



## Memorandum

**Date:** 10/28/2025  
**Meeting of:** City Council Special Meeting

**File No.** SPC 25-082  
**Type:** Verbal Report

**TO:** Members of the City Council  
**FROM:** Mayor Angela Birney  
**DEPARTMENT DIRECTOR CONTACT(S):**

|         |                |              |
|---------|----------------|--------------|
| Finance | Kelley Cochran | 425-556-2748 |
|---------|----------------|--------------|

**DEPARTMENT STAFF:**

|         |               |                         |
|---------|---------------|-------------------------|
| Finance | Haritha Narra | Deputy Finance Director |
| Finance | Nida Hermoso  | Finance Manager         |

**TITLE:**  
2023 Financial Audit Exit Conference

**OVERVIEW STATEMENT:**

Staff from the office of the Washington State Auditor will share the results of the City's 2023 financial audit and draft reporting.

☐ **Additional Background Information/Description of Proposal Attached**

**REQUESTED ACTION:**

☒ **Receive Information**      ☐ **Provide Direction**      ☐ **Approve**

**REQUEST RATIONALE:**

- **Relevant Plans/Policies:**  
In accordance with generally accepted accounting principles, cities over 2,500 in population must have an annual audit.
- **Required:**  
N/A
- **Council Request:**  
N/A
- **Other Key Facts:**  
N/A

**OUTCOMES:**

The mission of the office of the Washington State Auditor is to provide independent and transparent examinations of

how state and local governments use public funds and develop strategies that make government more efficient and effective.

The auditor performed a financial statement audit to provide an independent opinion on the City's financial statements and results of operations to determine if the financial statements present a reliable, accurate picture of the City's finances. There was a planned delay in the timing of the 2023 audit due to the implementation of the City's new Financial System (D365), which went live in June 2023. The delay will also impact the timing of the 2024 audit. A delayed audit is typical when financial systems are impacted, and the City has been working in partnership with the State Auditor's Office to allow for the exception to the standard audit practice. The 2024 financial statement audit is estimated to start December 2025 with a completion target date of March 2026.

**COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:**

- **Timeline (previous or planned):**  
N/A
- **Outreach Methods and Results:**  
N/A
- **Feedback Summary:**  
N/A

**BUDGET IMPACT:**

**Total Cost:**

The cost for the 2023 audit was estimated to be \$193,700. The City is still awaiting confirmation on the final cost.

**Approved in current biennial budget:** ☒ **Yes** ☐ **No** ☐ **N/A**

**Budget Offer Number:**

297 (Fiscal Accountability)

**Budget Priority:**

Strategic and Responsive

**Other budget impacts or additional costs:** ☐ **Yes** ☒ **No** ☐ **N/A**

*If yes, explain:*

N/A

**Funding source(s):**

General Fund

**Budget/Funding Constraints:**

N/A

☐ **Additional budget details attached**

**COUNCIL REVIEW:**

**Previous Contact(s)**

| Date      | Meeting         | Requested Action    |
|-----------|-----------------|---------------------|
| 6/10/2025 | Special Meeting | Receive Information |

**Proposed Upcoming Contact(s)**

| Date | Meeting                    | Requested Action |
|------|----------------------------|------------------|
| N/A  | None proposed at this time | N/A              |

**Time Constraints:**

N/A

**ANTICIPATED RESULT IF NOT APPROVED:**

N/A

**ATTACHMENTS:**

Attachment A: City of Redmond 2023 Financial Audit Exit Conference Overview