



INFORMATIONAL MEMORANDUM

TO: Finance & Governance Committee

FROM: Aaron BeMiller, Finance Director

BY: Megan Marks, Fiscal Manager, Finance Department

CC: Thomas McLeod

DATE: 9/22/2025

SUBJECT: 2024 Financial and Single Audit Review

ISSUE

The 2024 financial and single audit processes have been completed with the formal exit conference taking place on August 20th. This discussion only agenda item is to provide the Finance & Governance Committee with a summary of the audit.

BACKGROUND

The Washington State Auditor's Office (SAO) is charged with auditing every government in Washington State to promote accountability, transparency, and trust in government. Generally, SAO annually performs three audits of the City:

- *Financial audit*: provides reasonable assurance as to the City's financial performance, stated financial position, and accountability in our use of public resources.
- *Single audit*: provides reasonable assurance to the federal government that a non-federal entity has complied with federal laws and regulations for the federal awards it expends.
- *Accountability audit*: provides reasonable assurance that the City has adequate safeguards in place to protect public resources from fraud, loss, or abuse.

As necessary, SAO also performs special investigations related to fraud and whistleblower cases as well as referrals from their Citizen Hotline.

DISCUSSION

2024 Financial audit results:

Method:

- Auditors select a sampling of transactions across a variety of sections and account balances based upon risk.
- Risk is determined based upon a variety of factors including the type of transaction and internal controls.

Results:

- Unmodified Opinion
- One finding

2024 Single Audit (Federal awards):

Method:

- Applicable to all entities receiving and expending over \$750,000 in federal awards in the current audit year.
 - o Tukwila received and expended \$3,349,383 in federal awards in 2024.
- Auditors select a sampling of transactions applicable to federal awards.

Results:

- Unmodified Opinion
- One finding

The City has submitted our Annual Comprehensive Financial Report (ACFR) to the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting program for consideration of the award.

FINANCIAL IMPACT

There is no financial impact associated with this agenda item.

RECOMMENDATION

Information only.

ATTACHMENTS

None.