



Memorandum

TO: Councilmember Lisa Herbold, Chair
Civil Rights, Utilities, Economic Development & Arts Committee

FR: Sherri Crawford, Finance and Administration Interim Director
Seattle Public Utilities

Subject: Moss Adams Audit Plan

Date: February 9, 2016

Seattle Public Utilities is required to have an external audit of the annual financial statements for its Water Fund, Solid Waste Fund and Drainage and Wastewater Fund. Moss Adams LLP is the firm doing the audit. The financial statements are prepared pursuant to requirements for bonds issued for the three funds and to support other SPU financing activities. The statements are also included in the City's Comprehensive Annual Financial Report.

Moss Adams' presentation will provide an overview of the audit plan as it relates to SPU's 2015 financial statements. Under auditing standards the firm is required to provide the Council an overview of the audit plan and to communicate the results of the audit upon completion. Tuesday morning's presentation will also give the committee an opportunity to engage with Moss Adams in understanding the audit process, timeline, areas of focus, and discuss any issues or concerns the committee may have related to SPU's financial statements or financial reporting.

I hope this context is helpful. If you or your staff have any questions, please do not hesitate to contact me.