



**SPECIAL MEETING MINUTES
CITY OF STILLWATER AUDIT COMMITTEE
APRIL 23, 2025
3:30 PM**

**Norman McNickle Municipal Complex, Room 1112B
723 S Lewis Street
Stillwater, OK 74074**

- 1. Call Meeting to Order

Meeting was called to order by Chair Kelly Cox at 3:32 p.m.

- 2. Introduction of Members, External Auditors and City Staff

**Members Present: Chair Kelly Cox, Austin Pollard, Rachel Domnick, Randy Murray
Members Absent: Devin Zacharius
Ex-officio member present: Councilor Kevin Clark, Assistant City Manager and Finance Director Christy Cluck
City Staff Present: Assistant City Attorney Ashlyn Garis, Accounting Manager Jared Thulin, Finance Manager Michelle Wilhelm, City Clerk Teresa Kadavy**

- 3. Public Comment

No public comment.

- 4. General Orders

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| a. | <p>Approval of minutes of the December 18, 2024 special meeting</p> <p>Motion by Pollard, second by Murray to approve the minutes from the December 18, 2024 special meeting.</p> <p>Cox-Yea, Pollard-Yea, Domnick-Yea, Murray-Yea.</p> <p>Motion carried with four yea votes.</p> |
| b. | <p>Discussion, consideration and possible direction to staff on the following:</p> |
| i. | <p>follow-up to fiscal year 2024 audit</p> |

Accounting Manager Jared Thulin reported that he is working with Electric Department staff to set-up a new inventory system for the Stillwater Energy Center's warehouse and that set-up would be complete prior to the physical inventory counts in June. This will provide consistent perpetual inventory systems at all four major warehouses across the City.

Thulin stated he has discussed and worked with staff on the City's capitalization processes to ensure that appropriate decisions are made when capitalizing items in accordance with the City's policy.

Thulin answered the Committee's questions.

- ii. implementation of new and application of existing Governmental Accounting Standards Board pronouncements

Accounting Manager Jared Thulin stated that there are two new GASB standards for FY25. GASB 101: Compensated Absences is intended to update the recognition and measurement guidance for compensated absences. Staff expects the amount of liability reported in the financial statements will increase. Calculation assumptions will be discussed with the auditors prior to implementation.

Thulin stated GASB 102: Certain Risk Disclosures requires the government to disclose a concentration of risk or constraint that may be material to the government. Staff does not expect to have any reporting requirements in FY25.

Thulin also explained two items, the SUA Revenue Bond Refunding and the Wartsila Major Overhaul, that would be significant transactions in the FY25 financial statements and the application of existing GASB standards to these transactions.

Thulin answered the Committee's questions.

- c. Consider recommendation to the City Council to select a firm for the external audit of the City of Stillwater and related trusts for the fiscal year ending June 30, 2025.

Assistant City Manager and Finance Director Christy Cluck reported that HSPG has completed years one and two of a three-year engagement with the City. She stated the importance of a well-planned and organized audit by the auditors and regular communication between the auditors and City staff throughout each annual audit. Cluck stated that challenges have arisen in both of these areas during the first and second years of the engagement. If HSPG is engaged for a third year, City staff will request that the auditors be on-site more during fieldwork and will schedule regular

touch base meetings to be held throughout the audit. Cluck answered the Committee's questions.

Motion by Pollard, second by Domnick to recommend to the City Council to select HSPG for the external audit of the City of Stillwater and related trusts for the fiscal year ending June 30, 2025.

Cox-Yea, Pollard-Yea, Domnick-Yea, Murray-Yea.
Motion carried with four yea votes.

5. Adjourn.

Motion by Pollard, second by Murray to adjourn the April 23, 2025 Audit Committee Special Meeting.

Cox-Yea, Pollard-Yea, Domnick-Yea, Murray-Yea.
Motion carried with four yea votes.

Meeting adjourned at 4:16 p.m.



Kelly Cox, Chair



Christy Cluck, Asst City Manager & Finance Director