

Office of the City Auditor

Fiscal Year 2025-2026
Recommended Budget

May 27, 2025

Mark S. Swann, City Auditor

Government Performance & Financial Management Committee



Office of the City Auditor Purpose

The Office of the City Auditor:

- Elevates public trust in government by providing independent, objective assurance and advisory services
- Conduct audits and attestations of City departments, offices, agencies, and processes
- Perform advisory services upon request from City Council or City Administration
- Administers outsourced audits of sales/use tax compliance contracts, and utility franchise fees



Fiscal Year 2025-2026 Recommended Budget



Expenditure	FY 2024-25 Budget	FY 2025-26 Recommended Budget	Increase/ <Decrease>
Personnel Services	\$2,636,362	\$2,746,069	\$109,707
Professional Services	415,000	415,000	0
Non-Personnel Sacred Codes	197,910	201,228	3,318
Supplies, Professional Development, Software License	115,667	115,667	0
Total Expenditures	\$3,364,939	\$3,477,964	\$113,025
Expected Vacancy Savings	<150,769>	<33,498>	<117,271>
Total Expenditures Net of Vacancy Savings	\$3,214,170	\$3,444,466	\$230,296



Recommended Budget – Notable Items



\$2,746,069

Personnel

19.5 FTEs

Impact: 15-17 Audit Engagements

\$415,000

Professional Services – External auditing/consulting services to augment staff skills.

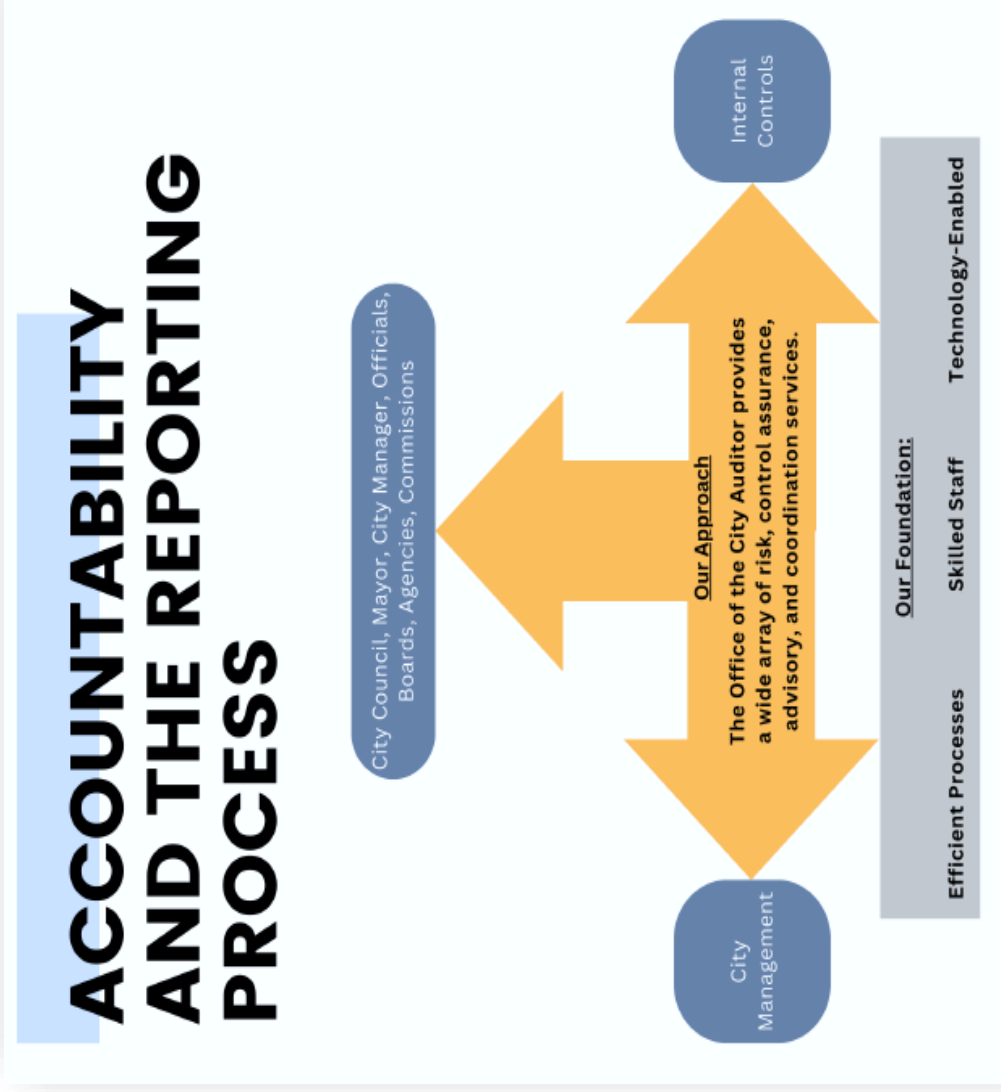
Impact: 3-4 Audit Engagements



Recommended Budget – City Charter

The Office of the City Auditor budget approval is established by the City Charter as amended in Chapter XI, Section 2

“The city auditor shall furnish a detailed budget estimate of the needs and requirements of the Office of the City Auditor for the coming year directly to the city council, to be approved by the city council, and then consolidated with the city manager’s annual budget estimate.”



Next Steps



- Government Performance and Financial Management Committee motion to recommend that City Council approve the Office of the City Auditor Fiscal Year 2025-2026 Recommended Budget of \$3,477,964 subject to vacancy savings of \$33,498 and to final Citywide adjustment decisions on:
 - Compensation Adjustments – Cost of Living, Merit, Bonuses
 - Pension costs
 - Healthcare costs
 - Worker’s Compensation rates
 - Property, casualty, and public liability insurance
 - Department of Information and Technology Services’ and other department chargebacks
- Scheduled for City Council Approval on the June 11, 2025, Agenda Meeting



Recommended Budget



Appendix



2024 Population Rank	Agency		Expenditures - Total Governmental		Expenses - Total Business-Type		Expenses Governmental & Business Type		Population Estimate 2024	Audit Resources FY2024, FY2025							
			Activities		Activities		Business Type			FTE	Budget	Per Audit FTE	Per Population	Percent Expenses			
4	Houston	TX	\$	3,935,472,000	\$	2,042,852,000	\$	5,978,324,000	2,390,125	16.0	\$	2,870,000	\$	179,375	\$	1.20	0.048%
5	Phoenix	AZ		3,367,844,000		1,618,950,000		4,986,794,000	1,673,164	25.4		3,892,340		153,242		2.33	0.078%
7	San Antonio	TX		2,807,757,000		378,709,000		3,186,466,000	1,573,916	23.0		3,460,187		150,443		2.20	0.109%
8	San Diego	CA		2,812,801,000		1,391,808,000		4,204,609,000	1,404,452	24.0		5,590,854		232,952		3.98	0.133%
9	Dallas	TX		2,711,208,000		1,279,013,000		3,990,221,000	1,326,087	19.5		3,444,466		176,639		2.60	0.086%
10	Jacksonville	FL		2,424,043,000		241,797,000		2,665,840,000	1,009,833	19.0		3,392,520		178,554		3.36	0.127%
11	Fort Worth	TX		1,582,014,000		662,500,000		2,244,514,000	1,008,106	16.0		2,413,014		150,813		2.39	0.108%
12	San Jose	CA		2,330,509,000		966,928,000		3,297,437,000	997,368	13.0		3,712,111		285,547		3.72	0.113%
13	Austin	TX		2,048,350,000		3,138,662,000		5,187,012,000	993,588	29.0		5,178,245		178,560		5.21	0.100%
14	Charlotte	NC		1,319,572,000		1,346,064,000		2,665,636,000	943,476	11.0		1,797,776		163,434		1.91	0.067%
16	Indianapolis	IN		1,755,048,230		-		1,755,048,230	891,484	9.0		2,006,486		222,943		2.25	0.114%
18	Seattle	WA		2,979,576,000		2,218,484,000		5,198,060,000	780,995	10.0		2,571,340		257,134		3.29	0.049%
20	Oklahoma City	OK		968,489,000		82,767,000		1,051,256,000	712,919	8.0		1,563,162		195,395		2.19	0.149%
21	Nashville	TN		2,746,901,700		94,108,964		2,841,010,664	704,963	12.0		2,067,800		172,317		2.93	0.073%
30	Baltimore	MD		3,199,113,000		604,310,000		3,803,423,000	568,271	33.0		6,398,255		193,887		11.26	0.168%
	Average/Mean			2,465,913,195		1,071,130,198		3,537,043,393	1,131,916	17.9		3,357,237		192,749		3.39	0.101%
	Median			2,711,208,000		966,928,000		3,297,437,000	997,368	16.0		3,392,520		178,560		2.60	0.108%
9	Dallas (Recommended)	TX		2,711,208,000		1,279,013,000		3,990,221,000	1,326,087	19.5		3,444,466		176,639		2.60	0.086%
6	Philadelphia	PA		8,592,764,000		1,253,013,000		9,845,777,000	1,573,916	130		11,017,259		84,748		7.00	0.112%
17	San Francisco	CA		8,205,748,000		6,709,585,000		14,915,333,000	827,526	32		28,100,000		878,125		33.96	0.188%
19	Denver	CO		2,933,266,000		1,330,914,000		4,264,180,000	729,019	49		7,124,266		145,393		9.77	0.167%



Budget History



For Year Ending September 30	Total Budget	Vacancy Savings	Budget Net Vacancy	Co- Sourcing	Percent Co-Sourcing	FTEs
2021	3,123,860	0	3,123,860	360,267	12%	21
2022	3,174,472	126,218	3,048,254	416,432	14%	21
2023	3,225,487	62,232	3,163,255	430,232	14%	20.5
2024	3,267,118	980	3,266,138	430,230	13%	19.5
2025	3,364,939	150,769	3,214,170	415,000	13%	19.5
2026 Recommendation	3,477,964	33,498	3,444,466	415,000	12%	19.5



Performance Measures

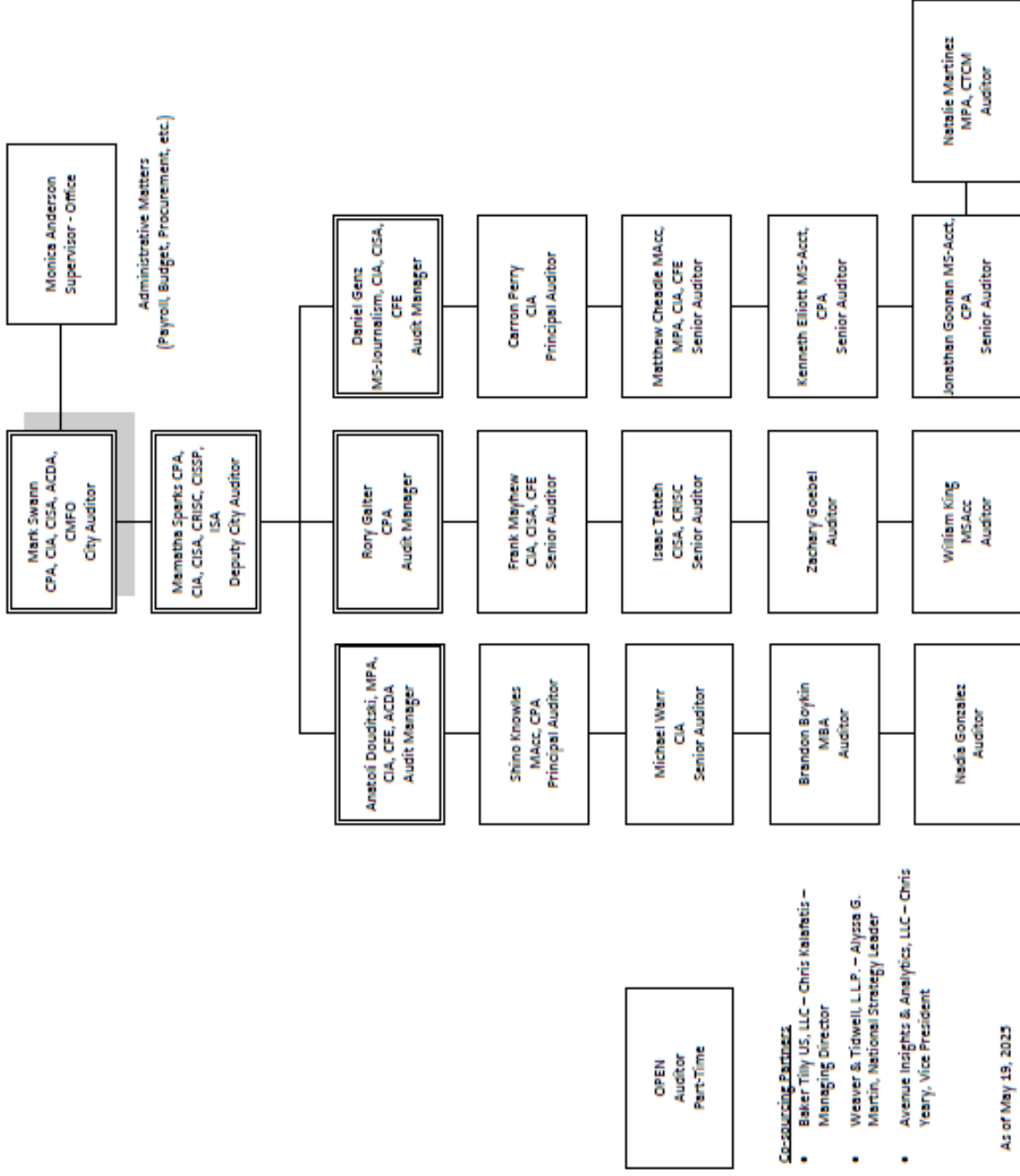


Measures	Target	FY2024 Actual	FY2025 Actual as of May 1, 2024
Number of audits delivered	20	20	11
Percentage of management acceptance of audit recommendations	> 90%	89%	81%
Staff achieve professional certification (CIA, CPA, CISA, or CFE)	80%	72%	67%
Percentage of available hours on direct projects	82%	81%	82%

Performance Measures from 2022 Association of Local Government Auditors Benchmarking Report



Office of the City Auditor's Organization



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