



Office of the Washington State Auditor  
Pat McCarthy

# Fraud Investigation Report

## City of Renton

For the investigation period June 10, 2021 through January 15, 2025

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**Office of the Washington State Auditor  
Pat McCarthy**

October 23, 2025

Mayor and City Council  
City of Renton  
Renton, Washington

**Report on Fraud Investigation**

Attached is the official report on a misappropriation at the City of Renton. On October 16, 2024, the City notified the Office of the Washington State Auditor of a potential loss of public funds. This notification was submitted to us under the provisions of state law (RCW 43.09.185).

Our investigation was performed under the authority of state law (RCW 43.09.260) and included procedures we considered necessary under the circumstances.

If you are a member of the media and have questions about this report, please contact Assistant Director of Communications Adam Wilson at (564) 999-0799. Otherwise, please contact Special Investigations Program Manager Stephanie Sullivan at (360) 688-0858.

Pat McCarthy, State Auditor  
Olympia, WA

cc: Ariel Llorach, Senior Finance Analyst

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## FRAUD INVESTIGATION REPORT

### Background and Investigation Results

On October 16, 2024, the City notified our Office regarding a potential loss of public funds, as required by state law (RCW 43.09.185). On September 12, 2024, while depositing seized cash with the City of Renton Police Department, a Renton Police Department (RPD) sergeant found that \$10,000 in cash, which was seized during a June 2021 case, was missing. The City then contacted the Washington State Patrol (WSP) to request an independent investigation.

In November 2024, the WSP opened an investigation and determined the cash discrepancy was due to the RPD either miscounting or mislabeling the seized money.

We reviewed the WSP's investigation and determined we could rely on the work conducted. We concluded it is difficult to determine where the June 2021 cash discrepancy came from: the initial count, the secondary count, labeling it, or after recording it into evidence. Our review of the investigation found the following:

- On June 10, 2021, the Special Enforcement Team served search warrants at three different locations and seized cash funds. At one location, the team found and seized a large amount of cash. RPD records show RPD logged \$20,050 in cash into the evidence room on this date. It remains unclear whether officers counted the cash at the location or after they returned to RPD. While logging the cash into evidence, one officer signed to verify the cash count, one detective sealed the package containing the cash and signed that they did so, and another detective placed the sealed package into an evidence bag and initialed the package. The sealed package was then placed into the RPD evidence room.
- On September 12, 2024, an RPD sergeant retrieved the package from the evidence room to process a seizure forfeiture of the funds with the City's finance department. Originally, the package's documentation indicated 1,002, 20-dollar bills and two 10-dollar bills had been counted, totaling \$20,050. However, when the sergeant opened the sealed package and performed a count, they found only 502, 20-dollar bills and two 10-dollar bills, totaling \$10,050. The sergeant immediately reported the discrepancy to RPD.

Between November 2024 and January 2025, WSP reviewed case records which included pictures taken at the original location of the seized money before RPD placed it into evidence. WSP was present when City finance department staff and RPD evidence room staff completed a cash audit of RPD's evidence room. All the cash counts from other cases matched paperwork and log records entered into evidence. Additionally, WSP interviewed officers and detectives involved with the original seizure. Based on the interviews, no one acknowledged taking funds, and WSP concluded that the cash had been either miscounted or mislabeled at the time of the seizure.

## Control Weaknesses

Internal controls at the City were not adequate to safeguard public resources. The City's investigation found RPD employees did not follow the City's policies and procedures for verifying the cash and properly documenting the money counts, making it difficult to determine whether a loss had occurred.

## Recommendations

We recommend the City inform and train RPD employees on the City's established cash handling policies in reference to evidence collection, deposits and notifications for large cash intakes.

## City's Response

*The Renton Police Department appreciates the diligence and professionalism demonstrated by the Office of the Washington State Auditor in its review of a potential loss of public funds. We concur with the findings of the Washington State Patrol's investigation and the conclusions reached by your office.*

*In response to the auditor's recommendations, the department has revised its policies governing cash handling, including procedures for collection, deposits, and notifications. These updates have been incorporated into employee training, and personnel directly involved in this incident received remedial training following the completion of the investigation.*

*The Renton Police Department takes its fiscal and ethical responsibilities seriously and remains committed to strengthening our internal processes to ensure compliance with the law, enhance transparency, and maintain the trust of our community.*

## Auditor's Remarks

We thank City officials and personnel for their assistance and cooperation during the investigation. We will follow up on the City's internal controls during the next audit.

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We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

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