

APPROVED ON 12/12/2025



**CITY OF SCOTTSDALE
AUDIT COMMITTEE
REGULAR MEETING MINUTES**

**City Hall
Kiva Conference Room
3939 N. Drinkwater Boulevard
Scottsdale, AZ 85251**

Friday, September 26, 2025

PRESENT: Councilwoman Maryann McAllen, Chair
Councilman Barry Graham (via Teams)
Councilwoman Solange Whitehead

STAFF: Lai Cluff, Acting City Auditor
Elizabeth Brandt, Senior Auditor
Mel Merrill, Senior Auditor
Shelby Trimaloff, Executive Assistant to City Auditor
Tom Shannon, Chief, Scottsdale Fire Department

GUESTS: John Gilbert, Chair, Judicial Appointments Advisory Board

CALL TO ORDER / ROLL CALL

The meeting was called to order at 3:00 p.m. A formal roll call confirmed the presence of Committee Members as noted above.

PUBLIC COMMENT

No spoken or written comments were presented.

REGULAR AGENDA

1. Approval of Minutes

COUNCILWOMAN WHITEHEAD MOVED FOR APPROVAL OF THE REGULAR MEETING MINUTES OF JUNE 26, 2025. COUNCILMAN GRAHAM SECONDED THE MOTION. MOTION APPROVED 3-0 WITH CHAIR MCALLEN, COUNCILWOMAN WHITEHEAD, AND COUNCILMAN GRAHAM VOTING IN THE AFFIRMATIVE. THERE WERE NO DISSIDENTING VOTES.

2. Judicial Appointments Advisory Board Sunset Review

Senior Auditor Mel Merrill provided an overview of the Judicial Appointments Advisory Board's (JAAB's) purpose and review process per Scottsdale's Revised Code §2-347 and the annual reports for calendar years 2022 and 2024. There were no vacancies or appointments to consider in 2023, therefore the JAAB did not meet or submit a report for that year. Mr. Merrill reminded the Committee they are to make a recommendation to the City Council to continue, modify its purpose, or terminate the board.

Present on behalf of the JAAB was Chair John Gilbert, who spoke about the makeup of the board of volunteers and how well they worked together. Chair Gilbert shared an overview of the recent application process that was narrowed down to four candidates being recommended to the City Council for consideration.

COUNCILWOMAN WHITEHEAD MOVED TO RECOMMEND TO THE CITY COUNCIL TO CONTINUE THE JUDICIAL APPOINTMENT ADVISORY BOARD. COUNCILMAN GRAHAM SECONDED THE MOTION. MOTION APPROVED 3-0 WITH CHAIR MCALLEN, COUNCILWOMAN WHITEHEAD, AND COUNCILMAN GRAHAM VOTING IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

3. Audit No. 2409, Fire Staffing and Succession Planning

Senior Auditor Elizabeth Brandt provided an overview of the Fire Department's audit. The Scottsdale Fire Department was established in 2005, and many of the firefighters hired at that time are now eligible to retire through the Public Safety Personnel Pension System.

Ms. Brandt reviewed the potential impact of retirements on the Department's current staffing and succession planning efforts, as well as her findings.

1. The succession plan can be improved by implementing a strategic approach to prepare for the retirement of over 60 percent of supervisory and leadership positions eligible for retirement. Promotional academies for captains and battalion chiefs have been implemented. A strategic approach should include creating a career development guide, assessing skills of the existing workforce and developing a plan to fill identified gaps, and tracking training-related costs.
2. The use of overtime to cover daily shifts is costly and eliminates the ability to hire and train additional staff to fill vacancies. Staffing for minimum daily coverage will exceed the number of required positions for FY25/26. The Department utilizes a staffing calculator to determine the necessary number of firefighters to maintain constant coverage for all services 24 hours a day, 365 days a year, but it has not accounted for increased promotions, job changes, or time spent on training and special events, among other things.

Scottsdale Fire Chief Tom Shannon spoke about the importance of a document that provides a professional development plan by rank and skillset. He stated the audit was valuable, and he agrees with the findings and the need to be more aggressive in response to the concentration and intensity of departures expected to occur over the next two to four years. The challenge is to match financial and training resources, but the market is increasing in terms of the amount of recruitment training for all levels.

Councilwoman Whitehead discussed her support over the years for Chief Shannon and the Fire Department. The audit found holes and gaps that may not have been visible without it. She

spoke about work that Council has done to provide resources crucial to solving this problem including building a training facility, approving equitable pay, and funding Preserve protection through Prop 490. She emphasized the importance of voters understanding that investing in the community is investing in themselves.

Chair McAllen commented on the thorough audit, with findings related to regulations within the Fire Department, preparations for retirements, and funding on the City's part.

Chief Shannon stated there were very few concerns about the audit, but it was important for him to make sure everyone knew that the results of the audit were not a surprise, and that they had been working on this. The audit found it is necessary to have a document that anyone with very little knowledge can see and understand the plan to replace staff that are leaving.

Councilwoman Whitehead noted this is a challenge but will also provide great promotional and growth opportunities that firefighters should take advantage of.

COUNCILWOMAN WHITEHEAD MOVED TO ACCEPT AUDIT 2409 FIRE STAFFING AND SUCCESSION PLANNING AS SUBMITTED. COUNCILMAN GRAHAM SECONDED THE MOTION. MOTION APPROVED 3-0 WITH CHAIR MCALLEN, COUNCILWOMAN WHITEHEAD, AND COUNCILMAN GRAHAM VOTING IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

4. City Auditor Updates, Including Status of FY 2025/26 Audit Plan

Lai Cluff, Acting City Auditor, provided an overview of the FY2025/26 Audit Plan status, highlighting the changes. The Fire Staffing and Succession Planning audit is complete and was presented at this meeting. The Procurement of Construction Services audit is in progress and, although behind, it is planned to be presented next month. The E-Verify Compliance audit for FY2025/26 just began with selecting sample verification, and the next two audits will be for Fleet Maintenance and Technology Asset Management. The FY2024/25 External Financial Audit is in progress; it was initially planned to be completed in November but will be moved to the December meeting. The IT audit is in the preliminary topic scoping stage, and future updates will be provided as they become available. The Human Services Advisory Commission Sunset Review has been rescheduled to the December meeting to allow the HSAC Chair to be present.

5. Possible Items for the Next Meeting

Lai Cluff, Acting City Auditor, advised the Committee that the next meeting will be on December 12, 2025. The potential topics will include Sunset Reviews for the Transportation Commission, the Paths and Trails Subcommittee, and the Human Services Advisory Commission. Additional topics include the completed External Financial Audit Report, the 1st Quarter Follow Status of Audit Recommendations, and the Procurement of Construction Services audit.

Adjournment

With no further business to discuss, being duly moved by Councilwoman Whitehead and seconded by Councilman Graham, the meeting adjourned at 3:25 p.m.

SUBMITTED BY:
eScribers, LLC.