



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

Local Government Advisory Committee (LGAC)

Meeting Minutes

April 30, 2025

9:00am – 11:00 am

Virtual Meeting – Microsoft Teams

Member attendance:

Member name	Attendance Status	Member name	Attendance Status
Brodersen, Bret	Present	McMillan, Sandi	Excused
Clark, Kathy*	Present	Olander, Scott	Unexcused
Corin, Shannon*	Present	Pohle, Derek	Unexcused
DeGroot, David	Present	Prada, Stacie	Excused
Fulton, Katrina	Present	Riley, Michael	Present
Gall, Sheila	Present	Robacker, Tanya	Excused
Goodrich, Scott	Present	Quichocho, Anna	Unexcused
Hendren, Alisha	Present	Tellers, Stacie - Chair	Present
Jimenez, Grace	Unexcused	Williams, Jason	Unexcused
Knudson, Erin	Present	AWC*	Vacant
Knudson, Katrina	Present	WACO	Vacant
Liang, David	Present	WFOA	Vacant

**appointment pending*

Other attendees:

Bhattad, Neha (Housing) | Bishop, Olivia (Library) | Gosnell, Donnie (Hospital) | Ellington, Lauren (City) | Kelly, Mitchell (County) | Maule, Timothy (Fire) | Rogers, Danette (Transit) | Schmidt, Cami (Transit) | Thorson, Sarah (unknown) | Turntine, Cori (Conservation) | Wilson, Kimberly (Housing) | Zhang, Wenju (County)

SAO Staff in attendance:

Aguilar, Tamara | Choy, Wendy | Collins, Kelly | Cowgill, Christie | Crouch, Olivia | Kostick, Niles | McCarthy, Pat | Montgomery, Ryan | Pagio, Kayley | Vandenburg, Vivian | Watkins, Tina

Call to Order

The Committee meeting began at 9:00am, held via Teams. The meeting was called to order by Stacie Tellers, Manager for the Local Government Support Team.



Office of the Washington State Auditor Pat McCarthy

Welcome and Attendance

Stacie welcomed everyone. Attendance was taken via the Teams attendee list and noted there were no attendees calling in via phone.

Approval of Minutes from the December 4, 2024 meeting

The minutes previously distributed via email with a link to the SAO LGAC webpage where the draft minutes are posted were presented.

Motion to approve the December 2024 minutes was made by Bret Brodersen and seconded by Kathy Clark. The appointed committee members approved the minutes with no corrections or changes, unanimously.

SAO Executive Update

Washington State Auditor Pat McCarthy thanked the committee for their service on the committee, we value the opinions from the associations and local governments. Pat spoke to the recent legislative session and the challenges the state faced with the budget deficit. The budget is with the governor for approval.

Pat spoke to the reorganization of the leadership team, due to Keri Rooney's retirement. Kelly Collins and Janel Roper assumed Deputy State Auditor roles, Tina Watkins stepped into the Director of Local Audit, and Kristina Baylor into the Assistant Director of Local Audit. Pat is traveling the state with Kelly, meeting with associations, local governments, and more to collaborate and hear about their challenges, projects, and successes.

Pat spoke about the goal of increasing the trust in government and strives for SAO to do work that will help achieve this goal. Pat stated she recognized the concerns about some of the federal leadership changes, the tariffs, and funding freezes and how that will impact Washington State, the local governments, and citizens.

Pat invites the committee to take advantage of all the available resources on the website and being offered by the Center of Government Innovation, including the updates to the FIT tool and lean training.

BARS Updates and Discussion

Kayley Pagio, Assistant Audit Manager for the Local Government Support Team provided an overview of the update list for the December 2025 BARS update, including a brief overview of the added items since the December 2024 meeting.

Olivia Crouch, Assistant Audit Manager for the Local Government Support Team, discussed the current Severe Financial Stress and Going Concern document that GASB has out for



Office of the Washington State Auditor Pat McCarthy

public comment, she recommended governments review the preliminary views document and comment to the GASB. Olivia reviewed the updates from GASB and the impact on BARS. Olivia gave special thanks to Kathy Clark for her assistance with housing authority questions related to GASB 103.

Olivia spoke to GASB 104, *Disclosure of Certain Capital Assets* and a possible note disclosure for Cash BARS. Olivia asked the Cash governments if they have thoughts on what type of capital asset disclosures might be valuable. Bret mentioned that there are capital asset reports available in the budget document and capital facilities plan. He expressed concern that if there was a need for significant details in the financial statement notes it would be duplicative to the other capital-related documents that are available. David DeGroot mentioned that as a GAAP government they have been tracking data for numerous years and sees that this may be a hinderance to cash governments. Stacie noted that historical tracking is not the intent with the possible note disclosure discussion. Shiela Gall asked about the value of an annual number when many projects are multi-year, she is also concerned about the burden if there was a need for excessive detail. Timothy Maule mentioned that they disclose this type of information in the construction commitment note and was thinking that there may be a way to use that note to disclose capital expenditures and reduce duplication. Bret and Timothy volunteered to speak with the BARS team further as SAO researches this topic.

Bret Brodersen commented that the Washington Finance Officers Association, Professional Rules and Operational Standards Committee will be meeting to discuss the GASB documents for comments and invited members who want to participate in that meeting to let him know.

Stacie opened the floor for questions, comments, and concerns related to BARS, GASB, or Annual Filing. Nothing was brought forward.

SAO Resources

Niles Kostick, Manager for the Center for Government Innovation, provided an update on the new and updated resources from SAO.

Niles noted that the Financial Intelligence Tool (FIT) has several new features that are coming soon, including improved clarity on the financial health outlooks, comparing government to government data (up to six), displaying statewide averages, and more. He provided a visual walkthrough of some of the upcoming changes.



Office of the Washington State Auditor Pat McCarthy

Niles provided an update on the lean program, noting they are fully staffed and serving governments across the state with no waitlists. He also noted that recently a client provided a recorded testimonial about their recent lean experience.

The Center has the following resources coming soon: Third Party Cash Receipting, Segregation of Duties which includes grant monitoring, Change Order Best Practices and Responsible Bidder Checklist, and IT Related – Backup and Recovery Best Practices and IT Policies. Niles noted that the Cash Basis Financial Statement Checklist has been updated and posted, just in time for the 12/31-year end filers.

In addition to the lean opportunities, the Center continues to offer leadership and strengths workshops and cyber check-ups.

Questions or comments for the Center, email center@sao.wa.gov.

Open Discussion

Stacie opened the floor for open discussion.

Stacie noted she continues to work with several associations for the nominations to fill a handful of vacant seats on the committee.

Remaining Meeting Schedule for 2025

Wednesday, September 10, 2025, 9:00am-10:30am

Virtual

Wednesday, December 10, 2025, 9:00am-11:00am

Virtual

Meeting adjourned at 9:59 am.