# Office of the Washington State Auditor
# Pat McCarthy

## Local Government Advisory Committee (LGAC)
**Meeting Minutes**
September 10, 2025
9:00am – 10:30 am
Virtual Meeting – Microsoft Teams



**Member attendance:**

| Member name | Attendance Status | Member name | Attendance Status |
|---|---|---|---|
| Brodersen, Bret | Present | Knudson, Katrina | Present |
| Clark, Kathy | Present | Liang, David | Present |
| Corin, Shannon | Present | McMillan, Sandi | Present |
| Curbow, Nick* | Present | Olander, Scott | Unexcused |
| Fulton, Katrina | Present | Pohle, Derek | Present |
| Gall, Sheila | Present | Prada, Stacie | Present |
| Goodrich, Scott | Unexcused | Riley, Michael | Present |
| Hall, Mary | Present | Robacker, Tanya | Present |
| Hendren, Alisha | Present | Quichocho, Anna | Unexcused |
| Hinchliffe, Randy | Present | Seibel, Amy | Present |
| Jimenez, Grace | Present | Tellers, Stacie - Chair | Present |
| Knudson, Erin | Present | Williams, Jason | Present |

**appointment pending*

**Other attendees:**
Bishop, Olivia (Library) | Booher, Debbie (City) | Hill, Shawn (County) | Kelly, Mitchell (County) | Maule, Timothy (Fire) | Rogers, Danette (Transit) | Stimson, Mary (Library) | Streissguth, Kathy (Fire) | Wilson, Kimberly (Housing) | Zhang, Wenju (County)

**SAO Staff in attendance:**
Browning, Roxann | Choy, Wendy | Collins, Kelly | Cowgill, Christie | Crouch, Olivia | McCarthy, Pat | Montgomery, Ryan | Pagio, Kayley | Strand, Ann | Vandenburg, Vivian | Watkins, Tina

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### 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.

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

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**Approval of Minutes from the April 30, 2025 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 April 2025 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 know that your time is valuable. We value the opinions from the associations and local governments on the work SAO does and Pat encourages the committee to share their comments and questions.

Pat has been visiting the regional associations for the last few months and listening to the concerns regarding changes to accounting standards. Our office's Scott DeViney and Stacie Tellers recently participated in the GASB's public forum to discuss proposed standard changes. https://www.sao.wa.gov/the-audit-connection-blog/saos-scott-deviney-and-stacie-tellers-advocate-behalf-washingtons-governments-gasb-advisory-roles

Pat recently became the President of the National Association of State Auditors. The association recently produced a white paper on the key roles that state auditors play in the government accountability community. Pat shared the following link to the white paper. https://www.nasact.org/files/News_and_Publications/White_Papers_Reports/NSAA_white_paper_for_web.pdf

Pat stated that she continues to meet with State Legislators regarding issues in both the state and local government areas and with the legislative session to start soon those meetings will ramp up.

**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 April 2025 meeting.

Olivia Crouch, Assistant Audit Manager for the Local Government Support Team, reviewed the updates from GASB and the impact on BARS.

Olivia spoke to GASB 104, *Disclosure of Certain Capital Assets* and a possible note disclosure for Cash BARS. She mentioned that the BARS team continues to review proposals for a note disclosure related to the amount of capital outlays reported on cash financial statements. She presented a proposed update to the note for discussion, which included adding a column to the existing table to disclose the current year capital expenditures for disclosed projects. Capital expenditures are coded to BARS codes 594-595. Derek Pohle, Mary Stimson, Bret Brodersen, and Sandi McMillan provided input on the proposed table. Suggestions included listing capital expenditures by function of government, by project type, mix of both options, adding an additional table for single year items such as equipment and fleet vehicles and questions about possible thresholds for what is required to be listed. Olivia will continue to work through the proposal and bring additional information at the next committee meeting.

Stacie opened the floor for questions, comments, and concerns related to BARS, GASB, or Annual Filing. Stacie opened the conversation regarding the email from Committee member Amy Seibel which included proposed edits to the GAAP BARS guidance on fully depreciated assets and updating the guidance to include GASB 100, *Accounting Changes and Error Corrections* language. The Committee reviewed the proposed updated language. Amy thanked the BARS team for addressing her email and stated the update met her expectations. Derek, Bret, Mitchell Kelly, and Katrina Knutson provided input and questions on if this impacts any modified approach to infrastructure assets, possible impacts to electric utilities and PUDs regarding their generational components and homogenized asset pools, and the change in perspective of why this may be an error correction and not a change in accounting estimate. Stacie noted that the BARS research group will look into the regulated industries to see if there is additional information on fully depreciated assets and follow-up. The BARS team does need to make the necessary updates to BARS to ensure accurate guidance regarding when the calculation date needs to be for the reassessed estimated useful life, which will occur in the December 2025 update.

**Open Discussion**
Stacie opened the floor for open discussion. Nothing was brought forward.

**Remaining Meeting Schedule for 2025**
Wednesday, December 10, 2025, 9:00am-11:00am Virtual

**Meeting adjourned at 10:00 am.**