

CITY OF NORTH SALT LAKE
AUDIT COMMITTEE MEETING
COUNCIL CONFERENCE ROOM
10 EAST CENTER STREET, NORTH SALT LAKE
FEBRUARY 18, 2025

FINAL

COMMITTEE MEMBERS PRESENT: Brian Horrocks, Mayor; Lisa Watts Baskin, City Council; Suzette Jackson, City Council.

STAFF PRESENT: Ken Leetham, City Manager; Heidi Voordeckers, Finance Director.

OTHERS PRESENT: Dee Lalliss, resident.

1. WELCOME

Committee Member Horrocks welcomed those present and called the meeting to order at 5:03 p.m.

2. APPROVAL OF AUDIT COMMITTEE MINUTES

The Audit Committee minutes of December 3, 2024 were reviewed and approved, as written.

Committee Member Jackson moved to approve the Audit Committee minutes of December 3, 2024. Committee Member Horrocks seconded the motion. The motion was approved by Committee Members Horrocks and Jackson. Committee Member Baskin was excused.

3. REVIEW AND COMPARISON OF ANNUAL AUDIT SERVICE COSTS

Heidi Voordeckers reported on the cost of the annual audit service. She shared 2023 data from the transparency website showing which audit firms multiple Utah cities utilized and the cost paid for their annual audit. She explained that the City prepared their own annual comprehensive finance report (ACFR) and mentioned that some cities utilized one firm to conduct their audit and another firm to prepare the report. She noted that the City paid \$33,450 in 2023 which was the 53rd most expensive out of 76 cities. She said \$30,000 was the average cost for an audit and that prior to receiving federal funds (ARPA and CARES funds) the City paid around \$22,000 per annual audit.

The Committee reviewed the list of cities and audit cost and discussed presumed comparisons to population and budgets. They determined it would be reasonable to obtain bids from other audit firms.

Heidi Voordeckers commented that the City had used Child Richards (formerly Woods Richards) since 2009 and it was best practice to switch firms on occasion. She noted that she had worked with several different audit firms and found them similar to work with.

Committee Member Baskin arrived at 5:08 p.m.

Committee Member Baskin questioned the difference between a single audit and other audit types. Heidi Voordeckers clarified that a single audit was an audit of those specific transactions related to federally funded projects such as ARPA or UDOT. She noted that the cost for a single audit ranged from \$5,000 to \$10,000.

Heidi Voordeckers reviewed the firms she had previously worked with and the qualifications to look for when evaluating the proposals for a new audit firm including level of experience, similar work (cities they have worked with), and those firms who would invest the necessary time with staff and the Audit Committee.

4. REVIEW PROPOSED AMENDMENTS TO THE CITY PROCUREMENT ORDINANCE

Heidi Voordeckers reported on the proposed amendments to the City Procurement Ordinance. She commented that she had reviewed multiple procurement policies from other municipalities and had included the most concise and straightforward procedures into the City's policy. She spoke on the changes to the RFP process including when a project went out to bid and noted that the dollar thresholds would remain the same but the proposed amendment would include a section for "method of award" related to the procurement practices including lowest cost, best value, or most qualified (at the discretion of the department head). She noted the proposed amendments included:

- Clarifying the method of award may be cost, best value, or most qualified
- Replacing the language related to "competitive bidding" with "competitive solicitation"
- Revision of the statutory threshold for the Class C requirement to \$350,000

Committee Member Baskin asked if the City Attorney had reviewed the proposed changes. Heidi Voordeckers replied that the City Attorney had not sent any corrections or comments at this time.

Committee Member Jackson left the meeting at 5:23 p.m.

Heidi Voordeckers questioned if the Committee would be amenable to staff presenting these changes to the City Council for approval. She explained that the RFP for audit services would need to be posted soon to ensure that a contract was awarded prior to the beginning of the audit on July 1, 2025.

Committee Member Baskin moved that the Audit Committee recommend the enactment of Exhibit A procurement provisions of supplies, materials, equipment, and contractual services and have this presented to the City Council for its action. Committee Member Horrocks seconded the motion. The motion was approved by Committee Members Baskin and Horrocks. Committee Member Jackson was excused.

5. REVIEW PROPOSED RFP FOR AUDIT SERVICES

Heidi Voordeckers presented the proposed RFP for audit services. She said overall it consisted of standard language but included some requests unique to the City including a reporting deadline of December 15th. She shared that the submissions would be received by the City Recorder who would direct any technical questions related to the RFP to the appropriate staff. She provided the submission deadline of March 13th for audit services followed by an Audit Committee meeting later in March or April to review the proposals.

Committee Member Jackson returned to the meeting at 5:27 p.m.

Ms. Voordeckers continued her review of the RFP including evaluation criteria, establishing a five year contract, scoring weighting, licensing, conflict of interest, etc. She explained that while the proposal was for a five year contract with set pricing, the City could terminate the contract subject to annual performance evaluations, budget appropriations, and other City needs. She clarified that the actual contract would also have additional protections for the City.

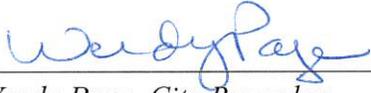
6. SET TIME AND AGENDA ITEMS FOR NEXT AUDIT COMMITTEE MEETING

Heidi Voordeckers proposed that the next meeting be held on March 18th to review the audit firm proposals. She would prepare a scoring form for the Committee that included the criteria that had been discussed. She suggested the agenda include the review of the proposals and a review of a draft Hardship Policy incorporating the items discussed at the previous audit committee meeting.

7. ADJOURN

The meeting was adjourned at 5:52 p.m.

The foregoing was approved by the Audit Committee of the City of North Salt Lake on March 18, 2025 by unanimous vote of all members present.



Wendy Page, City Recorder

