

APPROVED ON 04/24/26



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

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

Friday, February 27, 2026

PRESENT: Councilwoman Maryann McAllen, Chair
Councilman Barry Graham (via video conferencing)
Councilwoman Solange Whitehead (arrived 3:06 pm)

STAFF: Lai Cluff, Acting City Auditor
Mel Merrill, Senior Auditor
Mandi Bradley, Auditor
Shelby Trimaloff, Executive Assistant to City Auditor
Rick Wielebski, Aviation Director
Holly Peralta, Interim Sr. Director Communications & Public Affairs
Steve Geigamah, Tourism Development Manager
Mary Witkofski, Housing and Community Asst. Manager
Eveline Vanda, Purchasing Manager
Jennifer Fernandez, Assistant City Attorney

GUESTS: April Beauboeuf, Chair, Airport Advisory Commission
Justin Layman, Chair, Veterans Advisory Commission
Anna Mineer, Chair, Tourism Advisory Commission
Chris Montgomery, Vice Chair, Tourism Advisory Commission
Joseph Shershenovich, Commissioner, Tourism Advisory Commission
Jared Young, Audit Manager, Heinfeld Meech

CALL TO ORDER / ROLL CALL

The meeting was called to order at 3:01 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, Regular Meeting – December 12, 2025

COUNCILMAN GRAHAM MOVED FOR APPROVAL OF THE REGULAR MEETING MINUTES OF DECEMBER 12, 2025, AS WRITTEN. CHAIR MCALLEN SECONDED THE MOTION. MOTION APPROVED 2-0 WITH CHAIR MCALLEN AND COUNCILMAN GRAHAM VOTING IN THE AFFIRMATIVE.

2. Airport Advisory Commission Sunset Review

Senior Auditor Mel Merrill provided a summary of the Airport Advisory Commission's purpose per Scottsdale's Revised Code. The requested action of the Committee is to make a recommendation to the City Council to continue or terminate the Commission.

- Annual reports for calendar years 2022 through 2024 were provided.
- Chair April Beauboeuf and Aviation Director Rick Wielebski were in attendance for the Airport Advisory Commission's review.

CHAIR MCALLEN MOVED TO RECOMMEND TO THE CITY COUNCIL TO CONTINUE THE AIRPORT ADVISORY COMMISSION. COUNCILWOMAN WHITEHEAD SECONDED THE MOTION. MOTION APPROVED 3-0 WITH CHAIR MCALLEN, COUNCILMAN GRAHAM, AND COUNCILWOMAN WHITEHEAD VOTING IN THE AFFIRMATIVE.

3. Veterans Advisory Commission Sunset Review

Senior Auditor Mel Merrill provided a summary of the Veterans Advisory Commission's purpose per Scottsdale's Revised Code. The requested action of the Committee is to make a recommendation to the City Council to continue or terminate the Commission.

- Annual reports for calendar years 2022 through 2024 were provided.
- Chair Justin Layman and Sr. Director of Communications & Public Affairs Holly Peralta were in attendance for the Veterans Advisory Commission's review.

COUNCILWOMAN WHITEHEAD MOVED TO RECOMMEND TO THE CITY COUNCIL TO CONTINUE THE VETERANS ADVISORY COMMITTEE. COUNCILMAN GRAHAM SECONDED THE MOTION. MOTION APPROVED 3-0 WITH CHAIR MCALLEN, COUNCILMAN GRAHAM, AND COUNCILWOMAN WHITEHEAD VOTING IN THE AFFIRMATIVE.

4. Tourism Development Commission Sunset Review

Senior Auditor Mel Merrill provided a summary of the purpose of the Tourism Development Commission per Scottsdale's Revised Code. The requested action of the Committee is to make a recommendation to the City Council to continue or terminate the Commission.

- Annual reports for calendar years 2022 through 2024 were provided.
- Chair Anna Mineer, Vice Chair Chris Montgomery, Commissioner Joe Shershenovich, and Tourism Development Manager Steve Geigamah were in attendance for the Tourism Development Commission's review.

In response to a question from Councilman Graham regarding membership requirements in the Commission bylaws, Chair Mineer discussed the current membership composition and stated that minor clarifications are being finalized for Council consideration.

COUNCILMAN GRAHAM MOVED TO RECOMMEND TO CITY COUNCIL TO CONTINUE THE TOURISM DEVELOPMENT COMMISSION. CHAIR MCALLEN SECONDED THE MOTION. MOTION APPROVED 3-0 WITH CHAIR MCALLEN, COUNCILMAN GRAHAM, AND COUNCILWOMAN WHITEHEAD VOTING IN THE AFFIRMATIVE.

5. Update on completion of FY 2024/25 annual financial reports

Heinfeld Meech Audit Manager Jared Young reviewed the completion of the remaining FY 2024/25 financial reports:

- a. Single Audit Report – Issued 1/8/26: The reports were clean with no issues or internal control findings.
- b. Annual Expenditure Limitation Report (AELR) – Issued 1/23/26: The report complied with Article IX, Section 20 of the Arizona Constitution that limits annual expenditures of public entities.
- c. HUD REAC AUP Report – Issued 2/20/26: The Department of Housing and Urban Development (HUD), requires annual reporting for public housing agencies. This report confirms that the reports agree to the underlying City records.

6. Audit No. 2602, E-Verify Compliance

Acting City Auditor Lai Cluff provided an overview of the results for Audit No. 2602, E-Verify Compliance for FY 2025/26. The purpose of this regularly-scheduled audit is to confirm whether selected City contractors and their subcontractors are using the E-Verify program to verify employment eligibility of those working on City contracts, as required by Arizona law.

- Most contractors reviewed demonstrated compliance with the requirements. Ms. Cluff discussed the exceptions noted in the report, including one that was missing documentation for 1 of 5 employees.
- For the purpose of this audit, non-compliance with the use of E-Verify does not mean that the employee is not employment eligible, only that the employer did not use the system to verify eligibility. Failure to comply with the E-Verify requirement may subject a contractor or subcontractor to penalties up to and including termination for breach of City contract.
- The contractors have been notified of the results. The City contract administrator and the Purchasing department will follow up on non-compliance. Assistant City Attorney II Jennifer Fernandez provided additional information on legal requirements.

COUNCILWOMAN WHITEHEAD MOVED TO ACCEPT AUDIT NO. 2602, E-VERIFY COMPLIANCE, AS SUBMITTED. COUNCILMAN GRAHAM SECONDED THE MOTION. MOTION APPROVED 3-0 WITH CHAIR MCALLEN, COUNCILMAN GRAHAM, AND COUNCILWOMAN WHITEHEAD VOTING IN THE AFFIRMATIVE.

7. City Auditor updates, Including Status of FY 2025/26 Audit Plan

Acting City Auditor Lai Cluff discussed the status of the current audit plan:

- Audits in progress.
- Audits to be ready for presentation at the next meeting.
- FY 2025/26 Sunset Review schedule has been completed.

Chair McAllen inquired how to add an audit to the audit plan. Ms. Cluff commented that preliminary discussions for next year's audit plan will be on the agenda for the next committee meeting.

8. Possible Items for Next Meeting

Acting City Auditor Lai Cluff provided an overview of possible agenda items for the tentative meeting date of April 24, 2026.

Adjournment

With no further business to discuss, being duly moved by Councilwoman Whitehead and seconded by Councilman Graham, the meeting adjourned at 3:45 p.m.

SUBMITTED BY:
Shelby Trimaloff, Executive Assistant to the City Auditor