

Audit

Follow Up

As of September 30, 2006



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Fire Operations

(Report #0612 issued April 25, 2006)

Report #0705

November 28, 2006

Summary

The applicable City departments have completed/addressed five of the eight action plan steps that were developed for this audit, each due for completion no later than September 30, 2006. For the three remaining action plan steps, one was partially completed, and two have not been completed and their completion dates have been amended.

In audit report #0612, we identified issues related to the acquisition and disposal of fire vehicles, the inspection, testing, repairing and accounting for fire hydrants, ladders, and hoses, and the accounting for fire vehicles. We provided specific recommendations to address these issues.

Overall, the Water Utility (Water), Fire Department (Fire), and Accounting Services Division (Accounting) have taken the following actions:

- Fire and Water signed a memorandum of agreement specifying each department's responsibilities related to the inspection and maintenance of fire hydrants, effective October 11, 2006. We did note, however, that neither department was assigned the responsibility of testing the water flow from the hydrants. This is a recommended procedure to ensure there is adequate water flow available from all hydrants when needed. Management is exploring alternative solutions to maximize resources and ensure an adequate water flow to all hydrants.
- Water developed and implemented a process to uniquely identify fire hydrants, and assign and track maintenance and inspections performed on the hydrants.

- Fire determined that Florida Statute 633.082 was the appropriate authority to encourage Talquin Electric Cooperative, Inc. (Talquin) to complete their responsibilities related to the identification and maintenance of fire hydrants.
- Accounting conducted further research regarding the methodology to account for the City's Fleet Reserve.

Actions plan steps that are in process and have not been completed include:

- (1) Implementation of the responsibilities outlined in the October 11, 2006, Fire and Water memorandum of agreement. Approximately 80% of the process has been implemented.
- (2) Development and execution of a written agreement with Talquin identifying each organization's responsibilities related to the inspection and maintenance of fire hydrants, and the process to notify Fire when new hydrants are added onto the Talquin water system.
- (3) Review of the Fleet Management Policy to clarify the language to ensure that the vehicle replacement rate calculation meets the City policy's intentions.

Scope, Objectives, and Methodology

The original audit and this subsequent follow up were conducted in accordance with Generally Accepted Government Auditing Standards and Standards for the Professional Practice of Internal Auditing. This follow up was for the period April 1, 2006, through September 30, 2006.

Report #0612

The scope of report #0612 included a review of selected fire operations during selected periods from 1987 through 2004. The primary objectives were to determine whether the:

- 1) Acquisition and disposal of fire vehicles were in accordance with City policies and procedures;
- 2) Inspection, testing, repairing, and accounting for fire hydrants, ladders, and hoses were in accordance with Fire and City policies and procedures and industry standards; and
- 3) Methodology utilized by Department of Management and Administration (DMA) provides an adequate accounting for the funding and replacement of vehicles acquired and used by Fire.

Report #0705

This audit follow up is to report on the progress and status of efforts by applicable City departments to complete action plan steps due for completion during the period April 1, 2006, through September 30, 2006. This is our first follow up on action plan steps identified in audit report #0612. To determine the status of the action plan steps, we interviewed staff and reviewed the relevant documentation provided by the Fire, Water, and Accounting.

Background

Fire provides professional fire protection and rescue services from 15 stations and emergency medical services from five stations. These stations are located throughout Tallahassee and unincorporated Leon County. The response area covers 671 square miles and serves a population of approximately 260,000.

The City and Leon County have a Fire Services Agreement describing the fire protection services to be provided to the citizens, and the responsibilities of City and the County. Included in the agreement is the recognition of and cooperation with County Volunteer Fire Departments (VFD)s. There are six County Volunteer Fire Departments that have entered into separate mutual aid agreements with the City: 1) Chaires-Capitola; 2) Lake Jackson; 3) Lake Talquin; 4) Miccosukee; 5) Woodville; and 6) Lake Iamonia. Responsibilities related to the VFDs and the City Fire Department are dictated through the Fire Services Agreement and related amendments,

and policy clarification letters; volunteer mutual aid agreements; and vehicle lease agreements.

Fire departments draw on a variety of resources to provide fire protection services, including:

- Employees - firefighters and administrative support staff.
- Buildings – fire stations, training facility, and storage.
- Vehicles – ladder, pumper, tanker, and brush trucks.
- Fire hydrants.
- Equipment – including, but not limited to, hoses, ladders, hydrant wrenches, “jaws of life” tools, chain saws, ropes, portable breathing apparatus, flashlights, and radios.

Fire has developed standard operating procedures (SOPs) to provide guidelines for testing fire hydrants, hoses, and ladders, as well as the minimum training requirements for firefighters. In addition, there are inspection procedures for vehicles and equipment that firefighters perform at prescribed intervals (i.e., at each shift change, once a week, quarterly, yearly). All of these procedures are safeguards to ensure that staff and equipment are “ready” to respond to fire emergencies.

City fire services activities are accounted for in an enterprise fund. Enterprise funds are used to report activity for which fees are charged to external users for goods or services provided. For this type of fund, fees and charges should be established to recover all costs, including capital costs such as depreciation and debt service.

Fire vehicles, as well as all other City vehicles (with the exception of StarMetro buses and vehicles), are managed and maintained by the City’s Fleet Management Division. All City vehicles are accounted for as assets of the Fleet Management Division within the City’s financial statements. Similarly, related depreciation is recorded as an expense of the Fleet Management Division. The Fleet Management Division is also responsible for managing the Fleet Reserve Fund, which is used to procure replacement vehicles for all City vehicles, including Fire. Currently, Fire has a total of 96 vehicles costing approximately \$17 million, consisting of 49 fire trucks (ladder, pumper, and brush), 28 automobiles and pickup trucks, 14 trailers, and 5 boats.

Previous Conditions and Current Status

In report #0612, we noted areas where there was compliance with City policies and procedures, as well as areas where improvements could be made. Areas for improvement were related to: 1) the acquisition and disposal of fire vehicles; 2) identifying, testing, and repairing of fire hydrants, ladders, and hoses; and 3) the method of accounting

for and funding of fire vehicles.

As of September 30, 2006, five of the eight action plan steps have been addressed and completed, one is in process, and two have not been completed and their completion dates have been amended. One item related to amending the Fire Services Fee was addressed, deemed no longer necessary, and deleted. Table 1 identifies the action plan steps and describes the current status.

**Table 1
Action Plan Steps from Audit Report #0612
Due as of September 30, 2006, and Current Status**

Action Plan Steps Due as of September 30, 2006	Current Status
<i>Fire hydrant testing, maintenance, reporting, and notification</i>	
<ul style="list-style-type: none"> • Develop a written agreement and process identifying the responsibilities of each department related to the inspection and maintenance of fire hydrants. 	<p>✓ Completed. Water and Fire developed and approved a memorandum of agreement for Inspection and Maintenance of Fire Hydrants, dated October 11, 2006. <i>Auditor Comment: The agreement, however, does not identify who is responsible for testing the water flow for the hydrants. Fire’s Standard Operating Procedure #934.00 “Annual Hydrant Testing and Maintenance” states that Fire is “responsible for ensuring hydrants are tested in accordance with departmental procedure” as listed in the #934.00. AWWA states that the hydrant owners are responsible for ensuring all hydrants have an adequate water flow that can be delivered. Fire and Water management are working together to explore alternative solutions to maximize resources and ensure there is adequate water flow to all hydrants.</i></p>
<ul style="list-style-type: none"> • Execute and implement the written agreement identifying the responsibilities of each department related to the inspection and maintenance of fire hydrants. 	<p>◇ In progress. The agreement, signed on October 11, 2006, is being implemented. The identified process is approximately 80% implemented. Management expects to have the process fully implemented by January 1, 2007.</p>
<ul style="list-style-type: none"> • Develop and implement a process to uniquely identify fire hydrants by all parties related to the inspecting, testing, and maintenance of fire hydrants. 	<p>✓ Completed. Water developed and implemented a numbering schema to uniquely identify fire hydrants. The hydrants have been input into the City’s Geographical Information System and can be accessed by the location on a map or via the assigned identifier.</p>
<ul style="list-style-type: none"> • Develop and execute a written agreement between the City and Talquin identifying each organization’s responsibilities related to the inspection and maintenance of fire hydrants, and the process to notify Fire when new hydrants are added onto the Talquin water system. 	<p>○ Not completed. The Fire Chief is scheduled to meet with Talquin management during the first week in December. The completion date for this item has been postponed to December 31, 2006. See current status of the following related item.</p>

<ul style="list-style-type: none"> ● Review the related Fire Services Agreement between the City and Leon County to determine whether the agreement needs to be revised to ensure that Talquin will be required to work with the City related to the inspection, maintenance, and notification of fire hydrants. 	<ul style="list-style-type: none"> ✓ Completed. Fire management determined that there are no requirements of Talquin under the Fire Services Agreement. However, Florida Statute Section 633.082 “Fire Prevention and Control” (revised in July 2006) assigns the responsibility of inspection and notification of non-working fire hydrants to the hydrant owner.
<ul style="list-style-type: none"> ● As deemed necessary in the above step, revise and execute the identified Fire Services Agreement. 	<ul style="list-style-type: none"> Deleted. This is no longer deemed necessary.
<p><i>Accounting practice related to the funding of City vehicles</i></p>	
<ul style="list-style-type: none"> ● DMA conduct further research and consult with the Office of the City Auditor to determine the most appropriate accounting practice for the funding of City vehicles. 	<ul style="list-style-type: none"> ✓ Completed. DMA has conducted further research and provided this information to the City Auditor. <i>Auditor Comment: The City Auditor found the information provided by DMA to be in conflict with other information he has obtained. Therefore, the City Auditor will prepare a separate report to specifically address the issue related to the City’s accounting practice and accountability for the funding of vehicles.</i>
<ul style="list-style-type: none"> ● DMA review the Fleet Management Policy and clarify the language to ensure that the vehicle replacement rate calculation meets the policy’s intentions. 	<ul style="list-style-type: none"> ○ Not completed. The current DMA director retired in October 2006. The completion date has been amended to March 31, 2007, until a new director has been hired and the policy reviewed.

Table Legend:

- - Issue addressed in the original audit
- ✓ - Issue addressed and completed
- ◇ - In progress
- - Not completed

Conclusion

As noted in Table 1, five of the eight action plan steps due as of September 30, 2006, were completed/addressed, one was partially completed, and two have not been completed and their completion dates have been amended.

We did note, however, that neither department was assigned the responsibility of testing the water flow from the hydrants. Fire and Water management are exploring alternative solutions in order to maximize resources while ensuring there is an adequate water flow to all hydrants. We recommend that management continue their evaluation and develop a solution to this issue.

We appreciate the cooperation and assistance provided by staff from Fire, Water, and Accounting during this audit follow up.

Appointed Official’s Response

City Manager:

I'm pleased with the progress and findings of this follow up audit. City departments have already completed five of the eight action plan steps that were developed for this audit. As it relates to the other three action plan steps, one is partially complete, and two have amended completion dates. We appreciate the work on this follow up by staff from the Auditor's Office and I'm confident the improvements that have been implemented will enhance overall fire operations.

Copies of this audit follow up (#0705) or audit report #0612 may be obtained from the City Auditor’s website (<http://talgov.com/auditing/index.cfm>) or via request by telephone (850 / 891-8397), by FAX (850 / 891-0912), by mail or in person (Office of the City Auditor, 300 S. Adams Street, Mail Box A-22, Tallahassee, FL 32301-1731), or by e-mail (auditors@talgov.com).

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