

Working Together to Improve Government

Audit Survey

When your report is released, you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

Local Government Support Team

This team provides support services to local governments through technical assistance, comparative statistics, training, and tools to help prevent and detect a loss of public funds. Our website and client portal offers many resources, including a client Help Desk that answers auditing and accounting questions. Additionally, this team assists with the online filing of your financial statements.

The Center for Government Innovation

The Center for Government Innovation at the Office of the Washington State Auditor offers services specifically to help you help the residents you serve at no additional cost to your government. What does this mean? We provide expert advice in areas like Lean process improvement, peer-to-peer networking, and culture-building to help local governments find ways to be more efficient, effective and transparent. The Center can help you by providing assistance in financial management, cybersecurity and more. Check out our best practices and other

resources that help local governments act on accounting standard changes, comply with regulations, and respond to recommendations in your audit. The Center understands that time is your most precious commodity as a public servant, and we are here to help you do more with the limited hours you have. If you are interested in learning how we can help you maximize your effect in government, call us at (564) 999-0818 or email us at Center@sao.wa.gov.

Questions?

Please contact us with any questions about information in this document or related audit reports.

Tina Watkins, CPA, Director of Local Audit, (360) 260-6411, Tina.Watkins@sao.wa.gov

Wendy Choy, CFE, Assistant Director of Local Audit, (425) 502-7067, Wendy.Choy@sao.wa.gov

Paul Griswold, Audit Manager, (425) 510-0482, Paul.Griswold@sao.wa.gov

Gabriela Godeck, Assistant Audit Manager, (253) 893-6623, Gabriela.Godeck@sao.wa.gov

Markus Nelson, Audit Lead, (509) 517- 5625, Markus.Nelson@sao.wa.gov