CARSON CITY CONSOLIDATED CITY-COUNTY GOVERNMENT

INTERNAL AUDIT REPORT
TITLE: AUDIT OF THE FIRE DEPARTMENT
NO: CALENDER YEAR 2004-1
DATE: JULY 1, 2004

INSIGHT - ANALYSIS - APPRAISALS - OBSERVATIONS

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AUDIT SCOPE, OBJECTIVES, AND METHODOLOGY

Audit Scope

This audit was performance in nature and therefore focused on economy and efficiency, and effectivity of program results. The economy and efficiency portion of the audit included determining whether the Carson City Fire Department (CCFD) was acquiring, protecting, and using its resources economically and efficiently. The program portion of the audit was designed to determine whether the Department operated in an effective manner, and had complied with applicable laws and regulations both nationally and within the State of Nevada, and whether and to what extent it achieved results or benefits established by the Governing Body. No information was omitted from this report because it was deemed privileged or confidential.

Field work commenced in mid-February, 2004 and was completed in early-May, 2004.

Based upon risk analysis, audit survey and discussions with the auditee, it was determined that the following functional areas would comprise the core scope of the audit. Roman numerals will be used as the Audit Finding number, while letters denote attachments per the Table of Contents above:

I.   Service Level Policies/Managing for Results.
II.   Position Control.
III.   Administrative Division.
IV.   Fire Prevention Division.
V.   Training Division.
VI.   Operations Division.
VII.   EMS Division.
VIII. WECO Division.
IX.   Emergency Management Division.
X.   Business Applications and Automation.

In addition, pertinent areas were followed-up upon from the Abbey Group Consultants (i.e., hereafter referred to as Abbey Group or Abbey) who were contracted by the Carson City Board of Supervisors (BOS) to prepare a Public Safety Master Plan which was submitted to the City in August, 2001.

As the reader can clearly see, the audit scope was intended to survey all seven Fire Department Divisions, along with selected key topics. The depth of audit and analysis was therefore limited to obtaining a broad understanding of the functional area and to concentrate on those items of a higher risk. Several examples of this concentration include fire department scheduling, staffing, response deployment and resultant overtime and EMS financial viability. Indeed, a number of Fire Department Divisions could have been separate stand-alone performance audits, as IA has observed, by obtaining those audit reports from other jurisdictions.
They include, but are not limited to, Fire Prevention, EMS, and Operations Resource Allocation.

Finally, and as a value added internal audit service, Internal Audit (IA) provided interim findings and conclusions, where applicable, to the City Manager for budget hearing purposes in the area of CCFD overtime and EMS financial viability.

Several areas were not addressed, and are therefore considered either scope exclusions or limitations, as follows:

- Items addressed by Abbey Group that, although generally related to the ability to perform, were either considered beyond the scope of this project, or IA observed that they have been previously discussed and are considered closed by City Management and the Board. They included;
  - All issues relating to whether and to what extent CCFD is below the national average in resource categories; both human and equipment (e.g., no Quint apparatus used), as Abbey Group reported by national survey of cities having 50,000 population.
  - Related to the above; any Insurance Services Office (ISO) rating thereof. It should be noted that ISO is conducting an examination of Carson City, with their results due in June, 2004, whereby the rating will be received some time thereafter.
  - Residence requirements.
  - Fleet replacement and upgrading. This area, with regard to the Fire Department, will be dealt with when IA performs its limited scope planned review of the Maximus Fleet Assessment report in conjunction with the City's implementation plan.
  - Carson City Municipal Code (CCMC) Title 15 (Building Code).
  - Performance of other agencies within the scope of existing or proposed Interlocal and Mutual Aid Agreements.
  - Contemplated new Fire Station in North West Carson City.
  - Contemplated new Fire Station building site in East Carson City.
  - Dispatch Operations. Dispatch is operated by the Carson City Sheriff's Office (CCSO) for all emergency responses. IA's audit of Dispatch within the audit of the CCSO will suffice at this time.
  - Dispatch 24/7 Spanish Language capability. Likewise, and as per the above, this was covered at length in IA's audit of the CCSO and will suffice at this time.
  - Fire fighting water availability, water system pressure and volume, and water tender apparatus.
  - US 395 bypass mitigation plan related to Public Safety.
  - Other; i.e., if not specifically mentioned above, will likewise not be dealt with in this Audit Report.
- As mentioned above, the depth of audit coverage of certain areas that, under other audit circumstances, would be stand-alone separate audits.
- The Collective Bargaining Agreement (CBA) between Carson City and the Carson City Classified Chief Officers Association.
- IA did not validate the data base used to derive the three years of response statistics.

Audit Objectives

Our general audit objectives were to evaluate how well the areas being audited:

- Identified and accomplished its goals,
- Provided quality customer service,
- Operated effectively, economically and efficiently, and in an ethical manner,
- Reported on the accuracy of financial and performance information,
- Safeguarded its assets from loss, damage, or inappropriate use,
- Complied with laws, regulations, policy, and grant or other contract terms,
- Developed and maintained competence and integrity of staff, and
- Ensured equity internally and in service delivery.

Audit Methodology

To accomplish our objectives, IA:

- Collected, documented, and analyzed key control procedures relevant to the audit areas,
- Identified key control strengths and tested control strengths to the extent considered necessary,
- Identified key control weaknesses and reported them as Possible Report Comments (PRC's),
- Performed audit steps to accomplish the audit objectives shown above,
- Performed limited scope work in areas of lesser importance,
- Obtained related documentation for analysis and reporting, where and when available,
- Obtained memos, letters and other correspondence pertinent to the area under audit, to include contracts and leases,
- Obtained organizational charts,
- Interviewed key staff as appropriate,
- Obtained financial reports and other financially related data when considered necessary,
- And integrated the results of the audit effort into PRC format for inclusion in this Audit Report after validating all audit findings with auditee management, the City Manager, and applicable staff. Evidences compiled into PRC format include testimonial, documentary, physical and analytical.

INTRODUCTION

The Mission of the CCFD is to provide premium services for the protection of life, property, and the environment to the community and visitors of Carson City. The specific Mission of each functional Division can be found in each Audit Report Division section.

The scope of the Agency generally consists of the following:

- Square miles: 147
- Population: 55,000
- Population Density: 374
- Trade Population: 230,000+
- Land use categories:
    - Single family; multi family; manufactured housing; residential; commercial and industrial; and public use

Several challenges facing the Agency include, but are not limited to the following:

- EMS financial viability.
- General funding to include the funding of fleet replacement and upgrades.
- Service coverage; as on occasion, Carson City is dependent on surrounding Agencies for back-up ambulance service and fighting fires beyond the capability of on-duty station personnel. These relationships are currently documented in Interlocal and Mutual Aid Agreements. Regarding EMS responses shown below, on average, other Agencies annually respond to approximately 100 Carson City EMS calls and transport from 60-70 people as a result.
- Fire fighting water pressure, volume and availability.

The Department is comprised of seven Divisions, who while working together, are able to respond to emergency situations such as fire and medical services. Thanks to a number of modern day safety precautions, nationally the number of building and home fires have been reduced by approximately 40% during the decades of the 1980's and 1990's. During that same period paid firefighters have increased by 20% nationally.

During the last three calendar years, the Department responded to the following calls:

Year/Response	Fire Responses	EMS Responses	Total Responses
2001	868	4,877	5,745
2002	953	5,455	6,408
2003	859	5,358	6,217
3 Year Totals	2,680 (15%)	15,690 (85%)	18,370 (100%)

The 2003 Carson City Public Opinion survey, conducted in the spring of 2003, revealed that Carson City residents were generally satisfied with Fire and EMS services, as follows:

	% Very Satisfied	% Satisfied	Total % Satisfied	% Not Satisfied	% No Opinion
Fire	47.2	44.9	92.1	1.0	6.9
EMS	40.6	41.8	82.4	1.7	15.9

Of 14 City departments, Fire and EMS combined scored the highest satisfaction rate of any City Department.

In the State of Nevada, the authorization to perform the duties associated with operating a Fire Department are generally dictated by Nevada Revised Statute (NRS) 477. Specifically, NRS 477.030 describes the duties and powers of the Nevada State Fire Marshall. Since Carson City is a consolidated municipality, those duties ascribed to the State Fire Marshall's office are left to the CCFD to handle since the State has no function in Carson City. In addition, Carson City CCMC Title 14 adopts the Uniform Fire Code (i.e., 1997 Edition), along with ordinances related to wildlife urban interface (WUI). There are other factors that guide, oversight and impact upon the CCFD and EMS, to include:

- NRS 288 - General Provisions of Relations Between Governments and Public Employees.
- The current Firefighters CBA.
- The current CBA between Carson City and the Carson City Classified Chief Officers Association.

- National Fire Protection Association (NFPA) Standards. Although not a mandate, when NFPA passes a new standard, local governments are somewhat obligated to accept it or

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face potential liability issues that could impact on their bond ratings and insurance costs. For example, and for that primary reason, the two in and two out principle has become Standard Operating Procedure (SOP) for Carson City and many other jurisdictions. This SOP would allow two firefighters to remain outside a burning building for every two that ventured inside, thus providing for backup in case of trouble. In practice, NFPA requires two out for rescue, but there could be many more than two inside the building or structure.

- State of Nevada Occupational Safety and Health Standards for General Industry derived from 29 Code of Federal Regulations (CFR) Part 1910 (as promulgated by the Occupational Safety and Health Administration (OSHA).
- Aforementioned Interlocal and Mutual Aid Agreements.
- Emergency Medical Dispatch Manual of the National Academy of Emergency Medical Dispatch.
- Nevada Administrative Code (NAC) 450 B regarding pre-hospital emergency medicine.
- The EMS Department's contracted Medical Director regarding pre-hospital emergency medicine.
- CCMC Title 15 (Building Code).
- Experience and judgement.

The CCFD, including EMS, is the second largest Department in the City-County Government with a proposed Fiscal Year (FY) 2005 budget that exceeds $8,000,000 as follows.

Division in Table of Contents Order	Proposed 2005 Budget $	Comments
Administrative	$288k	Contains all CCFD grants
Fire Prevention	$428k	
Training	$185k	
Operations	$4,509k	
EMS	$2,675k	Separate Enterprise fund
WECO	$34k	
Emergency Management	$110k	In City Manager's Budget
Total	$8,229k	

Table of Organization (TO) authorized strength for FY 2004 is as follows:

TO authorized position	No.	Comments
Fire Chief	1	
Assistant Fire Chief	1	Vacant at this writing
Battalion Chiefs	4	Chief mentioned above is Acting in additional capacities
Admin Assistant to Fire Chief	1	
Other Admin/Clerical	4	
Captains	9	Covered in CBA
Fire Fighters	17	Covered in CBA
Pump Operators	9	Covered in CBA
Firefighter/Paramedics	15	Covered in CBA
Fire Inspectors	3	
Other Admin/Clerical P.T.	2	.5 FTE + .08 FTE = .58 FTE
Total	64.58 FTE	
Add: WECO authorized	32	10 Operational Responders at this writing, with a number to be added upon Training Academy graduation on 4/24/03.
Total authorized	97 Rnd up	Agrees to Budget Document and number has remained the same during the five budget years as noted above.

Armed with the above budgetary authority and its manpower, the Department operates 24/7 in three Fire Stations, three shifts, on a 24 hour shift rotation. Both fire suppression and EMS personnel and equipment have been designated as emergency first responders in Carson City. Fire suppression response management is designated to two Operations battalion chiefs, while EMS response management is designated to the EMS division Chief. Since emergency responses are often linked, these Chiefs work closely with one another to coordinate responses as required. To accomplish its Mission, the Department has at its disposal, the following vehicles:

- Three type three engines.
- Three type one front line pumpers (triple combo's).
- Three type one reserve pumpers (triple combo's).
- Three front line ambulances.

- Two reserve ambulances.
- One squad vehicle.
- One truck (Aero Platform).
- One hazmat reserve van and trailer.
- One utility truck/trailer for confined space rescue.
- Three inspectors cars.
- Four chiefs cars.
- One pick-up truck used for training.

This entire Audit Report may be viewed on the Carson City web site at www.carson-city.nv.us/ia.
In addition, other information about the Carson City Internal Audit Function may also be viewed.

EXECUTIVE SUMMARY

In accordance with the approved Internal Audit Plan for the calender year ending December 31, 2004, a performance audit was completed of the Fire Department's key Divisions. The audit was conducted in accordance with the Standards for the Professional Practice of Internal Auditing. IA received the full and complete cooperation of both Management and Staff during the term of the audit.

A total of **47** Audit Recommendations were made to improve operations. Management Responses follow each recommendation. One of the recommendations had three parts, of which Management's responses were split as is shown by the fractions below. All recommendations are intended to enhance performance either directly or indirectly (i.e., regarding the latter; improving internal controls and complying to laws and regulations facilitates performance). All recommendations were reviewed with the Department in great detail, to ensure their accuracy, completeness, and appropriateness. Consensus building was employed to determine whether the Department agreed with the recommendations and plans corrective actions, or not. Of the **47** recommendations made, the results of this consensus are as follows:

- <u>Agree</u>. A total of **18 2/3** recommendations were agreed to. In this case, the Department agrees with what is stated. If the action(s) has already been accomplished, that fact is so noted with a brief explanatory statement.. If the action(s) will be accomplished in the future, a plan of action(s) is stated, usually with a target date(s) of implementation.

- <u>Agree in Principle</u>. A total of **25** recommendations were agreed to in principle. In this case, the Department agrees in theory to the recommendation(s), but for various reasons provided, will either only partially implement the recommendation(s) or will defer implementation to a date(s) that is unknown at this time.

- <u>Disagree.</u> A total of **2 1/3** recommendations were not agreed to. In this case, the auditee will not implement the recommendation(s) for the reasons so noted. Under these circumstances, either it is IA's contention that the finding is valid and the recommendation(s) should be implemented as shown or IA concurs with the disagreement, with appropriate IA comment. The reader should be aware that all IA findings are published within this Audit Report from most important to least important. IA does not publish a separate Management Letter for the lesser important findings, that would be distributed solely to auditee management.

- <u>No Comment</u>. A total of **1** recommendation had no comment by the Fire Chief. In this case, the auditee chose not to comment to the recommendation due to its subject matter. Considering the subject matter, and since all responses are affirmed by the City Manager and are evidenced by a City Manager POA&M, there is no impact to this type of response.

IA will periodically follow-up on the status of implementation of recommendations as an integral

part of the annual Internal Audit Plan, with quarterly briefings to the BOS.

IA IMPRESSIONS RELATED TO OVERALL PERFORMANCE IN RELATIONSHIP TO IA'S PERFORMANCE INTERNAL AUDIT OBJECTIVES:

- Unless otherwise reported, the CCFD generally accomplished its goals and mission as is stated in the City's Budget Document.
- The CCFD appears to provide a high quality of customer service and equitable service delivery as is shown in this Audit Report, both operationally and perceptually, as the 2003 Carson City Public Opinion Survey, conducted in the Spring of 2003, revealed that Carson City residents were generally satisfied with Fire and EMS services as they scored the highest satisfaction rate of any City Department.
- Financial and performance information are being reported in a reasonable manner, in all respects. However, incident statistics could be reported in a more consistent manner using fiscal year data, while EMS collection rates could be analyzed in more detail as to payers and types. Refer to IA's impressions about performance in the last bulleted item that follows.
- The CCFD does a commendable job in safeguarding its many assets by performing daily equipment checks and by officially verifying all assets during the year-end inventory, among others. In addition, the CCFD likewise, does a meticulous job of tracking its expenditures against budget, being a good steward of the Public's Trust.
- The CCFD appears to be in compliance with applicable governing body policy, rules and regulations, along with being in compliance with a number of national standards that are mentioned in this Audit Report.
- The CCFD appears to do a very commendable job in training its crew in the myriad of fire suppression and EMS requirements; thus establishing and maintaining staff competence and integrity.
- Overall Performance.
  - As to the three aspects of Performance (i.e., effectivity, efficiency and economy), the CCFD appeared to be well managed, to include performing their mandate in an effective (i.e., positive end result) manner, as designed, and as is shown above. However, efficiency and economy, the other key aspects to Performance, cannot be so easily determined. In an ideal world, determining the CCFD's true state of efficiency and economy would require the following:
    - The ability and tools to directly relate budgeted dollars to actual responses; both in terms of people and equipment.
    - The ability to compare the CCFD to other similar jurisdictions.
    - Thus, being able to evaluate the ratio of input (i.e., budgeted dollars) to output (i.e., responses).
  - IA is unable to determine how efficient and economical the CCFD is because of the following:
    - The CBA exclusively sets manpower and minimum Safety Staffing, and thus drives overtime dollars.
    - The NFPA, OSHA, Federal and State regulations, and other National

Standards, in effect, establish response protocol for both fire suppression and EMS.

- The absence of Board approved service level polices, AKA a Managing for Results initiative, make it difficult to determine efficiency and economy, as well as comparability, which is shown as follows.
- The inextricably linked fire suppression and EMS responses do not facilitate comparisons to other similarly sized jurisdictions.
- Expenditures often overlap CCFD Divisions, making cost comparisons very difficult to make. Questions like; "what is the cost of Training" cannot be readily answered.
- As apposed to Performance, there is, however, more evidence to indicate that the CCFD is in compliance with the above mentioned agencies and organizations as to how it deploys both people and equipment, via the City's budgeted dollars.

OPPORTUNITIES FOR IMPROVEMENT - (Opportunities cross referenced to audit finding expressed as a roman numeral and applicable recommendation numbers denoted as R's):

1. The City may benefit by the BOS establishing and approving fire suppression and EMS Service Level Policy, where appropriate. At the present time, certain of these are located in a variety of places to include the City's Budget Document, along with CCFD General Orders and Departmental Policy, Procedures and SOP's. Benefits to such an action would include being able to measure actual results to policy targets, benchmark to other similar jurisdictions, and to more precisely communicate service level policy to the citizens of Carson City. Such an action would also be consistent with the City Manager's initiative to standardize all City policy. (I. - R's #1-2).

2. The Fire Prevention Division should develop a comprehensive inspection manual which would guide all aspects of this all important Division in preventing and detecting fires. This recommendation is closely related to the service level policy comments above. (IV. - R #17).

In addition, this Division should look into the possibility, through a City Resolution, of increasing fees for Plan Reviews, as IA's pro-forma analysis indicated that from $6k to $18k of annual incremental general fund income could be generated based upon the amount of the increase. (IV. -R#20).

3. Within the Operations and EMS Divisions, all overtime incurred is charged to Operations, which IA considers fair and reasonable based upon the circumstances (i.e., the reader may refer to the body of the Audit Report for a brief discussion on the subject). Overtime in general has been excessive, and in large part, should be greatly alleviated by the hire of seven new firefighters. The effect of this action is to replace overtime dollars with straight time dollars, all predicated on the CBA's minimum staffing requirements. This action was taken by the BOS by approving the Budget in May, 2004. (VI. R#31 is therefore considered closed).

In addition, the CCFD should consider establishing a formal sick leave policy, and if need be, to form a labor and management committee to produce such a policy. (VI. R#32).

Finally, it may be prudent to study the possibility of increasing the fine for chronic abusers of false alarms from $150 to a much larger figure to deter such instances, as they are costly to the City. At this writing, Management felt it not cost or time beneficial to do so, as it is difficult to pinpoint a control cause that would warrant a fine being imposed. Due to these circumstances, IA cannot estimate pro-forma annual monetary benefits at this time. (VI. R#26).

4. Within the EMS Division, a long-term operational and financial strategy must be established to plan for the continued degradation of the Medicare reimbursement fee schedule. IA commends the CCFD for apprising and continuing to apprise the City Manager and BOS on all available options to include out sourcing. This is a very complicated issue, not the least of which is the inextricable link between fire suppression and EMS response deployments, both in people and equipment. (VII. R's # 34-37).

5. WECO, by all aspects of performance, does not optimally perform to its mission. It is neither effective, efficient nor economical. If the City and the CCFD does not or cannot increase WECO's performance, then the City and the BOS should consider disestablishing the current WECO operational organization. If such an action were to take place, the City would benefit by an annual cost avoidance amount of approximately $50k. (VIII. R's # 41-43).

The principles and precepts of this Audit Report are far reaching into the community. As a result, it is the City Manager's ultimate responsibility to ensure that the contents herein are understood and acted upon and that action plans to correct deficiencies and to improve performance are formulated. The functional sections of this Audit Report should facilitate such an effort. Therefore, the City Manager's attached POA&M affirms the contents of this Audit Report and acknowledges responsibility to facilitate corrective action and performance improvement plans where needed. It should be further noted that IA has reviewed the POA&M in detail, to include when implementation dates have been adjusted from Management's response. Where revised, implementation dates appeared fairly stated as to the City Manager's rationale and intent thereof.

SUMMARY BY AUDIT AREA:

SERVICE LEVEL POLICIES/MANAGING FOR RESULTS:

Consideration should be made at the BOS level to determine whether and to what extent Public Safety Fire and EMS service level policy should be formally established by the BOS. At present, documents that contain what appears to be service level policy information are located in various places to include CCFD general orders, department SOP, within the City's budget document, and within various other departmental policy and procedures documents. Key service level policy should be identified, formalized and brought to the BOS for approval. Once service level policy has been established, the City is better postured to measure actual results against policy, to benchmark other similar agencies, and to communicate that Policy to its Citizenry.

POSITION CONTROL:

An organization's position control is a tool it uses to account for and track all authorized full and part-time positions, in total, and in each unit of the organization. The Fire Department maintains its own roster in order to accomplish its mission as a 24/7 key component of Carson City's Public Safety function. The City's position control document and the Fire Department's internal roster should be aligned more accurately to agree with one another.

ADMINISTRATIVE DIVISION:

This Division performs a number of key duties and responsibilities that transcend all CCFD Divisions. Two of these important functions are budgeting and incident reporting. Both could be improved by considering the following: for budgeting; it would be more accurate and appropriate for key personnel to be budgeted where they perform their duties along with charging their payroll accordingly. For incident reporting; it would be more accurate and appropriate for incident statistics to be consistently generated on a fiscal year basis, versus a calendar year basis, because the resources used to generate those statistics are likewise reported on a fiscal year.

FIRE PREVENTION DIVISION:

This Division performs a number of types of inspections based upon a prioritized inspection process. Several areas for improvement include the need to improve the quality/accuracy and consistency (i.e., on a fiscal year) of inspection reporting statistics, along with developing a comprehensive inspection manual which would guide all inspection activity. Lastly, the CCFD needs to review its Plan Review fee schedule and consider an increase thereof. Tentative estimates of additional annual revenue that could be generated range from $6k to $18k.

TRAINING DIVISION:

A great deal of training takes place in essentially two categories; annual training and probationary training; whereby the Fire Fighter Academy accommodates all new hires. For the most part, a training event, whether as trainer or trainee, results in departmental overtime, as absences are filled to bring staff levels up to minimum Safety Staffing, using a call-back system protocol. See the Operations Division section that follows for a detailed discussion. IA made no recommendations in this Audit Report section.

OPERATIONS DIVISION:

The Operations Division deploys both human resources and equipment in response to the needs of the community for emergency and public assistance services. Operations deployments are closely linked with EMS and visa versa, as they often deploy together for either fire suppression or EMS call types. Overtime incurred is considered excessive such that the CCFD requested and received seven additional firefighters to replace overtime manning with straight time. Albeit difficult to control and manage, the CCFD should consider other tools to reduce the absenteeism rate causing overtime to include a comprehensive sick leave policy and a well-ness program. The City will have an opportunity to make changes when the CBA is next re-negotiated.

EMERGENCY MEDICAL SERVICES (EMS) DIVISION:

The EMS Division, similar to its Operations Division counterpart, deploys both human resources and equipment to provide emergency medical coverage. As stated in Operations, EMS and Operations deployments are closely linked to one another, as they often deploy together for either fire suppression or EMS call types. EMS overtime incurred is likewise considered excessive, with the same remedies as was shown above in the Operations summary. In addition, EMS Division is also challenged with staff retainment. Of primary importance is that EMS financial viability must be dealt with in light of reductions in Medicare reimbursements and other negative factors. Based upon available evidence, the City and its constituents must decide whether to continue to operate the service in-house or out source it, with the latter alternative having its own set of variables and factors.

WARREN ENGINE COMPANY (WECO)

Although WECO has a long and commendable tradition of serving Carson City, it is currently not performing at an acceptable level. As a result, the City will have to decide whether and to what extent it continues to fund WECO's services and supplies and provides a management structure. If the City decided that it would no longer fund WECO, the pro-forma estimated annual cost avoidance would approximate $50k; of which $36k are hard costs and $14k are soft costs and opportunity costs. In addition, the verbiage in the current CBA does not appear to foster using volunteers to a great extent.

EMERGENCY MANAGEMENT DIVISION:

This Division is the facilitator of a number of initiatives that will help Carson City posture itself to deal more effectively with major emergencies and disasters. IA made no recommendations in this Audit Report section.

BUSINESS APPLICATIONS AND AUTOMATION

Technology plays an integral role in Public Safety to enable service providers to perform in an optimal manner. The CCFD and the City's IS department must work in concert with one another. IA observed that individual roles and responsibilities could be improved through review, analysis and discussion. The City Manager will play a significant role in this process.

The reader should now refer to the body of this Audit Report for additional details.

AUDIT FINDINGS AND RECOMMENDATIONS

WITH MANAGEMENT'S RESPONSE

I. SERVICE LEVEL POLICIES/MANAGING FOR RESULTS

CONSIDERATION SHOULD BE MADE AT THE BOS LEVEL TO DETERMINE WHETHER AND TO WHAT EXTENT PUBLIC SAFETY FIRE AND EMS SERVICE LEVEL POLICY SHOULD BE FORMALLY ESTABLISHED BY THE BOS. AT PRESENT, DOCUMENTS THAT CONTAIN WHAT APPEARS TO BE SERVICE LEVEL POLICY INFORMATION ARE LOCATED IN VARIOUS PLACES TO INCLUDE CCFD GENERAL ORDERS, DEPARTMENT SOP, WITHIN THE CITY'S BUDGET DOCUMENT, AND WITHIN VARIOUS OTHER DEPARTMENTAL POLICY AND PROCEDURES DOCUMENTS. KEY SERVICE LEVEL POLICY SHOULD BE IDENTIFIED, FORMALIZED AND BROUGHT TO THE BOARD FOR APPROVAL. ONCE SERVICE LEVEL POLICY HAS BEEN ESTABLISHED, THE CITY IS BETTER POSTURED TO MEASURE ACTUAL RESULTS AGAINST POLICY, TO BENCHMARK OTHER SIMILAR AGENCIES, AND TO COMMUNICATE THAT POLICY TO ITS CITIZENRY.

Abbey Group pointed out that "setting service level policy for a fire service agency is establishing the community's expectations of that agency. It provides a guideline for agency management and for community policy makers. It also provides a measuring tool for agency performance." Abbey further pointed out that, at the time of their field work to produce the Public Safety Master Plan, the City had not developed a "consistent, realistic, documented service level policy for fire protection and emergency medical services." Service level policy, in this context, is policy that is approved by the BOS and widely dispersed and understood by the general public.

Very much related to setting service level policy, and within the broad context of working toward a true Managing for Results culture, is establishing key performance indicators which IA has emphasized in all prior performance audits to date, as follows:

- To truly be able to measure performance, a number of proactive initiatives must take place by the Business Process Owner and all affected stake holders. Within the context of this discussion, performance will be discussed in terms of efficiency, effectiveness and economy:
    - To determine efficiency (i.e., ratio of output to input) and effectiveness (i.e., positive end result), a program or function must identify key performance indicators which are measurements that have meaning to that activity. Targets would then be established for each indicator and actual results would then be measured against target. If out-of-tolerance results are revealed, corrective actions can then be taken to include reallocation of resources to achieve a common goal.

    - To determine economy (i.e., relates to efficiency), a program or function must identify and quantify its program or functional costs to the best of its ability,

including all elements thereof. Costs can be accumulated within the categories of Materials, Labor and Benefits, and Overhead. In addition, meaningful financial statistics can be derived that also indicates whether the program is being run economically. When little or no effort is made, very little can be said about how economical a program or function is being run.

- By not objectively measuring efficiency, effectiveness and economy, the organization does not posture itself well to identify and adapt to best practices and benchmarks in order to consolidate program expenses and reduce operational and administrative costs and ultimately achieve and optimize the objectives of the organization.

IA's observations and impressions of this area are presented as follows:

- There appears to be no service level policies that have been adopted, <u>as such</u>, by the BOS. Abbey pointed out several suggested fire agency categories to include; response time (i.e., <u>for both fire protection and EMS</u>, to be broken down by urban and non-urban zones, by first identifying and describing what is urban and what is not, and than by establishing response times for both urban and those areas outside of the urban zone, and finally, for those outside the urban zone, prescribing mitigating actions that can be taken), code enforcement, public safety education, disaster preparation, hazardous material control and response, among others.

- There are several of what appears to be appropriate topics for service level policy that are contained within the BOS approved Budget for each FY. Also, within this Document, IA does not see various other topics that should be contained therein. Both conditions are as follows:
  - Within the Operations Division;
    - 4.5 minute overall average response time.
    - Respond to 70% of all emergency calls within 6.9 minutes.
    - Respond to 80% of all emergency calls within 8.9 minutes.
    - Provide 500 person hours of community service.
  - Within the Fire Prevention Division;
    - Conduct 1,500 Life Safety inspections.
    - Conduct 200 inspections dealing with code enforcement and education of WUI provisions.
  - Within the WECO Division;
    - For FY 2005, although there is a stated "average" number of three volunteers responding to emergency service calls, in this context, IA does not equate this statistic to a true service level policy of target responses. In fact, IA does not see an objective that would tend to increase this number.

  - Within the EMS Division;
    - For FY 2005, there is a stated "average" response time for advance life

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support of 4 minutes which appears in concert with national benchmarks. However, unlike the Operations Division above, IA sees no response times broken down in any manner.

- There are numerous Departmental General Orders along with Policies and Procedures that are well documented and current, and although topically relevant to service level policy, they cannot be considered true service level policy as is described above.
- Where applicable, IA mentioned appropriate service level policy in various sections of this Audit Report; e.g., in the Fire Prevention Division.

RECOMMENDATIONS:

1. Determine whether and to what extent Fire and EMS Service Level Policy will be formalized and brought to the BOS for approval. Such an effort may require broad involvement with the public in some manner, along with labor and management. This effort would include not only performance measures, but workload measures as well; e.g., workload statistics by Station and by Shift. This initiative would be consistent with the City's intent of standardizing all City policy, which is in progress at this writing.

2. Begin to benchmark to other similar Fire Agencies. In so doing, great care should be taken to ensure that the data is reasonably comparable. For example, many similarly sized Agencies' call volume do not contain EMS responses, so that a performance measure such as average number of calls per employee and employees per capita, among others, could be very misleading. In addition, there are other factors to consider to include the following:
- square miles of coverage whether urban or rural in conjunction with population.
- regional cost differences.
- service delivery (i.e., contractual relationships, level of service, etc.).
- type of community (i.e., retirement, college town, tourist, climate, etc.).
- other to include local or state mandates, priorities, unionization, workforce characteristics, physical surrounding, investment in technology, etc.
- Some normalization occurs using per unit calculations such as fire and non-fire incidents per 100,000 population, along with using median and averages.

3. Determine, via a cooperative effort with the Carson City Sheriff's Office (CCSO), whether the City needs to develop a service level policy regarding response time that measures all segments of the total response time including call processing time. Currently, both the Sheriff and the Fire Department only measure and report from the station to the scene time. This can be somewhat misleading as it does not reflect the time that the public truly waits for emergency apparatus to arrive. This was previously pointed out by the Abbey Group and by IA during the audit of the CCSO (i.e., whereby it was pointed out that a software package needed to be purchased to enable call processing to be measured). What is equally important is that Dispatch is operated by the CCSO, for both law enforcement and fire/EMS dispatches.

This reporting, although fairly common nationwide, does present difficulties in that it deals with both types of dispatching protocol. IA did note that, for example, the City of Reno's Dispatch

now reports directly to their Information Services (IS) Department which appears to work well for everyone. It had previously reported to the Police Department.

1. Agree in Principle. We will discuss with the City Manager and the BOS to what extent service level policy will be formalized in this manner.

2. Agree in Principle. We will continue to search for suitable comparable jurisdictions. As the Internal Auditor points out in the body of this report, available statistics from the ICMA, for example, along with statistics from consolidated jurisdictions are derived from much larger populations than Carson City, making comparisons difficult.

3. Agree in Principle. However, the CCFD will not accept responsibility for Dispatch call processing time performance as the CCSO is the business process owner. In the past we have suggested that a Communications Board be established to include all users and stake holders; i.e., the CCFD, the CCSO, along with Public Works, all working together with the City Manager. We will discuss this option with the City Manager shortly.

II. POSITION CONTROL

AN ORGANIZATION'S POSITION CONTROL IS A TOOL IT USES TO ACCOUNT FOR AND TRACK ALL AUTHORIZED FULL AND PART TIME POSITIONS, IN TOTAL, AND IN EACH UNIT OF THE ORGANIZATION. THE FIRE DEPARTMENT MAINTAINS ITS OWN ROSTER IN ORDER TO ACCOMPLISH ITS MISSION AS A 24/7 KEY COMPONENT OF CARSON CITY'S PUBLIC SAFETY FUNCTION. THE CITY'S POSITION CONTROL DOCUMENT AND THE FIRE DEPARTMENT'S INTERNAL ROSTER SHOULD BE ALIGNED MORE ACCURATELY TO AGREE WITH ONE ANOTHER.

IA attempted to compare the City's Position Control of the Fire Department to the Fire Department roster as maintained within the Department, with the following noted:

- A total of 66 positions were accounted for; of which 64 were full-time and 2 were part time. The CCFD's representation of 66 and the Position Control document of 66 agreed with one another in total.
- However, certain position categories could be made more clear:
    - Fire Fighters:
        - Fire Department roster reported 17.
        - Position Control reported 18, of which one person retired after the Position Control document date.
    - Battalion Chiefs
        - Fire Department reported two Fire Suppression Battalion Chiefs.
        - Position Control reported four Battalion Chiefs; one of whom is currently

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in an Acting capacity (i.e., Acting Fire Prevention Division Chief/Fire Marshall/Fire Chief), while another is listed as the EMS Division Chief.

- In addition, Position Control identified two positions as being vacant; one Firefighter Paramedic and one Assistant Fire Chief. FD's "roster" provided to IA only included filled positions.
- As alluded to above, several personnel are currently in Acting positions to include the above mentioned Prevention Division Chief/Fire Marshal/Fire Chief Training Division Chief, along with the Acting Training Division Chief. There were no corresponding positions in the Position Control for these areas.

Position control, also known as (AKA) authorized strength, can be calculated as filled plus vacant positions. Another term used for authorized strength is TO. A TO strength is the maximum by which a department or organization may staff to. Very much related, at any point in time, the TO in total and by position (i.e., key because different positions pay at different rates) should ideally agree, in this case, between the Fire Department and the Human Resources Department, who maintains the Position Control data base. Related, all Acting positions should be somehow reflected in the Position Control as an authorized TO position.

By Position Control not having certain listed positions, as noted above, it is unclear whether the CCFD is authorized to deputize their personnel into an Acting position as is described above. It is likely that the Acting position pays more than the person's listed position within Position Control. In general, position descriptions should be common to all users within the City.

Other than the City having recently hired a new Director of Human Resources who is actively changing many processes, it is unknown at this writing why the above conditions exist.

RECOMMENDATIONS:

4. Reconcile the Fire Departments' personnel roster/titles with the Human Resources Position Control data base, position title by position title, and number of personnel therein.

5. Validate the pay rate by which personnel are being paid in Acting positions to ensure that overpayments are not occurring.

MANAGEMENT RESPONSE:

4. Agree in Principle. We do not directly control this area, but we will have discussions with the City Manager and the Human Resources Director in the matter.

5. Agree in Principle. Once again, we do not directly control this area, but we will have discussions with Finance and Human Resources as it relates to position control.

III. ADMINISTRATIVE DIVISION

THIS DIVISION PERFORMS A NUMBER OF KEY DUTIES AND RESPONSIBILITIES THAT TRANSCEND ALL CCFD DIVISIONS. TWO OF THESE IMPORTANT FUNCTIONS ARE BUDGETING AND INCIDENT REPORTING. BOTH COULD BE IMPROVED BY CONSIDERING THE FOLLOWING: FOR BUDGETING; IT WOULD BE MORE ACCURATE AND APPROPRIATE FOR KEY PERSONNEL TO BE BUDGETED WHERE THEY PERFORM THEIR DUTIES ALONG WITH CHARGING THEIR PAYROLL ACCORDINGLY. FOR INCIDENT REPORTING; IT WOULD BE MORE ACCURATE AND APPROPRIATE FOR INCIDENT STATISTICS TO BE CONSISTENTLY GENERATED ON A FISCAL YEAR BASIS, VERSUS A CALENDAR YEAR BASIS, BECAUSE THE RESOURCES USED TO GENERATE THOSE STATISTICS ARE LIKEWISE REPORTED ON A FISCAL YEAR.

The Mission of this Division is to provide for the planning, staffing, budgeting, direction, coordination, and evaluation of all Department Divisions; and to conduct effective intergovernmental relations with other City departments and outside agencies and organizations.

The Administrative Division, under direction of the Fire Chief, is headed up by a Management Analyst II who is tasked with a number of administrative responsibilities which are Department wide in scope, as follows:

- Expenditure Tracking.
- Budget Management; to include Instruction, Preparation and Tracking.
- Inventory Management.
- Physical Examinations and Records Maintenance.
- WECO Liaison.
- Other Duties.

Expenditures for this Division over the last five years is as follows:

	FY 2001	FY 2002	FY 2003	FY 2004 Estimated	FY 2005 Proposed
Salaries and Wages	$161,853	$171,694	$180,250	$187,057	$188,350
Benefits	51,598	56,894	63,884	69,458	72,236
Services and Supplies	30,009	32,640	190,872	247,357	27,731
Capital	20,999	60,750	189,567	1,158,354	0
Total	$264,459	$321,978	$624,573	$1,662,226	$288,317

Each of the functional areas will be dealt with separately, as follows:

Expenditure Tracking.

Each of the nine Fire Department Captains has purchasing responsibility for buying in a specific area such as one purchases self-contained breathing apparatus, another purchases fire extinguishers, etc. In this manner, Captains develop an expertise by research and experience in their purchasing areas of responsibility. Each of these Captains report to one of two Battalion Chiefs. All purchase invoices are forwarded to the appropriate Battalion Chief who authorizes the purchase, whereby the purchase is then processed via Finance and also is entered into Quick Books (QB). IA observed that the Fire Department uses the Commercial off the Shelf (COTS) software package QB's to track actual expenditures to each budget line item on a daily basis. Periodically, the Fire Department compares the AS400 expenditure data, within the City's HTE system, to QB's. IA was informed that the Fire Chief decided to maintain redundant systems approximately three years ago because of the perceived need to maintain approximate real time data versus the HTE system being updated each week.

Budget Management: to include Instruction, Preparation and Tracking.

The Fire Department's Budget Management process begins with a Budget Milestone Calendar which is discussed and distributed to Department Staff and Captains in the Fall of each year. The calendar appears to prompt substantive discussion in a number of areas to include; identifying capital improvement program requirements, supplemental requests, and other areas of a complex nature. Related, there is much discussion to identify and project grants for capital and services and supplies. As the reader can see from the above table of expenditures, grant monies are recorded in the Administrative Division's budget for both capital and services and supplies. This presentation greatly skews the ability to analytically review year to year comparative budget variance report data.

Working with Finance, the CCFD assembles an Annual Budget Document which provides a Fiscal Summary of three years; the first year actual, the subsequent year estimated, and the current year proposed. This document somewhat mirrors the City's adopted budget and although is intended for internal use only, should be free from material error. However, IA noted that EMS Revenues were exactly the same for both FY 2002 and FY 2003. A quality assurance (QA) review should have detected this oversight.

IA also noted that certain personnel were used in a variety of ways that transcend Divisional budgets. For example, the current Acting Fire Marshall/Acting Assistant Fire Chief also significantly contributes to the Training Division. However, 100% of his FTE is accounted for in the Operations Division. The following table and commentary depicts key personnel and where their budget is assigned for the proposed 2005 budget, along with where their payroll is being charged, if different than their budget:

	Total	EMD	OPNS	PREV	ADMIN	TNG	EMS
Fire Chief *	1.0 FTE				1.0 FTE		
Admin Assist **	1.0 FTE				1.0 FTE		
Acting Fire Marshall & Acting Asst. Fire Chief ***	1.0 FTE		1.0 FTE				
One of the Battalion Chiefs ****	1.0 FTE	.5 FTE				.5 FTE	
Other Battalion Chief ****	1.0 FTE		1.0 FTE				
EMS Division Chief *****	1.0 FTE						1.0 FTE

KEY:

* & ** Since the Fire Chief and his Administrative Assistant perform roles that transcend all Divisions, it appears reasonable for their budgets to be within the Administrative Division.

*** As indicated above, this individual has a dual Acting role, along with his role in Training, but assigning his budget 100% to Operations does not effectively depict his current responsibilities.

**** IA's comments about these two Battalion Chiefs are as follows:

- Regarding the 1st; even though his budget is split between the two Divisions noted, 100% of his payroll is being charged to Operations Division. IA did observe his triple role within Emergency Management, Training, along with Operations.

- Regarding the 2nd; this individual is being 100% budgeted in Operations, while his payroll is being split in half between Emergency Management and Training.

***** IA also observed that when Firefighter/Paramedics were called back to perform Firefighter duties, the resultant overtime is correctly charged to Operations, not EMS.

Inventory Management.

As with other City Departments, a 100% fixed asset inventory (i.e., over the $5k fixed asset threshold) is accomplished at fiscal year end by Fire Department personnel assigned for that purpose. Each year-end, the Management Analyst II is tasked with verifying fixed assets. In addition, the crews are tasked with a labor intensive effort to validate all associated items and equipment on rolling stock. It is believed that because each Captain is tasked with daily equipment checks, that any adjustment to a fixed asset value at year-end would be minimal. For the FY 2003 year-end inventory, instead of the crews performing this labor intensive task, a person on light duty was assigned to perform it; noting each item's location, quantity and physical presence. IA reviewed the inventory process which is facilitated by using a FoxPro data base (i.e., sequential numbering system) which is eventually converted to a Quattro pro spreadsheet. Official City asset numbers are assigned by Finance. As a result of the inventory effort, items that are no longer needed are surplused per existing SOP. The tangible fixed assets that are inventoried, to include land, buildings, improvements, equipment and rolling stock, along with their initial cost and net book value (NBV) as of 6/30/03 year-end are as follows:

Locator	Cost	NBV	Comments
Station I	$2,821k	$2,364k	Mostly building and land.
Station II	$1,281k	$873k	Mostly building to include training facility.
Station III	$351k	$206k	Mostly building and improvements.
Ambulance	$8.5k	$0	Billing software
Fire Department rolling stock	$2,487k	$1,186k	Rolling stock at all 3 Fire Stations
EMS rolling stock	$696k	$483k	Rolling stock and equipment
Total	$7,645k	$5,129k	Depreciation is the difference

IA comments and critique are as follows:

- The Fire Department's inventory data base is updated only at year-end via their "New and Existing Equipment Inventory Information form". This form is used to add inventory, but usually deletes are handled less formally.
- The aforementioned Fire Department FoxPro inventory data base may be replaced by the existing FIREHOUSE software version 5.0 Equipment Management and Maintenance module.
- The intensive year-end effort to inventory associated items and equipment on rolling stock may not be needed in its present form and intensity because of existing daily equipment checks.
- IA noted a number of practices used in surplusing equipment to include; giving the item(s) to another Fire Department, moving the item(s) to the Station #2 holding area for eventual surplusing twice a year during a City auction working with Purchasing, along with more formal practices used for surplusing a fixed asset.

Physical Examinations and Records Maintenance.

Currently, the CCFD uses Concentra Medical as its health service provider of physical examinations. In addition, Concentra is the City's agent for workers comp claims. The Management Analyst II uses his Fire Department roster to offer the opportunity to take an annual physical, which appears to be required by NRS 617.455 (2) and NRS 617.457 (3). These references can be found in the CBA Article 22 entitled Physical Examinations. IA was informed that 99% of those prompted, do go ahead and schedule and take the physical. Those who do not take the physical, contrary to requirement, accept the risk of future heart and lung claims being in jeopardy. IA sited the roster being used to notify personnel a month in advance of their birth month. The Management Analyst II receives the bill, along with the actual physical, and maintains a physical file by individual person. Potential problems are noted and the employee reviews and signs the form, prior to it being filed. The Management Analyst II also signs the form for the Fire Chief, however, he did not have by direction authority in writing.

WECO Liaison.

Currently, the Management Analyst II acts as Fire Department liaison to WECO. This subject will be treated in more detail within the WECO Audit Report section following the EMS Division.

Other Duties.

In addition to being the Fire Department's WECO liaison, and performing the above described duties and responsibilities, the Management Analyst II also serves on a number of councils and committees as the Fire Department's representative. Among these are the Carson City Triad Senior Advisory Council, the Carson City School District Safer Schools Committee, and he is the Chair of the Carson City Hazard Mitigation Plan Steering Committee. This individual also serves the City by participation on the City's Public Information Team.

All of these duties and responsibilities are performed either after working hours or during the work day, of which two hours are dedicated to this individual being the City's 1/4 time Web Development and Administration expert.

RECOMMENDATIONS:

6. Work with Finance to determine whether HTE can provide daily updates as required. IA was informed that Finance frequently changes the line item code that the CCFD provides, such that reliance on HTE becomes questionable.

7. Consider segregating grants in a separate reporting Division within the Fire Department. In this way, Divisional budget variance reports will contain amounts that can be analytically reviewed in a more expedient manner.

8. Consider a more accurate and consistent alternative for key personnel as to where their budgets are assigned and where their payroll is being charged. It is not unusual for key personnel to perform duties that transcend budget and divisional boundaries. However, ideally, what duties a person performs and where they are being budgeted, along with where their payroll is being charged, should all agree and be done in a consistent manner, period to period. Even though all of this activity is within the General Fund as a whole, this condition does not easily facilitate analytical review of true Divisional and Program expenses. It therefore appears somewhat problematic to answer seemingly simple questions such as; "what is the cost of Operations? Of Training? Of Emergency Management, etc.?"

9. Consider (i.e., CCFD-wide) producing yearly statistics in a more consistent manner; i.e., either on a calendar or fiscal year basis. These would include statistics for response call volume, sick leave analysis, inspections, etc. Ideally, statistics should be accumulated on a fiscal year basis, as the resources to produce them are likewise reported by fiscal year.

10. Utilize the current New and Existing Equipment Inventory Information form for, not only all additions, but for all deletions as well.

11. Draft a policy whereby the inventory data base is updated for major purchases during the year over perhaps a set amount. Currently, this is done at year-end only. Likewise, this policy should also consider interim updates for the results of any significant changes to inventory as a result of daily and periodic equipment checks. IA noted that any substantive change to inventory is investigated as to cause.

12. Continue to test and validate the potential use of the existing FIREHOUSE version 5.0 for equipment management. When suitable for production, use of this COTS software may reduce the inventory time of the Management Analyst II and the crew.

13. Consider alternative less time consuming procedures, at year-end, for the crew to validate associated items and equipment on rolling stock. Perhaps a portion of improving the year-end time required would be to enhance the existing daily equipment checks procedure. Another alternative would be to limit year-end procedures only to certain items, and not others.

14. Ensure that the various methods of surplusing equipment are in concert with the City Manager's thoughts from a consistency standpoint, City-wide.

15. Obtain (i.e., the Management Analyst II) by direction signature authority from the Fire Chief, in writing, so as to be able to officially sign for the Fire Chief.

MANAGEMENT RESPONSE:

6. Agree in Principle. Although we have inquired many times, we have no control when Finance changes a line item code from the code we provide. In theory, if they would discontinue this practice, we would consider eliminating the QB redundant system.

7. Agree in Principle. We believe that grants should be broken out separately, but we have no control over this, as it is a City Manager and Finance issue.

8. Agree in Principle. Although we agree in principle with the recommendation, to do so may cause more problems with Finance and Human Resources than the benefit it would have, as all of these activities are within the general fund. As with many of these recommendations thus far, we will discuss the issue with the City Manager.

9. Agree. We will begin to present all incident statistics on a fiscal year basis with our CCFD Annual Report for fiscal year 2004, which should be available for distribution on or about July 15, 2004. We believe that by publishing a separate CCFD Annual Report, we can better communicate our contribution and service to the community.

10. Agree. We will begin to do this effective July 1, 2004.

11. Agree. We will have a new policy drafted by July, 2004.

12. Agree in Principle. This will require coordination and agreement with Fleet Maintenance which we will obtain.

13. Disagree. Although we appreciate IA's suggestions, we feel there is no additional periodic time that we wish to allocate during the year and, in addition, we feel there is no periodic procedure that would take the place of a comprehensive year-end physical inventory.

- IA affirms Management's disagreement in this area. The recommendation was in the form of a consideration that Management could either accept or reject, with little implication, in this case.

14. Agree in Principle. We will work with the City Manager who desires a City-wide approach regarding surplusing equipment in a consistent manner.

15. Agree. We will do this in May, 2004.

IV. FIRE PREVENTION DIVISION

THIS DIVISION PERFORMS A NUMBER OF TYPES OF INSPECTIONS BASED UPON A PRIORITIZED INSPECTION PROCESS. SEVERAL AREAS FOR IMPROVEMENT INCLUDE THE NEED TO IMPROVE THE QUALITY/ACCURACY AND CONSISTENCY (I.E., ON A FISCAL YEAR) OF INSPECTION REPORTING STATISTICS, ALONG WITH DEVELOPING A COMPREHENSIVE INSPECTION MANUAL WHICH WOULD GUIDE ALL INSPECTION ACTIVITY. LASTLY, THE CCFD NEEDS TO REVIEW ITS PLAN REVIEW FEE SCHEDULE AND CONSIDER AN INCREASE THEREOF. TENTATIVE ESTIMATES OF ADDITIONAL ANNUAL REVENUE THAT COULD BE GENERATED RANGE FROM $6K TO $18K.

The Mission of this Division is to protect the people, property, and the environment of Carson City from the negative effect of fire, hazardous materials, and other preventable disasters. The Division also provides this service through public education, inspection, training, and assistance to the public with application of appropriate codes, ordinances, and laws that facilitate these services. Finally, the Division supports the Operations and Administrative Divisions in an effort to provide full service to Carson City.

As is stated in the Introduction to this Audit Report, NRS 477.030 describes the duties and powers of the Nevada State Fire Marshall. Since Carson City is a consolidated municipality, those duties ascribed to the State Fire Marshall's office are left to the CCFD to handle since the State has no function in Carson City. In addition, CCMC Title 14 adopts the Uniform Fire Code (i.e., 1997 Edition), along with ordinances related to WUI. Thus, the Fire Prevention Division consists of the Fire Department's Acting Fire Marshall/Acting Assistant Fire Chief, along with three Fire Inspectors and one Management Assistant.

The Fire Prevention Division performs a number of types of inspections that will briefly be discussed within this section of the Audit Report. This Division has developed a prioritized inspection process based upon objective history such as fire incidents, high life risk and high hazard occupancies. From 2001 to 2003, the Fire Prevention Division reports the following Statistics:

Type	2001	2002	2003
Business license inspect and re-inspect	172	234	209
Life safety inspect and re-inspect	2,123	2,052	1,754
New construction and certificate of occupancy inspect and re-inspect	89	53	101
Plan review categories to include general and systems	245	421	614
Public Education and training categories	386	294	275
Fire investigation categories	28	44	38
Office time categories *	1147	916	774
Organization categories **	1923	1616	1627
Miscellaneous categories ***	235	247	231
All other categories ****	426	413	383
Total	6,774	6,290	6,006

KEY:

* Includes code research, scheduling, correspondence, business license research, etc.

** Includes data entry to FIREHOUSE system, Division maintenance to include staff meetings, obtaining fuel, etc.

*** Categories do not fit in any other line item.

**** Consists of 13 other line items such as complaints, fire drill and fire sprinkler inspection, etc.

IA's observations about the above Division statistics are as follows:

- The reported statistics are derived from Daily Activity Reports completed by each Fire Inspector.
- It appears that the majority of the reported statistics are of an administrative nature, and not of a direct inspection nature:

Admin Type	**2001**	**2002**	**2003**
Office time categories *	1147	916	774
Organization categories **	1923	1616	1627
Miscellaneous categories ***	235	247	231
Sum of the three	3,305	2,779	2,632
% to total	49%	44%	44%

- It appears that the total number reported is trending downward. This was somewhat explained to IA in that one of the inspectors had a long-term illness during these periods, thus the Division was one person short. It should be noted that this Division has added duties and responsibilities as a result of workload imposed by carrying out fuel mitigation projects that the Division has received grants for in WUI.
- As a corollary to the above table, and notwithstanding the above mentioned absence of one of the inspectors; the following table may indicate that the number of inspections may also be trending downward, however statistics for 2004 and beyond will need to be gathered to determine this beyond a doubt.

Inspection Type	**2001**	**2002**	**2003**
Total less Admin types above	3,469	3,511	3,374

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- Another corollary to the above table and discussion in general, is that in the absence of a Fire Prevention Service Level Policy, which would tend to predetermine how often certain inspections would be done, the above only reveals what was done, versus what should have been done, the difference being a backlog to be managed.

Fire Prevention Division expenditures for a five year period is as follows. Given the same five authorized TO during this five year period, and as one can see, expenditures are trending upward, administrative types of categories are trending over 40% of the total being reported, while true inspections trends are undeterminable at this time:

	FY 2001	FY 2002	FY 2003	FY 2004 Estimated	FY 2005 Proposed
Salaries and Wages	$224,585	$239,242	$260,988	$279,782	$291,843
Benefits	$86,822	$93,904	$102,463	$112,065	$121,488
Services and Supplies	$15,760	$13,978	$9,487	$14,550	$14,663
Capital	$0	$0	$0	$0	$0
Total	$327,167	$347,124	$372,938	$406,397	$427,994

Selected comments about several of the activities performed within the Fire Prevention Division are as follows:

City Resolution No. 2001-R-8. IA reviewed this action which appears to have increased certain fees charged by the Fire Department which were below the industry standard, such as Plan Review and Permit Fees. The Resolution allowed the Fire Department to charge a minimum of $50 for a Plan Review or 50% of the fees established in Table 1-A of the Uniform Building Code as adopted by the City, which ever is greater. It appears that these fees could, once again, be increased, if cost justified.

Life Safety Inspections and Re-Inspections. Every business licensee is done annually with some exceptions such as home based businesses (i.e., except day care centers which are done every year) and general offices are done every two years due to the risk being somewhat lower and production capacity. A safety survey form is used to manually record initial violations and to annotate any subsequent follow-up.

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Input from this form is manually entered into FIREHOUSE, taking from one to two hours per day. As an alternative, notebook PC's could be used to capture information, which could then be downloaded directly into FIREHOUSE. Lastly, no standardized check list is used by Fire Inspectors during the inspection process for any of the inspections performed.

Front-End General Plan Reviews. The Building department takes the lead and deals with mainly Uniform Building Code issues, while designated Fire Inspectors deal with Uniform Fire Code issues in the areas of maintaining integrity and safety. IA observed that, in this area, two of the three Inspectors are working toward becoming a Certified Plans Examiner. In fact, Fire Inspectors are in the process of becoming certified to perform all types of inspections.

Business License Inspections; Certificate of Occupancy/New Construction Inspections. For these types of inspections, the City's AS 400 is queried each day. IA reviewed the purpose and scope of these inspections, with no exceptions or unusual items noted.

Fire Investigations. Fires are generally investigated per Department SOP. Fire Inspectors work a normal eight hour daily shift. On occasion, when the actual investigation transcends a normal eight hour day, or would begin after normal business hours, the SOP allows for the State Fire Marshall's Office to be used in the investigation. IA was informed that there is sufficient overtime budget for those occasions where an inspector may be called back to perform a fire inspection after hours.

Other inspections surveyed. IA reviewed the purpose and scope of other types of inspections, activities, code enforcement procedures and related issues to include; Wildlands Fuel Management, Public Education, and Project Reviews, with no exceptions or unusual items noted.

RECOMMENDATIONS:

16. Consider using either standardized check lists or notebook PC's on all types of inspections. Whatever tools are used would need to be periodically updated for new regulations.

17. Develop a comprehensive inspection manual that, at minimum, contains the following:
   - Service level policy, procedures and guidelines for each type of inspection to include how often, under what circumstances, and inspection frequency standards.
   - Targeted time to accomplish each type of inspection activity.
   - List of inspected properties to ensure a comprehensive up-to-date inventory for inspection purposes.
   - Other performance measures that use available data, are focused on outcomes and can provide information for which comparative data is available. Examples are:
     - Total fire incidents per 100,000 population.
     - Total structure fires per 100,000 population.

- Percent of fires with cause determined.
- Percent of investigated residential fires where a smoke alarm is present.
- Number of fire safety presentations.
- Number of attendees at fire safety presentations.
- Percent of total inspected occupancies experiencing fire.
- Develop statistics that include inspection backlog at all times. A backlog may be defined as the difference between expected inspections and actual inspections.
- Develop statistics to determine the relationship between fire safety inspections and the occurrence of fires to include considering what role firefighters might assume in inspection and fire safety education. Fire Department performance measures do indicate that inspections are performed by fire crews; with 238 such inspections projected for FY 2005.

18. Measure actual inspection production to the service level policy as is contained in the manual.

19. Trend results over a representative period and reassess the need for the current staff level. A portion of this process should include analyzing the level and magnitude of the administrative category nature.

20. Look into the possibility of proposing another City Resolution to increase fees for Plan Reviews. For example, using 2003 statistics, the following General Fund incremental revenue can be generated by increasing Plan Review fees, as follows:

An increase in fees of;	Would result in increased revenues of;
$10	$6k
$20	$12k
$30	$18k

21. Continue to work toward full certification for all inspectors for all types of inspections.

MANAGEMENT RESPONSE:

16. Agree in Principle. We will consider automated notebooks PC's and will attempt to find the funding for these. The advantage is that the information could be downloaded directly into FIREHOUSE.

17. Agree. We will develop a comprehensive manual by June, 2005.

18. <u>Agree</u>. In conjunction with the development of the above manual, we will begin this activity from June, 2005 forward.

19. <u>Agree</u>. As is mentioned above, we will comply by June, 2005 forward. It should be noted that the reporting process has greatly improved over the last two years and now accounts for all of an inspector's time. Many of what the Auditor terms administrative categories are, in reality, associated with particular investigations.

20. <u>Agree in Principle</u>. We will bring this to the BOS through the City Manager by September, 2004. We will do a regional review to see what other jurisdictions are charging and will probably settle on the mid-point of our findings.

21. <u>Agree</u>. We will accomplish this, but at this point, we cannot set a specific date.

V. TRAINING DIVISION

A GREAT DEAL OF TRAINING TAKES PLACE IN ESSENTIALLY TWO CATEGORIES; ANNUAL TRAINING AND PROBATIONARY TRAINING; WHEREBY THE FIRE FIGHTER ACADEMY ACCOMMODATES ALL NEW HIRES. FOR THE MOST PART, A TRAINING EVENT, WHETHER AS TRAINER OR TRAINEE, RESULTS IN DEPARTMENTAL OVERTIME, AS ABSENCES ARE FILLED TO BRING STAFF LEVELS UP TO MINIMUM STAFFING, USING A CALL-BACK SYSTEM PROTOCOL. SEE THE OPERATIONS DIVISION SECTION THAT FOLLOWS FOR A DETAILED DISCUSSION. IA MADE NO RECOMMENDATIONS IN THIS AUDIT REPORT SECTION.

The Mission of this Division is to provide quality training and education to career personnel, volunteer members of WECO, and those other City personnel who may be assigned emergency response duties. The training program is designed to meet organizational needs and to maximize service delivery to the citizens of Carson City. All training is intended to meet State and Federal fire service training requirements.

The Training Division consists of one FTE, which is comprised of two individuals; ½ of one Management Assistant II and ½ of the Acting Fire Marshall/Assistant Fire Chief. However, operationally, an Acting Training Chief, currently on light duty, assumes much of the administrative tasks within the Division. The various training requirements are facilitated by State certified fire instructors, who are all members of duty crews. At this writing, there are five such individuals, one of which is in the process of becoming State certified. When these crew members are used as training facilitators, this results in an element of overtime, as personnel are called back to duty to replace the Training Facilitator (i.e., either they were on-duty in a Fire House or off-duty).

The Division's Budget, as shown below, is subsidized by the Emergency Management Division's budget, which is a part of the City Manager's budget.

	FY 2001	FY 2002	FY 2003	FY 2004 Estimated	FY 2005 Proposed
Salaries and Wages	$55,206	$92,537	$78,474	$99,519	$102,733
Benefits	$19,155	$22,754	$25,812	$24,732	$25,990
Services and Supplies	$54,289	$59,686	$39,695	$57,560	$56,424
Capital	$0	$0	$0	$0	$0
Total	$128,650	$174,977	$143,981	$181,811	$185,147

Selected aspects of the Training Division's responsibilities are presented with appropriate commentary, as follows:

- Training can be thought of in two categories; Annual and Probationary. Much of the Annual training requirements are planned for and worked into Quarterly Activity Plans. IA examined the applicable training SOP which provides direction in the delivery of the training program. Each of the categories will be briefly discussed:
    - Annual Training. The Acting Training Chief is charged with knowing what training is to take place each month, and annually, which is all driven by Department SOP. The Acting Training Chief inquires into the FIREHOUSE data base to ensure that all personnel who were assigned to training, did indeed participate. Any training absences are made up as soon as possible.
    - Probationary Training. As the type implies, there is strict compliance on a month to month basis, requirement by requirement. IA examined the Department's Probationary Firefighter Monthly Training Schedule and found it easy to follow and quite comprehensive. The challenge for the Acting Training Chief, and for the Department, is to successfully maintain annual requirements and, at the same time, provide the necessary probationary training requirements. For the most part, probationary training requirements meet annual training requirements, but not the reverse (i.e., sometimes annual training is a condensed version of the more intense probationary training). Thus, the number of probationary employees drives the depth of training provided. To further illustrate scheduling complications, at this writing, there are eight employees on probation. Some of these were hired at different points in time.

As a result, sometimes certain annual training such as swift water rescue training will be deferred to future periods. If as a result of deferring this type of training, and if an unfortunate event should occur that OSHA becomes aware of, there is a $75k maximum fine that could be levied against the City.

- The major types of training will now be discussed with appropriate commentary, as follows:
    - Fire Fighter Academy for all incoming new hires. This probationary training consists of 160 hours which is negotiated within the CBA. The content of this four week intense training comes directly from NFPA standards, in conjunction with the International Fire Service Training Association (IFSTA) guidance. In addition to the training cadre mentioned above, training is augmented, on occasion, as follows:
        - by in-house personnel who have more expertise in specialized subject matter, e.g., vertical rescue or trench rescue.
        - by outsourced experts normally obtained in a "barter" trade for service and professional courtesy situation. Related, sometimes other Agencies send their instructors to train when that Agency has new hires going through the Academy.
        - by hiring someone via grant funding. For example, the Fire Department applied for and received State Emergency Response Commission (SERC) grant funding of approximately $20k to conduct a hazmat related class and field training in 2003.

    IA reviewed the course outline and curriculum for the Firefighter One Training with no exceptions or unusual items noted.

    - Quad County Hazmat. This is a four county cooperative effort to provide hazmat response to spills that cannot be handled by any one county. The counties involved are Carson City, Douglas County, Story County and Lyon County excluding Fernley. A Type 1 hazmat team is capable of handling any hazmat incident. There are 20 members on this team from Carson City at this writing. Carson City takes the lead in that they are responsible for maintaining OSHA mandated skills per 29 CFR Part 1910.120 (Hazardous waste operations and emergency response) and NFPA 472 (Standard for professional competence of responders to hazardous materials incidents), along with related industry standards. In addition, Carson City facilitates six Quad County drills per year; two of which are skilled sessions hosted by Carson City, while the other Counties will host one drill per year. Currently, Counties are beginning to obtain more equipment through grants and hopefully will more fully participate in the future. Thus, Counties are currently sharing training resources. Each of the hazmat technicians must attend one skill session and two other drills annually to maintain their hazmat technician certification. This is another area which results in overtime, as each technician attends three drills per year, for an entire day, at their hourly rate. In addition, Captains are considered hazmat incident commanders per OSHA and they are required to attend one drill

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per year.

During an incident, Carson City is obligated to respond with a minimum of four per the Quad County Agreement and Fire Department Hazmat SOP on the subject. IA reviewed the contents of the Board approved Interlocal Agreement with no exceptions or unusual items noted.

- WECO Training. This area will be discussed within the WECO section of this Audit Report.
- Other Training Areas. IA reviewed all other types of training with appropriate personnel. These included; fire suppression structure, wildland, fire suppression vehicle, and technical rescue. These types of training occur during the new hires's probationary period and, for existing firefighters, they are reviewed on a periodic basis during their annual training per Federal, State and Local regulations. In addition, incident investigation training occurs for each engine company's Captains and acting Captains; a total approximating 21-24 personnel are trained in this manner by the Fire Prevention Division's Fire Inspectors. This training is done, at minimum, annually, but there is fire prevention training done each month. Also, there is a myriad of special skills training such as specialized rescue, confined space, trench rescue, vertical rescue and swift water rescue. Most of this type of training is annually done in-house and on duty, except for swift water rescue which is done as frequently as possible. However, as call volume increases, some of this type of training is done when persons are off duty, thus there is overtime under those circumstances. Lastly, dispatch training is provided to new hire dispatchers and occurs, at minimum, annually or when new hires come on-board. The Operations Chief will do this training unique to the Fire Department in a four to six hour segment taught at Fire Station #1. The Operations Chief also teaches this training within the Fire Department Dispatch Training Program taught at Western Nevada Community College. IA was informed that because of turnover, some training has been deferred to future periods. The EMS Division funds this Dispatch training unique to fire and EMS dispatch protocol.
- Training records management is an integral part of the Training Division's responsibilities. All training activity is documented and input into the FIREHOUSE training program using appropriate codes and sub-codes, which IA examined and found to be quite comprehensive to ensure adequacy of training documentation. For large training classes, trainees sign a class roster, with the roster given to the Training secretary who enters each individual into FIREHOUSE as having completed the training session. When smaller groups or individuals complete training segments, their Captain enters their participation into FIREHOUSE. An offshoot of this is when two Fire Stations combine in a training exercise, usually one of the Captains will enter each individual into FIREHOUSE for the combined training class. IA noted that the Acting Training Chief queries the FIREHOUSE data base periodically to ensure that expected input (i.e., derived from the quarterly

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activities which are planned for) was entered completely and accurately. Fire Station Captains will ensure that any unplanned training events are, in like manner, entered into FIREHOUSE.

Lastly, the Acting Training Chief is charged with ensuring that all training was accomplished and that training goals were met.

- The Acting Training Chief also is charged with training facility maintenance and management to include scheduling, prop maintenance, while building maintenance and custodial services are provided by the City's Facilities Division within Parks and Recreation. The regional fire training facility located at Fire Station #2 is available to any emergency services agency in Nevada, along with South West Gas Company. It has 12-15 acres consisting of multiple structures, training props like a burned out building, classrooms, storage, a six story tower, collapsed debris, along with confined space structure hazmat, etc. Many of the expenditures for upkeep are grant funded and a number of new items have been added during the last three years. IA toured this facility and it appears to be very effective in its intended purpose.

RECOMMENDATIONS:

None.

MANAGEMENT RESPONSE:

N/A.

VI. OPERATIONS DIVISION

THE OPERATIONS DIVISION DEPLOYS BOTH HUMAN RESOURCES AND EQUIPMENT IN RESPONSE TO THE NEEDS OF THE COMMUNITY FOR EMERGENCY AND PUBLIC ASSISTANCE SERVICES. OPERATIONS DEPLOYMENTS ARE CLOSELY LINKED WITH EMS AND VISA VERSA, AS THEY OFTEN DEPLOY TOGETHER FOR EITHER FIRE SUPPRESSION OR EMS CALL TYPES. OVERTIME INCURRED IS CONSIDERED EXCESSIVE SUCH THAT THE CCFD REQUESTED AND RECEIVED SEVEN ADDITIONAL FIREFIGHTERS TO REPLACE OVERTIME MANNING WITH STRAIGHT TIME. ALBEIT DIFFICULT TO CONTROL AND MANAGE, THE CCFD SHOULD CONSIDER OTHER TOOLS TO REDUCE THE ABSENTEEISM RATE CAUSING OVERTI4141ME TO INCLUDE A COMPREHENSIVE SICK LEAVE POLICY AND A WELL-NESS PROGRAM. THE CITY WILL HAVE AN OPPORTUNITY TO MAKE CHANGES WHEN THE CBA IS NEXT RE-NEGOTIATED.

The continued Mission of the Operations Division is to respond to the needs of the community for

emergency and public assistance services. This is accomplished through timely dispatch of well trained personnel to requests for assistance.

The Division will simultaneously maintain a proactive plan related to risk reduction designed to reduce potential injury and property damage in the community.

The human resources and equipment deployed for both Operations (i.e., fire suppression) and EMS responses are very much linked to one another. In order to obtain a more clear context and explanation of who and what is being deployed and the rationale thereof, along with associated costs, IA has chosen to present fire suppression and EMS separately, but consecutively within this Audit Report. Statistics, for both, that should correspond to deployment of human resources and equipment, along with associated expenditures, will be presented within the Operations Division (Fire Suppression) and EMS Division of this Audit Report. From a pure performance standpoint and to the extent possible, IA intends to relate budget expenditures, with actual responses, staffing and scheduling/resultant overtime, and equipment deployment. Lastly, certain other Operations Division duties and responsibilities will be discussed herein.

Operations Division expenditures for the last five years are as follows:

	FY 2001	FY 2002	FY 2003	FY 2004 Estimated	FY 2005 Proposed
Salaries and Wages	$2,395,940	$2,483,877	$2,809,533	$3,035,198	$2,928,029
Benefits	$905,436	$984,380	$1,131,696	$1,200,005	$1,229,833
Services and Supplies	$222,031	$233,302	$352,023	$359,274	$341,256
Capital	$27,590	$16,369	$0	$9,739	$9,934
Total	$3,550,997	$3,717,928	$4,293,252	$4,604,216	$4,509,052

From a budget FTE standpoint, the following FTE's are reported, with appropriate commentary:

Operations	37	(no change for five year period above)
EMS	18	(no charge for five year period above)
Total	52	
Less:		
- Acting Fire Marshall	-1	(see Administrative Division section of Audit Report)
- One of Battalion Chiefs	-1	(see Administrative Division section of Audit Report)
	50	
+ 51st Firefighter funded by	+1	(considered less expensive than hiring one firefighter)

overtime

Authorized TO fire/EMS   51   (17 per day per Fire Station x 3 = 51.)

It is interesting to note that in an Operations Division budget which has maintained FTE at 37 during this entire five year period, that the Division's total budget has increased 27% during that period, with salaries and benefits by far the largest component of that amount, increasing by 26%.

In order to attempt to logically equate human resources and equipment to calls responded to, the following calendar year statistics are presented for both Operations and EMS:

Calendar 2003:	Operations:	EMS:	Total:
Call volume	859	5,358	6,217
Avg. response time overall (EMS Emerg)	6.14 Min.	6.43 Min. (4.79 Min. Emerg.)	N/A
Call volume detail:			
-structure/ emergency	74	3,107	
-vehicle/ non-emergency	44	2,251	
- brush	47	N/A	
-Miscel.	694	N/A	
Total	859	5,358	6,217
Patients:			
-Transports		3,865	
-Non-transports		1,390	
Total		5,255*	
Fire Loss:			
-structure	$500,850		
-vehicle	$113,350		
-contents	$289,390		

Key:

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* Medical          3,632
  Trauma           1,292
  No Treatment       331
                   5,255
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Calendar 2002:	Operations:	EMS:	Total:
Call volume	953	5,455	6,408
Avg. response time overall (EMS Emerg)	6.65 Min.	6.71 Min. (4.85 Min. Emerg.)	
Call volume detail:			
-structure/ emergency	109	3,146	
-vehicle/ non-emergency	48	2,309	
- brush	47	N/A	
-Miscel.	749	N/A	
Total	953	5,455	
Patients:			
-Transports		4,086	
-Non-transports		1,296	
Total		5,382*	
Fire Loss:			
-structure	$1,019,165		
-vehicle	$133,775		
-contents	$572,788		

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Key:

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* Medical          3,675
  Trauma           1,366
  No Treatment      341
                   5,382
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Calendar 2001:	Operations:	EMS:	Total:
Call volume	868	4,877	5,745
Avg. response time overall (EMS Emerg)	6.96 Min.	5.92 Min. (4.66 Min. Emerg)	
Call volume detail:			
-structure/ emergency	87	2,872	
-vehicle/ non-emergency	43	2,025	
- brush	47	N/A	
-Miscel.	691	N/A	
Total	868	4,897 *	
Patients:			
-Transports		3,604	
-Non-transports		1,188	
Total		4,792 **	
Fire Loss:			
-structure	$271,991		
-vehicle	$135,463		
-contents	$830,384		

Key:

* 4,897 does not agree with the report's 4,877 as shown above.
** Medical   3,261
    Trauma   1,261
    No Treatment   270
            4,792

IA's review of the above three years of statistics tend to indicate the following:

- As is indicated in the breakdown of the 2001 EMS patients, there is a slight clerical error. Statistics should be free from error.
- As is stated in the Administrative Division section of the Audit Report, it is difficult to equate the above calendar year statistics generated, with response resources (i.e., both human and equipment) which are budgeted for and tracked on a fiscal year basis.
- It is absolutely clear that responses are driven by EMS activity, not fire suppression activity. Pure fire response incidents are comparatively few, with fire loss kept to a tolerable level. IA attempted to compare fire incidents with available FY 2002 International City/County Management Association (ICMA) performance data (i.e., gathered by a much larger City, comparing much larger Cities, but somewhat applicable for this purpose) which reports fire incidents per 100,000 population, with median and averages given for much larger cities with populations of between 150,000 to 700,000, of which IA will interpolate to the lower figure of 100,000. For comparative purposes, IA will use Carson City's average of fire incident statistics (i.e., structure, vehicle and brush) for the three years examined, which is 182 x 2 = 364. Notwithstanding the assumptions made, Carson City appears to have fewer fire incidents, as follows:

	Carson City Average x 2 to equate to a City with a population of 100,000	Median	Average
Fire Incidents	364	478	521

Note: The Reader should refer to the Service Level Policy/Managing for Results Audit Report section for understanding the differences and pitfalls in comparing jurisdictions.

- The Fire Response Statistics miscellaneous call volume category is far too broad to be meaningful. In fact, its magnitude to total call volume is between 79-81% of total call volume for these three years.
IA was informed that many of these calls are false alarms which would probably deploy

from one to two engines, one ambulance, and one battalion chief vehicle. The current fine is $150, when the fine is assessed. However, it appears that the fine could be raised by the Fire Department.
- Items specifically pertaining to EMS will be developed within the EMS section of this Audit Report.

What will logically follow will now be a discussion of staffing and scheduling, which in the perfect performance world, would be a function of budget and historic and projected response levels. As mentioned above, and where applicable, staffing and scheduling will be discussed from both an Operations and EMS perspective, as they are closely linked to one another. This write-up also will include key aspects of overtime which is considered excessive.

In order to staff Carson City's three Fire Stations 24/7, IA was informed that 17 TO authorized positions are designated for each Station, thus there are a total of 17 times 3 = 51 authorized TO. This TO, which was briefly shown above, can be broken down as follow:

Position Description	TO Authorized
Captain (CPT)	9
Firefighters (FF)	18
Pump Operators (POD)	9
Firefighter/Paramedics (FP)	15
TOTAL	51

IA was further informed that 15 Personnel is considered minimum Safety Staffing per the CBA Article 10, in conjunction with Fire Department General Order #34. The 15 personnel can be depicted as follows:

Engine 1	Engine 2	Engine 3	Comments
CPT	CPT	CPT	Captains
POD	POD	POD	Pump Operators
FF	FF	FF	Firefighters
Rescue 1	Rescue 11	Rescue 2	
FF	FF	FF	Firefighters
FP	FP	FP	Firefighter/paramedics

Total Engine and Rescue   Fifteen (15) personnel
Note: R1 and R11 are physically at Fire Station #1.

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IA was further informed that 15 is derived (i.e., from 17) because two personnel are allowed annual leave per day per CBA Article 23.5 b. (i.e., when 50 or less fire suppression personnel are in the bargaining unit). Since there are now 51 authorized positions in the bargaining unit, and the bargaining unit agreement would allow for three people off at that level, a decision has been made to fund the 51st position with overtime dollars, as it appears less expensive to do so, versus allowing three people off, versus the current practice of two.

The FD uses a 24 hour shift that transcends two days and generally schedules personnel as follows:

- One on
- One off
- One on
- One off
- One on
- Four off

Personnel activity during a shift generally consists of; emergency stand by readiness to respond to an incident which could occur at any time within that shift, responding to an actual incident, routine maintenance of the station and its equipment, training, and administrative duties within Areas of Responsibility (AOR's) that will be discussed later within this Audit Report section.

The effect of the above is to generally schedule each personnel for 10 - 11 24 shifts per month. A pictorial example is as follows using April, 2004, a 30 day month, whereby the person assigned is On for 11 - 24 hour shifts. However, there are instances when personnel are asked to work multi-day shifts well beyond a 24 hour shift. In fact, in a Memo of 3/29/04, the Fire Chief reported that 618 multi-shifts were worked during calendar year 2003; 92% of which being 48 and 72 hour shifts, while 8% being 96, 120 and 144 day shifts. The memo goes on to illustrate what other local and regional fire departments do regarding limiting multi-shift days. To summarize, there are a number that limit to 72 hours which appears reasonable, for Carson City, based upon the above spread. Such an action does not reduce overtime, but does tend to spread overtime to more personnel, along with improving the work environment by reducing undue stress and fatigue.

April, 2004

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 On	2 Off	3 On
4 Off	5 On	6 Off	7 Off	8 Off	9 Off	10 On
11 Off	12 On	13 Off	14 On	15 Off	16 Off	17 Off
18 Off	19 On	20 Off	21 On	22 Off	23 On	24 Off
25 Off	26 Off	27 Off	28 On	29 Off	30 On	

IA's analysis of the above staffing and scheduling is as follows:

- The 15 personnel considered to be the minimum Safety Staffing is extremely important because when staffing falls below this level (i.e., sick, training, major incident deployment, etc. etc.), the CCFD calls back personnel back up to this level. Personnel are called back causing overtime (O.T.) to be incurred. IA observed that the number 15 is not expressly spelled out in the CBA Article 10. Rather, paragraph 10.1 seems to identify four personnel, rather than the five noted in the table above. However, this paragraph only speaks to fire suppression personnel, while IA has learned that ambulances must have two people on them to be certified as ambulances. Thus, 3+2=5x3=15 as per the above presentation. IA was informed that the CBA should be viewed only in a legal prospective, while General Order #34 augments the Agreement and operationally specifies the number 15 as noted above, to include ambulance staffing. Related, during IA's field work, General Order #34 needed to be updated to operationally account for the 15 minimum persons on duty each day. A draft General Order was submitted to the Fire Chief for signature in IA's presence.
- As alluded to above, the Fire Chief and his Management staff have analyzed calendar 2003 overtime and have determined that overtime is caused by the following conditions, to which IA generally concurs with*:
  - Staffing the 51st position with overtime $72,000
  - Sick leave; family and individual $227,000
  - Training; discretionary and required, as $67,000
    trainee or trainer
  - Special Events and Administrative Requirements $21,000
  - Vacation replacement $127,000
  - Workman's Compensation $36,000
  - Military Leave $8,000
  - Vacancy for Turnover (position only) $29,000
  - Fire and ambulance operations overtime $42,000

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Total overtime during prior year by category $629,000

* Because of call-back protocol prior to 1/1/04, certain categories within the
aforementioned $629k are understated and overstated. One example is Workman's Comp
shown at $36k. This figure should approximate $60k, or $24k more, while Sick Leave and
Vacation Replacement would be reduced accordingly. IA was informed that the call-back
system's protocol had been corrected effective 1/1/04 forward, thus calendar 2004 O.T.
categories will be more accurate.

It appears that the ability to manage, control, and reduce this O.T. in total and within the
categories, is severely hindered by the current CBA, among other factors:

- Re. Sick leave, a Fire Chief memo to the City Manager of 2/5/02 indicated that all sick
  leave used for 24 hour personnel appears in line with sick leave used by the average of City
  employees. It went on to claim the following:
  - Average City employee used 7.5 sick days per year, while accruing sick leave at
    1.25 days per month (10 hours/8 hour work day).
  - CCFD 24 hour shift personnel used 7.7 sick days per year, while accruing sick
    leave at .58 days per month (14 hours/24 hour shift).
  - IA re-computed sick leave for a 12 month period, independent of the Fire Chief's
    analysis above. The results of this re-computation indicated that the CCFD used
    approximately 14% more sick leave than the average City employee figure claimed
    above. IA did not re-compute average City employee usage, but simply used the
    Fire Chief's 7.5 sick days per year above for average City employees.
  - According to legal counsel at that time, and based upon the CBA and applicable
    law, counsel indicated that the FD was doing all it could do under the circumstances
    to control and manage sick leave.
- Workers Compensation claims. The FD believes that there is a direct relationship between
  hours worked, fatigue and stress, leading to injuries on the job. There are currently several
  people on extended workers compensation claims.
- All other categories' O.T. were triggered by manpower falling below the prescribed
  minimum of 15 per the CBA. This analysis includes EMS overtime, which is within many
  of the above overtime categories and will be discussed in more detail within the EMS
  Division Audit Report section.

Regarding call-backs resulting in overtime, the proprietary (i.e., written by the EMS Division
Chief) staffing/call-back program, because of the protocol being used, does not specifically
identify and equate each called-back position, to the person being replaced. As a result, personnel
can be called- back at different rates. Thus, if the composite of called-back positions are called
back at a higher rate, overtime is increased. Other characteristics of the call-back protocol include;

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- Precludes captains from being called back to fill lower rated position; a rate issue.

- Excludes non-paramedics from being called back to fill paramedic positions; a qualification issue.
- In the composite, lower ranked people are called-back to fill higher ranked positions.

Related, the proprietary system presents potential problems for IS to be able to support such systems; as IS personnel strength appears to be going down and Fire Department systems knowledge vests with only one person. One of the Operations chiefs audits the call back roster weekly to ensure that it has met the criteria for call-back per the CBA.

It is self-evident that O.T. is excessive both in dollars and as a percent to budget. IA tested the magnitude and reasonableness of the above $629,000 overtime amount, and found it to be reasonably presented, as follows:

Total O.T. as shown in the Fire Chief's Memo: $629,000
Less:
- O.T. funding of the 51st position   - 72,000
O.T. dollars triggered from absences $557,000
IA calculation of O.T. based upon average absences $527,000*
Difference is minor; thus the $629k appears reasonable $ 30,000 (5%)

	# of Personnel	x24 hour shift	x # of days in 2004	Hours authorized and / Hours resulting in O.T	Hours
Authorized TO	51	x24	x366	=447,984	Authorized
Average Leave per day that triggers O.T.	2	x24	x366	= 17,568	Resulting in O.T.
Annual Leave hours				17,568 x $30 OT P $527,040*	

In reviewing the language of the CBA, IA noted the following areas where some clarification is

required:

- 23.5.a. states; Employee requests for vacation dates <u>shall be granted</u> as provided in this article except in <u>emergency</u> situations.
- 23.5.b. provides that two (2) <u>may be off</u> on annual leave per day.
- As is stated above, it is CCFD practice to always allow two off.
- Suggestions and comments will now follow:
  - In future iterations of the CBA, certain words should be more specific such as;
    - "emergency" should be clarified, as IA has been told that every response the CCFD makes is Emergency. Further, if there is a more defined definition, and since Emergency cannot be foretold, why should a CBA trigger a vacation schedule due in December xx, where no vacations can be denied other than Emergency? The practical application of IA's comments is that the vacation schedule includes the above two personnel off, per day, with Management being unable to affect this practice. Less O.T. would be incurred if, for example, only one person per day would be on annual leave, versus two. The flip side is that the CBA does allow for accrued annual leave in excess of the maximum. Obviously, upon separation, any accrued leave must be paid.
    - Using possibly conflicting terms such as shall be granted and may be off, as per the above, should be eliminated.

The CCFD, therefore, believes that it would be very difficult to reduce O.T. at the present personnel strength (i.e., due to Federal law, OSHA, and the CBA). As a result, the CCFD will present a supplemental budget request to the Board to hire seven additional Firefighters, which they claim will greatly reduce O.T. and require only a slight cost augment.

IA has analyzed the supplemental request, and its methodology, and believes it to be a reasonable and plausible alternative (i.e., and not without national precedent) to continually expending for excessive overtime, as the cost augment to hire seven new firefighters approximated $46k, which would be further reduced with reimbursements. In fact, IA's analysis was given to the City Manager for review and inclusion within the Board Budget Package. However, IA cannot validate future results, and like any other pro-forma risk-reward or investment-cost avoidance scenarios, the Board will have to ultimately decide on the proper course of action within the budget process. It is IA's responsibility to identify, analyze and report on such matters. Related, IA noted a number of Fire Departments throughout the nation who are considering this type of alternative of replacing firefighters and firefighter paramedics working overtime with additional straight-time employees. Hernando County, Florida is one of a number of current examples.

Related to fire suppression staffing and scheduling response procedures and rationale, as noted above, fire suppression equipment deployment follows in like manner. IA's discussion will now follow:

There were 22 fire suppression call types (i.e., not EMS related) as provided to IA by the Acting Fire Marshall/Assistant Fire Chief. All 22 require at least one engine to respond, while 12 of 22 require one engine to respond. In addition, eight of 22 require two engines, eight of 22 require one rescue, and nine of 22 require a Chief to respond. Generally speaking, it appears that the more critical the incident, the more units are deployed to include a mix of fire suppression and EMS units. These response patterns are established within the computer aided dispatch (CAD) system. IA was further informed that the Units Assigned to Respond indicates those units that are initially assigned, with additional units summoned on an as needed basis, to include other City agencies, as the incident progresses:

CALL TYPE	UNITS ASSIGNED TO RESPOND
Bomb Discovery	2 engines, 1 rescue, 1 chief
Chimney Fire	2 engines, 1 rescue, 1 chief
Explosion	2 engines, 1 rescue, 1 chief
Fire System Alarm Activation	2 engines, 1 rescue, 1 chief
Natural Gas Leak	2 engines, 1 rescue, 1 chief
Smoke investigation inside a structure	2 engines, 1 rescue, 1 chief
Structure fire	2 engines, 1 rescue, 1 chief
Brush fire	2 engines, 1 rescue, 1 chief
Physical rescue	1 engine, 1 chief, 1 squad
Environmental spill unknown substance	1 engine, 1 chief
Dumpster fire	1 engine
Carbon monoxide alarm	1 engine
Electrical investigation	1 engine
Investigation-general	1 engine
Miscellaneous fire	1 engine
Odor investigation	1 engine
Power line down/arcing	1 engine
Smoke investigation outside	1 engine

Smoke detector malfunction	1 engine
Unauthorized control burn	1 engine
Vehicle fire	1 engine
Water leak	1 engine
Total of 22 types	

The main criteria for the above deployment array is termed "two in and two out." The use of four people is derived and practiced from 29 CFR Part 1910.134 paragraph 3 subsection ii, as promulgated by OSHA standards for general industry, as follows:

..."when self-contained breathing apparatus or hose mask with blowers are used in atmospheres immediately dangerous to life or health (IDLH), standby men must be present with suitable rescue equipment.".... For instance, in a structure fire in a confined area, that could have an oxygen deficient or explosive atmosphere that could cause IDLH, it is generally acknowledged and accepted to have two people inside the structure or trench, and two people outside to rescue just in case. To further illustrate a structure fire with a minimum of four people;
- need an entry crew of two
- need a rescue crew of two
- need a ventilation crew if/when needed

In addition to the above general rationale regarding deployment array, the following will provide a deeper understanding:

The need for 2 engines, 1 rescue, 1 chief. The operational assumption is that there will be a structure fire and/or an explosion. The EMS rescue will be used to rescue people out of the house or to rescue Firefighters. Also, NFPA 1710 requires a Rapid Intervention Team (RIT), which is for rescue and standby. The 1st engine is the entry team, while the 2nd engine is for water/hose from a hydrant, and will do either rescue and/or ventilation. If no EMS rescue is available, and in order to meet the two in and two out, the chief is used, along with the 3rd person on the 1st arriving engine. Therefore, the chief is command and control and safety to meet two in and two out when EMS rescue is not available, and to gain ISO points for responding personnel. With this type of staffing, the Fire Department believes it can quickly stop fires while greatly preventing structure collapse, along with the ability to deploy people with shovels, along with having the ability to stream people.

The need for 1 engine, 1 chief, 1squad. This deployment is traditionally used for medium to heavy

rescue during building collapses and water rescues; whereby the squad vehicle has extrication and rescue equipment to include ropes, repelling equipment, river rescue equipment, and equipment to deal with trench rescue.

The need for 1 engine, 1 chief. The 1 engine is used to investigate and evaluate, while the chief is the incident commander, i.e., there is much communications involved in an environmental incident. This is considered a hazmat incident with the potential for response to include the above mentioned Quad County hazmat team.

The need for 1 engine. In these call types, there is a need for 1 engine to investigate and evaluate, and in cases where there is fire, they will suppress the fire.

Other Operations Division duties and responsibilities are as follows:

Operations performs a number of very important functions that compliment Operational Response capability and the entire CCFD as follows:

Areas of Responsibility (AOR): Administratively, Operations uses an AOR form to assign specific responsibilities to either its Captains or its Chiefs. The breakdown of responsibilities is as follows:

AOR	Assigned To	Comments
Quarterly Planning	All Nine Captains	Reports to a Chief
Equipment and Apparatus	All Nine Captains	Reports to a Chief
Five (5) AOR's to include; Personnel, Performance Management Planning, Equipment and Vehicles, Building and Grounds, and Fuel and Oil Card System.	One of Two Chiefs	Reports to the Fire Chief

Thirteen (13) AOR's to include; Haz-Mat inventory, Tech Rescue inventory, PPE protective clothing inventory, Extinguishers (fixed & apparatus), Nozzles, Ladders, Self-Contained Breathing Apparatus (SCBA) Air compressor, Flashlights, Power Tools, Radios/Batteries and Communications, Hand tools, Janitorial supplies, Hose appliances.	One of Seven Captains; two of which have three AOR's, two have two AOR's, and three have one AOR	Reports to one of three Chiefs; one of which has ten AOR's, one has two AOR's and one (retired) has one AOR.
20 AOR's in total		

Some of the characteristics of the AOR process include;

- budget dollars being assigned to a responsible party.
- in some cases, for acknowledged City-wide internal service functions, the CCFD budgets for additional dollars beyond what the City agency provides in the way of service; e.g.
  - Custodial services.
  - Equipment repair such as general service tools, saws, drills, etc.
- in other cases, the CCFD improves its facilities using self-help initiatives; e.g. communications and radios.

Select commentary on several of the AOR's is presented as follows:

Planning. As shown above, Planning is an AOR and is one of the primary responsibilities of one of the Chiefs via all nine CCFD Captains. Some of the more important Planning duties include:

- Coordinates and distributes planning for the entire Department and within Operations.
- Plans and facilities the Quarterly planning meeting, inclusive of all planned activities for the entire Department.
- Gathers and coordinates all plans from all CCFD divisions to include training, annual physicals, inventory, personnel evaluations, fire prevention inspections, public contacts for public education, and maintenance, among others.
- Either the Chief and/or the AOR process owner performs a Quality Assurance (QA) "audit" for process compliance.

Personnel. As shown above, Personnel is an AOR and is one of the primary responsibilities of the

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Chief having Planning responsibilities, which ultimately reports to the Fire Chief. Some of the more important duties include:

- Ensures that all individual personnel evaluations for line personnel are completed per CCFD SOP.
- Ensures that annual Company (i.e., Team) evaluations are likewise completed per CCFD SOP. This evaluation is a joint effort between the Acting Training Chief, the Operations Chief, and one selected Captain. The results of this evaluation impacts on individual Captain's performance evaluations.
- Conducts the annual personnel evaluations for all Captains (9).

Fire Prevention/Public Education. At times, the CCFD will provide on-duty personnel to support educating the public. Refer to the Fire Prevention section of this audit report for a more detailed description. When Operations personnel are used, it is the Operations Division's cost to bear.

Training. Similar to Fire Prevention/Public Education above, Operations Division offsets the Training Budget when firefighters are asked to train. For example, during Quad-County hazmat training, Carson City provides time for firefighters to attend three events per year, with costs associated with these events.

RECOMMENDATIONS:

22. Produce statistical information free from error under all circumstances.

23. Consider producing response statistics by fiscal year in concert with City budgets, as there should be a relationship between operational response and budget dollars expended to obtain response capability.

24. Develop statistics that track actual fire incidents with jurisdictions having a similar size to Carson City.

25. Break down the miscellaneous Operations call volume category into its more significant components for statistical purposes.

26. Consider increasing the fine for false alarms from $150 to perhaps $300 for chronic abusers. In this manner, and once false alarm call volume is broken out from miscellaneous, as shown above, general fund revenues may be annually increased by an amount that cannot be determined at this writing.

27. Publish a General Order that limits multi-shift days to no more than 72 hours.

28. Finalize General Order #34 which augments the CBA's minimum Safety Staffing requirement.

29. Consider City Finance to have an opportunity to review and comment on any CCFD analysis in the area of overtime magnitude and causes. Working together with Finance will better ensure that the City Manager receives reports that are more reliable to make decisions with.

30. Consider word changes in the next CBA to clarify certain words and phrases for the benefit of all concerned, as noted above.

31. Reduce excessive overtime by either hiring additional firefighters or through other more conventional means such as establishing proven well-ness programs that have shown good results in reducing workplace injuries and sick leave. See following related recommendation.

32. Establish a formal sick leave policy by perhaps forming a labor and management committee to produce such a policy. It is a truism to say that fewer absences, both sick and scheduled, would lower overtime costs and increase effectivity by increasing crew size. Put another way; there is a direct correlation between O.T. going up and sick leave and on the job injuries going up. This policy would govern the use and repercussions for abuse of sick leave, along with providing a clear definition of an absence, how absences will be reported and recorded, and what constitutes excessive absenteeism. As a prerequisite to formulating a sick leave policy, sick usage should be more critically analyzed in particular on weekends and in the summer months. IA noted two types of absenteeism control policies:

- No-fault. Where employees are charged with points or occurrences each time they fail to work scheduled hours, with some exceptions. They are allowed a specific number of absences, but once reached, disciplinary penalties are progressive from counseling through to possible termination.
- Incentive-based. Where employees are provided financial or other rewards to encourage good attendance.
- Sometimes a combination of the two approaches are used.

33. Update AOR responsibilities to include eliminating the Chief(s) no longer responsible because of other duties and substituting another Captain for the Captain who recently retired.

MANAGEMENT RESPONSE:

22. Agree. We will do better QA in the future.

23. Agree. As we stated in our response to 9. above; we will begin to present all incident statistics on a fiscal year basis with our CCFD Annual Report for fiscal year 2004, which should be available for distribution on or about July 15, 2004. We believe that by publishing a separate CCFD Annual Report, we can better communicate our contribution and service to the community.

24. Agree in Principle. As we stated in our response to 2. above; we will continue to search for suitable comparable jurisdictions. As the Internal Auditor points out in the body of this report, available statistics from the ICMA, for example, along with statistics from consolidated jurisdictions are derived from much larger populations than Carson City, making comparisons difficult.

25. Agree. This will be done for the fiscal year 2004 Annual Report that should be available for distribution on or about July 15, 2004.

26. Agree in Principle. Although we have the ability to raise the fee to further deter abuse and to convince businesses to maintain their alarms properly, we feel that the staff time to research and investigate and determine if the business truly had control over their alarm system is simply not cost or time beneficial at this time. During calendar year 2003, our records indicate a total of 273 false alarm incidents, with approximately 52 of them who had more than three false alarms during that calendar year. Of these, about 1/5 were City alarms, while a number of them were from senior centers in the City.

27. Agree. We will first obtain a legal review and then we will publish by June, 2004.

28. Agree. This was completed in April, 2004.

29. Disagree. We do not report to Finance, but to the City Manager, who can have Finance review any of our analyses at any time.

- IA affirms Management's disagreement in this area. The recommendation was in the form of a consideration that Management could either accept or reject, with little implication, in this case.

30. Agree. The current CBA expires in June, 2005, whereby we will consider the Auditor's suggested word changes and clarifications at that time.

31. Agree. The entire supplemental budget has been conditionally approved and will be presented to the BOS for final approval in May, 2004.

32. Agree in Principle. We do not feel that the CCFD has the authority to accomplish this without the City Manager and the Director of Human Resources buy-in and direct assistance.

33. Agree in Principle. We will be able to do this contingent upon the City review of unclassified compensation schedule which affects our ability to advertise and hire our authorized Assistant Fire Chief position.

VII. EMERGENCY MEDICAL SERVICES (EMS) DIVISION

THE EMS DIVISION, SIMILAR TO ITS OPERATIONS DIVISION COUNTERPART, DEPLOYS BOTH HUMAN RESOURCES AND EQUIPMENT TO PROVIDE EMERGENCY MEDICAL COVERAGE. AS STATED IN OPERATIONS, EMS AND OPERATIONS DEPLOYMENTS ARE CLOSELY LINKED TO ONE ANOTHER, AS THEY OFTEN DEPLOY TOGETHER FOR EITHER FIRE SUPPRESSION OR EMS CALL TYPES. EMS OVERTIME INCURRED IS LIKEWISE CONSIDERED EXCESSIVE, WITH THE SAME REMEDIES AS WAS SHOWN ABOVE IN THE OPERATIONS SUMMARY. IN ADDITION, EMS DIVISION IS ALSO CHALLENGED WITH STAFF RETAINMENT. OF PRIMARY IMPORTANCE IS THAT EMS FINANCIAL VIABILITY MUST BE DEALT WITH IN LIGHT OF REDUCTIONS IN MEDICARE REIMBURSEMENTS AND OTHER NEGATIVE FACTORS. BASED UPON AVAILABLE EVIDENCE, THE CITY AND ITS CONSTITUENTS MUST DECIDE WHETHER TO CONTINUE TO OPERATE THE SERVICE IN-HOUSE OR OUT SOURCE IT, WITH THE LATTER ALTERNATIVE HAVING ITS OWN SET OF VARIABLES AND FACTORS.

The Mission of this Division is to provide emergency medical coverage to people residing in or passing through Carson City. The Division responds to all requests for EMS within the jurisdictional boundaries of the City, and those other areas covered by contract or mutual aid agreements.

As previously stated in the Operations Division Audit Report section, the human resources and equipment deployed for both Operations (i.e., fire suppression) and EMS responses are very much linked to one another. In order to obtain a more clear context and explanation of who and what is being deployed and the rationale thereof, along with associated costs, IA has chosen to present fire suppression and EMS separately, but consecutively within this Audit Report. Statistics, for both, that should correspond to deployment of human resources and equipment, along with associated expenditures, will likewise be presented within both sections of this Audit Report. From a pure performance standpoint and to the extent possible, IA intends to relate budget expenditures, with actual responses, staffing and scheduling/resultant overtime, and equipment deployment. This Audit Report section will also contain a brief discussion of Health Insurance Portability and Accountability (HIPAA) compliance.

EMS Division revenues and expenditures for the last five years are as follows:

	FY 2001	FY 2002	FY 2003	FY 2004 Estimated	FY 2005 Proposed
Revenues:				.	
Ambul. Fees *	$2,324,922	$2,714,328	$3,158,744	$3,331,476	$3,654,405
B/D Uncoll **	-$452,083	-$512,317	-$792,209	-$932,813	-$1,059,777
Subsc. Fees ***	$72,350	$102,250	$75,600	$115,000	$115,000
Other Income ****	$40,081	$32,829	$33,786	$20,650	$20,650
Net Opns Income	$1,985,270	$2,337,090	$2,475,921	$2,534,313	$2,730,278
Expenditures:					
Salary/Wages ******	$1,035,220	$1,065,817	$963,094	$989,780	$1,023,426
Benefits	$397,530	$427,235	$422,657	$491,103	$512,414
Serv/Splys excluding bad debts	$353,099	$441,881	$440,113	$464,515	$401,842
Bad debts *****	$402,514	$383,731	$567,002	$599,666	$657,793
Depreciation	$46,644	$42,797	$41,767	$77,500	$77,500
Loss on Disposal of fixed assets	$736	$0	$0	$2,000	$2,000
Total Opns Expenses	$2,235,743	$2,361,461	$2,434,633	$2,624,564	$2,674,975

Net Operating Income or Loss (-)	-$250,473	-$24,371	$41,288	-$90,251	$55,303
Capital outlay	-$13,048 (A)	-$113 (A,B)	-$281,066 (A)	-$44,000 (A1)	-$245,000
GF transfer in	$220,000	$410,000	$0	$0	$0

Key:

* Approximately 54-56% are Medicare patients

** Non-allowable Medicare/Medicaid portion of the patient bill

*** CC Care program at $50 per subscription

**** A composite figure consisting of interest income, refunds/reimbursements, bad debt recovery and other

***** The period's bad debt expense; via analysis of Accounts Receivable (A/R) collections activity. The actual entry to derive this amount is a DR. to this expense account and a CR. to Allowance for doubtful accounts. When an account is deemed to be "written-off" whereby there has been no collections for a 12 month period; a DR. is made to the Allowance for doubtful accounts and a CR. is made to A/R. This write-off entry is Board approved and is transparent to the collection agency who continues to attempt collection. If and when collected, this is deemed a recovery of a bad debt and is so accounted for.

****** All EMS overtime is recorded in the Operations Division, not in the EMS Division. According to the EMS Division Chief, EMS overtime was in excess of $200k in 2003, or approximately 1/3 of the overtime figure of $629k reported by the Fire Chief. In 2003, the EMS Division lost six personnel to other jurisdictions. Thus, all overtime incurred resulted from staffing up to minimum Safety Staffing levels. In discussions with Finance, it appears that the Maximus Indirect Cost Allocation Study for EMS allocated approximately $220k in fiscal year 2004 to the General Fund. Even though the above EMS overtime calculation was on a calendar year, it appears that the two figures tended to offset one another. For fiscal year 2005, the EMS cost allocation amount has been reduced to $154k. Based upon anticipated reduced O.T. by EMS and Operations, because of increased staff, the $154k should actually be higher than the EMS O.T. As long as this relationship exists, IA sees no need to identify and consider reclassifying EMS O.T. back to the EMS Division.

(A) Amounts expended for with operating funds are reclassified to capital assets at year-end.

(A1) Amounts are funded as capital items, purchased with operating funds, and at year-end, are reclassified to capital assets as is noted in (A) above. At this juncture, only the budgeted capital outlay is reflected in the above numbers.

(B) Even when items are funded with capital dollars, amounts under the fixed asset threshold should not be reported as capital outlays, thus they should remain as an operating expense. In this case, the small amount shown was a portion of a capitalized project, which therefore appears proper under the circumstances.

From a budget FTE standpoint, the following FTE's are reported, with appropriate commentary:

Firefighter Paramedics	15
Chief, EMS Division	1
Management Assist III	1
Clerical III - .5 FTE	.5
Part time - .25 FTE	.25
Total	18 FTE and as reported during the entire 5 year period above

It is interesting to note that in an EMS Division budget which has maintained FTE at 18 during this entire five year period, that the Division's total budget has increased 17% during that period, however salaries and benefits have only increased by 4%. Refer to footnote ****** above for the primary reason for this apparent disparity in that EMS O.T. is now being charged to Operations. In this Division, and as the reader will clearly see from the following discussion, financial viability and volatility are more a function of the revenue streams, rather than the expense side.

As can be plainly seen from the five years of financial information above, the financial viability of the EMS Division is being severally challenged.*

* Net Operating Income for the five years	-$268,504
Capital expenditures for the five years	$583,227
General Fund Transfers-in for the five years	$630,000

In the near future, financial viability will be even more severely challenged in three significant areas of revenue, all Medicare related, as follows:

1. Medicare Fee Schedule Reductions (i.e., Health Care Finance Administration is the developer of the Medicare reimbursement schedule). As alluded to above, approximately 54-56% of all EMS transports are Medicare patients. In 2001, a new five year sliding scale fee schedule was imposed on all ambulance providers which is intended to phase in a new program beginning 1/1/06 forward.

This program also was devised to equalize payments to all ambulance providers, that up to the year 2000, Medicare reimbursed urban areas like Carson City more than their rural counterparts like Lyon County. The scale, based upon complex formulas, is as follows:

Year 1 2001   90% of old program   10% of new program
Year 2 2002   80% of old program   20% of new program
Year 3 2003   60% of old program   40% of new program
Year 4 2004   40% of old program   60% of new program (where we are now)
Year 5 2005   20% of old program   80% of new program
1/1/06 forward   100% of new program

To estimate lost revenue as a percentage due to the above sliding scale; CCFD EMS calculated calendar years percentage payments received and uncollectible, as follows:

Old Program.

2000	Received	Higher than 2001 and N/A
	Uncoll.	Lower than 2001 and N/A

Phase in period of new program.

2001	Received	62.9
	Uncoll.	37.1

2002	Received	59.1
	Uncoll.	40.9

2003	Received	52.9
	Uncoll.	47.1

2004	Received	49 (estimate)
	Uncoll.	51 (estimate reciprocal)

2005   Worse than 2004 as the above progressive decreases continue

2006   New program begins and is worst case scenario going forward

The following examples will help illustrate the negative effect of the Medicare sliding scale:

	Billed Amt.	Uncoll. Amt.	Allowed $ Amt. Via Formula	Allowed % of $ Amt.	Reimbur. from Medicare	Co-insurance of 20%	Bill to patient
Pre 01 e.g. 2000	$750	$300	$450	80%	$360	$90	$90
Post 01 e.g. 2004	$750	**$370** (larger)	$380 in a formula equating to 40% of old and 60% new program.	80%	**$304** (smaller)	$76	**$76** (smaller)

2. Effective 1/1/06 forward, supplies will no longer be reimbursed. Thus, only base rate plus mileage will be reimbursed. This equates to approximately $75 per reimbursement per call. For example, taking the 3,865 transports in 2003 x 54% being Medicare x $75 = lost revenue of approximately $156k.

3. Effective 1/1/06 forward, the City will get reimbursed at the Base Life Support (BLS) rate for other than Advanced Life Support (ALS). Prior to this date, the City was reimbursed at the ALS rate for all transports. Using the estimate of 25% of all transports being none ALS, lost revenue can than be calculated as; 3,865 transports x 54% Medicare = 2,087 x 25% = 522 transports x $100 difference = $52k in potential lost revenue.

During IA's field work within EMS, a potential negative cash flow condition was detected by Finance and brought to the attention of the EMS Division Chief. Upon further investigation, it appears that, for a time, Medicare had stopped paying/processing claims. In addition, and on a smaller scale, Medicaid had not paid/processed any claims since August, 2003. The condition was ultimately resolved to everyone's satisfaction, to include earmarking the revenue and cash sheet forwarded from Finance to the Fire Department, specifically to EMS, and more specifically to the EMS Division Chief. Any such aberration in the future should be detected more promptly.

Non-Medicare Billings:

If the above mentioned 54% is used to depict Medicare billings, than 46% is non-Medicare. Of these, approximately 4% are Medicaid, which is the most detrimental reimbursement rate back to the City. Currently, approximately 66% of Medicaid billings are Uncollectible. The remainder, or approximately 42% are a mixture of private insurance and self-pay; at 2/3 and 1/3 respectively. The CCFD performs an in-house collection effort for the 1st 60 days, and if uncollected by that time, the account is turned over to NCO, a national company expert in collections, among other things. During the initial "soft collect" portion of the NCO collection process, the City pays NCO $1.50 per account assigned to them and, when monies are collected, the City receives 100% of the proceeds. The majority of collection proceeds are received during this "soft collect" process. In other instances when there is a mail skip, the City immediately turns those accounts over to NCO, who performs a "hard collect." There is no City fee during "hard collect," with NCO retaining 30% of any proceeds collected and remitting the remaining 70% back to the City. The national average for "hard collect" dollars is approximately 10%. EMS believes that NCO is performing in an adequate manner and as expected.

Similar to the Operations Division discussion above, in order to attempt to logically equate human resources and equipment to calls responded to, the statistics for both Operations and EMS, as reported in the Operations Division Audit Report section, are repeated as follows, less Fire Loss dollar amounts:

Calendar 2003:	Operations:	EMS:	Total:
Call volume	859	5,358	6,217
Avg. response time overall (EMS Emerg)	6.14 Min.	6.43 Min. (4.79 Min. Emerg.)	N/A
Call volume detail:			
-structure/ emergency	74	3,107	
-vehicle/ non-emergency	44	2,251	
- brush	47	N/A	
-Miscel.	694	N/A	
Total	859	5,358	6,217
Patients:			

-Transports		3,865	
-Non-transports		1,390	
Total		5,255*	

Key:

* Medical   3,632
  Trauma   1,292
  No Treatment   331
               5,255

Calendar 2002:	**Operations:**	**EMS:**	**Total:**
Call volume	953	5,455	6,408
Avg. response time overall (EMS Emerg)	6.65 Min.	6.71 Min. (4.85 Min. Emerg.)	
Call volume detail:			
-structure/ emergency	109	3,146	
-vehicle/ non-emergency	48	2,309	
- brush	47	N/A	
-Miscel.	749	N/A	
Total	953	5,455	
Patients:			
-Transports		4,086	
-Non-transports		1,296	
Total		5,382*	

Key:

```
* Medical          3,675
  Trauma           1,366
  No Treatment       341
                   5,382
```

Calendar 2001:	Operations:	EMS:	Total:
Call volume	868	4,877	5,745
Avg. response time overall (EMS Emerg)	6.96 Min.	5.92 Min. (4.66 Min. Emerg)	
Call volume detail:			
-structure/ emergency	87	2,872	
-vehicle/ non-emergency	43	2,025	
- brush	47	N/A	
-Miscel.	691	N/A	
Total	868	4,897 *	
Patients:			
-Transports		3,604	
-Non-transports		1,188	
Total		4,792 **	

Key:

```
* Does not agree with the report's 4,877
** Medical         3,261
   Trauma          1,261
   No Treatment      270
           4,792
```

IA's review of the above three years of statistics tend to indicate the following:

- As is stated in the Administrative Division section of the Audit Report, it is difficult to equate the above calendar year statistics generated, with response resources (i.e., both human and equipment) which are budgeted for and tracked on a fiscal year basis.

- It is absolutely clear that responses are driven by EMS non-fire related activity, not fire suppression activity. IA attempted to compare non-fire incidents with available FY 2002 ICMA performance data (i.e., gathered by a much larger City, comparing much larger Cities, but somewhat applicable for this purpose) which reports non-fire incidents per 100,000 population, with median and averages given for much larger cities with populations of between 150,000 to 700,000, of which IA will interpolate to the lower figure of 100,000. For comparative purposes, IA will use Carson City's average of non-fire incident call statistics for the three years examined, which is 5,230 x 2 = 10,460. The results are as follows:

	Carson City Average x 2 to equate to a City with a population of 100,000	Median	Average
Non-fire	10,460 (of which, on average, 25% are non-transport)	8,123	8,798

Note: The Reader should refer to the Service Level Policy/Managing for Results Audit Report section for understanding the differences and pitfalls in comparing jurisdictions.

What would normally follow would be a discussion of staffing, scheduling, and resultant overtime which as noted in the Operations Division section of this Audit Report, would be a function of budget and historic and projected response levels. However, the staffing, scheduling and overtime discussion noted above in Operations will suffice for both Divisions, as they are so closely linked to one another, and their human resources and equipment deployment patterns are so closely linked to one another.

What will now follow is a discussion about EMS deployment, which is the policy used to deploy either an EMS rescue, or engine/rescue for all call types based upon certain criteria and protocol related to the call. The criteria and protocol used is derived directly from the Emergency Medical Dispatch (EMD) Manual of the National Academy of Emergency Medical Dispatch which was founded in 1988.
As a provider of pre-hospital emergency services, and in concert with the Fire Department's contracted Medical Director and NAC 450 B (i.e., those portions that deal with pre-hospital emergency medicine), the City is a member of this Academy and all City dispatchers are certified

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as (i.e., or working towards) Emergency Medical Dispatchers. By using an acknowledged national standard, the Fire Department believes that if either a negative event and/or outcome should occur, the City's position would be more defensible in Court. There are 33 emergency medical priority dispatching call types that are built into the CAD system. Some of the primary characteristics of the protocol used, are as follows:

- All 33 call type categories can be subdivided into as many as five distinct levels of urgency/criticality; E, D, C, B, and A. On occasion, a sixth letter is used; the Greek letter Omega which appears to be used for a variety of determinant descriptors (see following definition) to include expected death, public assist, and a poisoning. For each call type, the letter further down the alphabet is the most critical. Not all letters are used for each call type. Given each of these levels, and based upon the call type, each type has specific Determinant Descriptors. Based upon the call type, and the Determinant Descriptors, the response and mode are pre-determined and the former dispatched. The response is the equipment deployed and the mode is the criticality of the call itself. For example, for call type Cardiac or respiratory arrest/death; levels E, D, B, and Omega (expected death) are used. For the most critical levels E and D, both a rescue unit and an engine is deployed in emergency mode 3. For level B (obvious death) and level Omega (expected death is unquestionable), only an engine is deployed in non-emergency mode 2.
- For all 33 call type categories;
    - A rescue and an engine is deployed for at least the most critical level for all 33 call types.
    - A rescue and an engine is deployed for at least the two most critical levels i.e., in 22 of 33 call types.
        - Of the above 11 call types where an engine is not deployed;
            - A Sheriff's deputy is deployed with the rescue unit in 3 of the 11 call types.
            - In the remaining lower levels of criticality, and for the most part, only a rescue unit is deployed, but for some, a Sheriff's deputy is also deployed.
- It is apparent from this deployment procedure, that in a majority of cases, both an engine and a rescue unit are deployed.
- The above described Manual and resultant emergency medical priority dispatching are controlled by Dr. Jeff J. Clawson, M.D. and Medical Priority Consultants, Inc.

HIPAA Compliance:

This Act is intended to provide protection for confidential records which are transferred

electronically. As such, the Act has been revamped to put certain requirements to transmit electronically. The scope of the Act deals with Medicare patients, of which in Carson City, approximately 54% of persons transported are Medicare patients. Based upon IA's review of areas requiring HIPAA compliance, the CCFD appears in compliance, because of the following:

- EMS has a new ambulance billing software which is certified to be HIPAA compliant.
- EMS went online to validate compliance. The Test Case was sent to Medicare and they assigned a new provider number to submit claims. They cancelled the old number and provided the same number as the new number.
- EMS both understands and practices the fact that HIPAA expanded their rules on how one has to advise people that they are HIPAA compliant. Several forms are being used:
  - Organizations must use precise verbiage and must hand patients a form to give them their rights and to provide them with a notice of privacy practices.
  - Organizations also provide an acknowledgment letter that the patient received a privacy practices form and this letter is signed by the patient. The letter is then filed in the patient's record in FIREHOUSE after being scanned on CD's; with the paper copy shredded and destroyed.
- FIREHOUSE is a closed system, with internal passwords, so no one from the outside could access patient records. In addition, users are allowed a certain level of security; i.e., one can only view patient records they have treated. Once billed, all patient records are in the billing software as well which is likewise secure. Note: Electronic form filing is considered adequate according to the District Attorney.
- If someone requests patient records, they must submit a written signed release from the patient, or prove they are the patient. The signed release is also scanned into the patient's record, with the paper copy shredded and destroyed.

RECOMMENDATIONS:

34. Determine viable financial strategies to mitigate the above current and near term reductions in the Medicare revenue stream. It appears inevitable that near term future revenue stream reductions, if unmitigated, will cause the EMS enterprise fund to require significant general fund subsidies. On the plus side, IA was informed that Congress is looking into modifying the above fee and reimbursement schedules, because it greatly pushes the burden back on local governments and to private ambulance providers. IA was further informed that an ambulance fee increase of 7.5% will become effective 7/1/04 and was tentatively approved by the BOS on 5/6/04 (i.e., expected to be approved when the entire Budget is approved on 5/17/04). The purpose of the 7.5% increase is to increase net operating revenues by 2-3%, and to therefore, enable EMS net operating income to be slightly in the black.
Therefore, the benefit of such a fee increase only accrues to the 46% of the non-Medicare patients, as is shown in the table that follows. On the downside; these types of increases do not fund capital and, for insurance purposes, can only be proposed as long as insurance companies consider the bill

to be "customary and reasonable." Over and above that amount, insurance companies will not pay 100%. IA will use the same $750 bill to illustrate this impact of creating incremental revenue for both self-pay and insurance patients:

Proforma with 7.5% fee increase using 2004 figures	Billed Amt. $750 x 107%	Uncoll. Amt.	Allowed $ Amt. Via Formula/ Other	Allowed % of $ Amt. or Other	Reimbur. from Medicare	Co-insurance of 20%	Bill to patient
Medicare 54%	$803	$423 (Incr)	$380 N/C	80% N/C	$304 N/C	$76 N/C	$76 N/C
Non-Medicare 46% 1/3 Self-pay	$803	$161 (Assume 20%)	$642	100%	N/A	N/A	**$642 (i.e., if $750 billed, the amount is $600)**
Non-Medicare 46% 2/3 Insurance	$803	$0	$803	100%	N/A	N/A	**$803 (i.e., if $750 billed, the amount is that $750)**

35. Consider tracking collection rate by individual payer (i.e., Medicare, Medicaid, Insurance providers and self-pays) and by type of service (i.e., Emergency transports, Non-emergency transports, and Treatment without transport). This should be done, in conjunction with the current procedure of calculating a composite collection rate, to enable the City to tell whether changes in the composition of payers or services provided are associated with changes in collection rates.

36. Investigate and determine the proper course of action (i.e., assuming the function remains in-house) of the following:

a. based upon run volume increases, the need for a 4th front line ambulance, along with appropriate staffing.

b. the operational and financial impact of continuing to provide non-emergency transports, which Abbey Group indicated was unusual within the public sector.

c. a possible change to current SOP to have engine companies only accompany ambulances on EMS responses, when the ambulance response will be delayed beyond five minutes or there is likely to be a need for additional staffing to carry out necessary life-saving functions; i.e., cardiac arrest. This was also pointed out by Abbey Group.

37. Consider outsourcing the EMS function if the above mentioned financial strategies do not mitigate reductions in the revenue stream. This will require extreme care in "unwrapping" EMS from fire suppression in such a way as to not significantly degrade service levels in the process. From an outsourcing cost standpoint, since private companies like Regional Medical Services Authority (REMSA) are likewise affected by Medicare rate reductions, and Carson City demographics will remain at approximately 54% Medicare patients, over time the City may be asked to subsidize an out source provider (i.e., speculation). IA was also informed that for jurisdictions that currently use this service, first response often is comprised of fire vehicles and manpower to stabilize the situation for the ambulance that would follow (i.e. Reno and Sparks). Thus, service level policy would have to be critically reviewed. IA did review a 3/29/04 memo from the Fire Chief to the City Manager that discussed these and other alternatives regarding providing ambulance services. Other factors that may impact on an outside provider include, but are not limited to; Carson City's relatively low transport run volume of between 5-6k per year, Carson City's relatively high (i.e., in proportion) number of out of town transports per year, and the level of service that Carson City's constituency would desire. Lastly, if this function were outsourced, General Fund revenue would suffer as, for example, EMS's Indirect Cost Allocation back to the General Fund for fiscal year 2005 approximates $154k. IA observed that the Fire Department and City Management are actively engaged in discussing all alternatives available.

38. Continue (i.e., the EMS Division Chief) to directly receive Finance's revenue and cash sheet to ensure that revenues and cash flows are periodically reviewed and agreed to by EMS and Finance.

39. Consider producing response statistics by fiscal year in concert with City budgets, as there should be a relationship between operational response and budget dollars expended to obtain response capability. This is essentially the same recommendation as in numbers 9. and 23.

40. Develop statistics that track non-fire incidents with jurisdictions having a similar size to Carson City.

MANAGEMENT RESPONSE:

34. <u>Agree</u>. We have produced a number of studies and analyses and will be addressing the BOS and the City Manager with alternatives, some of which have already been presented.

35. <u>Agree in Principle</u>. We agree that it should be done and will attempt to fund approximately $5k for software changes to our HIPAA compliant billing software.

36. <u>Agree to part a. and part b</u>. As for part a., and as stated in 34. above, one of our studies is of a need for the 4th front line ambulance, along with proper staffing. A final decision should be reached sometime in 2006, in conjunction with what is ultimately decided on regarding continuing to provide EMS in-house or to out source the program. As for part b., we have decided that it is financially advisable to continue to provide non-emergency transports, and we will continue to do so.

36. <u>Disagree to part c</u>. In our current state, there are too many variables to deal with and too many lives may be lost based upon our demographics.

- <u>IA affirms Management's disagreement in this area</u>. The recommendation was in the form of a consideration that Management could either accept or reject. In this case, Management believes there may be a significant implication to lower the service level as stated.

37. <u>Agree in Principle</u>. We believe it noteworthy that since a citizens committee was greatly involved as a catalyst to bring about the existing in-house structure and resultant service level, that a similar committee should be involved in any contemplated significant change from existing operations.

38. <u>Agree</u>. This was begun in April, 2004.

39. <u>Agree</u>. As we stated in our response to 9. and 23. above; we will begin to present all incident statistics on a fiscal year basis with our CCFD Annual Report for fiscal year 2004, which should be available for distribution on or about July 15, 2004. We believe that by publishing a separate CCFD Annual Report, we can better communicate our contribution and service to the community.

40. <u>Agree in Principle</u>. As we stated in our response to 2. and 24. above; we will continue to search for suitable comparable jurisdictions. As the Internal Auditor points out in the body of this report, available statistics from the ICMA, for example, along with statistics from consolidated jurisdictions are derived from much larger populations than Carson City, making comparisons difficult.

VIII. WARREN ENGINE COMPANY (WECO)

ALTHOUGH WECO HAS A LONG AND COMMENDABLE TRADITION OF SERVING CARSON CITY, IT IS CURRENTLY NOT PERFORMING AT AN ACCEPTABLE LEVEL. AS A RESULT, THE CITY WILL HAVE TO DECIDE WHETHER AND TO WHAT EXTENT IT CONTINUES TO FUND WECO'S SERVICES AND SUPPLIES AND PROVIDES A MANAGEMENT STRUCTURE. IF THE CITY DECIDED THAT IT WOULD NO LONGER FUND WECO, THE PRO-FORMA ESTIMATED ANNUAL COST AVOIDANCE WOULD APPROXIMATE $50K; OF WHICH $36K ARE HARD COSTS AND $14K ARE SOFT COSTS AND OPPORTUNITY COSTS. IN ADDITION, THE VERBIAGE IN THE CURRENT CBA DOES NOT APPEAR TO FOSTER USING VOLUNTEERS TO A GREAT EXTENT.

Organized in 1863, the historic Mission of WECO is to provide a well trained, all-volunteer company that supports the CCFD with the functions of fire suppression, EMS, and related services to Carson City.

WECO is considered to be the oldest volunteer fire company west of the Mississippi River, and nationally, WECO may be the oldest continuously operated fire company. In recent times, the City has subsidized WECO in the areas of uniforms, protective clothing, medical physicals, training, and insurance. During the last five years, hard dollars expended for WECO are as follows:

	FY 2001	FY 2002	FY 2003	FY 2004 Estimated	FY 2005 Proposed
Salaries and Wages	$0	$0	$0	$0	$0
Benefits	1k	.2k	1k	.2k	0 Not budgeted
Services and Supplies	24.1k	24.2k	40k	32.7k	33.5k
Capital	0	0	0	0	0
Total	$25.1k	$24.4k	$41k	$32.9k	$33.5k

In addition to hard dollars, the City provides a significant element of Management, that up until 2002, WECO had previously provided. Elements of these "soft costs and opportunity costs" are as follows:

- Recruiting. The Management Analyst II recruits and maintains the recruiting program for WECO to include the media campaign and the assembling of interview panels (i.e., made up of line firemen, duty chiefs, a current WECO member, along with the Management Analyst II). The panel typically takes up a good portion of a week in December, xx. The panel than makes selections, whereby people are notified and scheduled for a basic physical examination, and subsequently begin to participate in the recruit training academy at Fire Station #2, with some training done in Dayton.
- Training. As alluded to above, the CCFD is the primary training provider. The Academy is convened for 120 hours of instruction spread within a 3 month period. The Fire Department provides five State certified fire instructors (i.e., at this writing, four are certified and one is in process of becoming certified) to facilitate the training sessions. Every time these instructors are asked to train, the Fire Department will pay for overtime premium to enable the Department to man to the minimum Safety Staffing level of 15. This overtime is being charged to the training budget line item within the category of services and supplies.
- General Administration and Other. All soft costs incurred by the acting training chief and on-duty resources are committed to training WECO recruits. It appears that at least 15% of the Management Analyst II's time is spent on WECO business. For example, and related to the Recruiting function above, the Management Analyst II works closely with the Acting Training Coordinator to ensure that volunteers maintain their volunteer status. A total of 11 hours of training and ride-a-longs are required each month, or 132 hours per year, of which training must be 84. All time is tracked in the FIREHOUSE software data base to support how volunteers have maintained their volunteer status. It is policy that volunteers cannot retain their status as operational responders if their 11 hours per month are not kept up-to-date. Related, the Fire Department Budget Document FY 2005 Goals, Objectives and Performance Measurements contain a significant number of WECO objectives and actions that illustrate the significant effort required to enable WECO to become operationally viable.

It is generally agreed that the sum of both hard and soft costs, along with opportunity costs approaches $50k per year. Thus, from a pure performance standpoint, WECO does not appear to perform well, as follows:

- It appears not effective, as few respond to calls. In fact, the CBA Article 10. Safety Staffing, paragraph 10.2 appears to somewhat hinder the ability of volunteers to respond by designating volunteers to be last after the staffing roster/call in list is exhausted and by limiting a volunteer's time at any active fire station for periods exceeding two hours. The following paragraphs in the CBA do appear to give Management a bit more prerogative in using volunteers to satisfy mutual aid agreements and responses to hazmat incidents. Notwithstanding, the above described limitations do hamper WECO's ability to perform at a mission optimal level.

- It appears not efficient, as the ratio of input ($50k) appears out of proportion to the output or effectiveness of WECO response history/capability.
- It therefore appears not economical, for the above rationale.

There appears to be no written service agreement or other paperwork that would document the operating agreement reached sometime in 2002 such that the CCFD essentially took over WECO's Management functions. IA was informed that the "civil" or social portion of WECO was that of a non-profit or club type organization. Albeit that it is very difficult to separate WECO's social and operational functions, none of IA's comments herein are intended to deal with the social aspect of the WECO organization. Rather, all IA comments pertain to WECO Operations affecting CCFD resources.

RECOMMENDATIONS:

41. Develop a service agreement that accurately depicts the current relationship between the City, the CCFD, and the operational WECO organization.

42. Continue to determine the feasibility, both operationally and legally, of whether the current WECO volunteer organization can be enhanced into a more viable fire company, as its mission statement would indicate. Possibilities include enhancing the current volunteer program, developing a part-time program, among others. IA understands that, in either case, there are pros and cons to formulate an alternative that performs in a more optimal manner. It is also clear that, whatever course of action is pursued, strong labor, management and political support will be needed.

43. Consider disestablishing the current WECO operational organization, and resultant City contribution, if the above recommendation is not aggressively pursued. In this scenario, the City will annually benefit by cost avoiding approximately $50k. It should be noted that Abbey Group likewise found WECO not adequate to provide support for the on-duty fire suppression forces. They observed that, on average, turnout at emergency incidents was, on average, two, which is not sufficient to provide needed staffing on a major wildland or structure fire.

MANAGEMENT RESPONSE:

41. Agree in Principle. We believe that, in this case, the City Manager would have to decide to approach the non-profit WECO entity, which technically has control over WECO volunteers.

42. Agree in Principle. Any significant changes such as these would have to be reflected in WECO's constitution and within the CBA.

43. No Comment.

- <u>IA Commentary</u>. The recommendation was in the form of a consideration that Management could either accept or reject. In this case, Management believes that the City Manager, in conjunction with BOS direction, will have to ultimately decide the proper course of action to take, as they have cognizance over the City budget. Since the budget will shortly be approved for fiscal year 2005, to include WECO funding, it appears there may be ample time to consider for the next budget cycle.

IX. EMERGENCY MANAGEMENT DIVISION

THIS DIVISION IS THE FACILITATOR OF A NUMBER OF INITIATIVES THAT WILL HELP CARSON CITY POSTURE ITSELF TO DEAL MORE EFFECTIVELY WITH MAJOR EMERGENCIES AND DISASTERS. IA MADE NO RECOMMENDATIONS IN THIS AUDIT REPORT SECTION.

The Mission of this Division is to prepare the citizens of Carson City to deal with the outcomes of a major emergency or disaster, and to train City employees in methods to continue to provide quality services during and following such events.

The Division's budget is funded via the office of the City Manager. Comparative Division's budgetary expenditures for the prior five year period are as follows:

	FY 2001	FY 2002	FY 2003	FY 2004 Estimated	FY 2005 Proposed
Salaries and Wages	$55,143	$61,435	$64,278	$64,076	$66,049
Benefits	$16,313	$18,434	$21,754	$24,512	$25,766
Services and Supplies	$92,664	$102,069	$9,060	$19,276	$17,853
Capital	$0	$0	$0	$0	$0
Total	$164,120	$181,938	$95,092	$107,864	$109,668
FTE's	1	1	1	1	1

The above FTE is a net figure derived as follows:

- 1/4 of a battalion chief (1/4 funded by the State)
- 1/4 of a management assistant (1/4 funded by the State)

Thus, the budget salary figure of $66k for Proposed FY 2005 = 50% of both individuals salaries, of which 25% of the 50% is reimbursed by the State. The other 50% of the salaries and benefits are in the Training Division's budget. Therefore, what is not shown is the revenue represented by the state reimbursement, which when received, is netted against salary expenses.

Like many of the budgets within the Fire Department, this budget does not include the Fire Chief and other persons doing much collateral duty for this Division.

The majority of Federal Emergency Management Act (FEMA) emergency management training (i.e., Emergency Preparedness Training conducted in Emmitsburg, Maryland in January, 2004) is either paid up front or reimbursed, thus is not reflected in the above expenditures.

Major initiatives planned are as follows:

1. Review Carson City's current Emergency Operations Plan with a bent toward improvement and refinement and ensuring the Plan meets all current Federal mandates.

2. Test the Plan through exercises once it has been updated. These exercises will be scheduled on a regular basis. The scope of these exercises is to train City personnel in emergency management response techniques and incident command systems. These exercises will include political liaison with State Division of Emergency Management, whereby the City assists the State to administer Federal grants. Issues will continue to be thoroughly discussed with the City Manager and Board of Supervisors.

3. Acquire and manage Office of Domestic Preparedness (ODP) grants. These grants will be received over a three year period and approximate $1.8M. In addition, during this grant cycle, the CCFD will attempt to obtain another $750k - $1M in grant monies. In general, these grants are earmarked for disasters relevant to weapons of mass destruction (WMD) and terrorist activity (TA). However, some can be used for daily operations and natural disasters. When the City spends these monies on other than WMD and TA, the justification is that it enables the City to better deal with an event, should it occur. Either the Fire Chief or the Battalion Chief noted above will acquire and manage these funds, and in so doing, will gather requests from all City departments, along with any State Agency or non-profit.

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RECOMMENDATION:

None.

MANAGEMENT RESPONSE:

N/A.

X. BUSINESS APPLICATIONS AND AUTOMATION

TECHNOLOGY PLAYS AN INTEGRAL ROLE IN PUBLIC SAFETY TO ENABLE SERVICE PROVIDERS TO PERFORM IN AN OPTIMAL MANNER. THE CCFD AND THE CITY'S IS DEPARTMENT MUST WORK IN CONCERT WITH ONE ANOTHER. IA OBSERVED THAT INDIVIDUAL ROLES AND RESPONSIBILITIES COULD BE IMPROVED THROUGH REVIEW, ANALYSIS AND DISCUSSION. THE CITY MANAGER WILL PLAY A SIGNIFICANT ROLE IN THIS PROCESS.

Automation in general, along with business applications and personal computers (PC's) in particular, play a large part in enabling the Fire Department (i.e., and all City Departments) to perform in an optimal manner. Complex tasks that used to be done manually, or with minimal automation, are now performed in complex PC and mini-computer environments. Among these tasks as it relates to the Fire Department are the following:

- Budget preparation.
- Expenditure tracking and budget variance analysis.
- Billing and HIPAA compliance through a Medicare approved new billing system.
- Staffing and Scheduling, and where Operations run 24/7, a call-back system that is fair and equitable and complies with the current CBA.
- Ability to perform complex analyses to make good business decisions.
- Ability to track meaningful incident statistics for reporting and comparative purposes.
- Many others.

By continually replacing, enhancing and upgrading hardware and software, organizations are better postured to ensure their employees perform optimally and organizational goals and objectives can be met in a more efficient, effective, and timely manner. IA reviewed the Fire Department's recent Strategic Planning & Automation Needs (SPAN) request which consisted mainly of replacement PC's, a printer and flat screen monitors. In addition, the Fire Department requested another SQL server (i.e., considered redundant and intended only for ambulance billing) to be better able to manage its comprehensive data management needs by utilizing more powerful extraction, transformation and loading (ETL) tools.

Over and above the SPAN process, IA noticed a number of other relevant requests that would be

grant funded. Among them included four additional laptops to be used in conjunction with the Department's Mobile Data Terminal (MDT) project, along with a request for mapping and planning software that would interface with the Department's MDT's (i.e., key to know the location of emergency response resources). It should be noted that, for grant funded items, it appears that the Fire Department does not typically request IS to review the project/items before grant funds are earmarked for the project. It may be more difficult for IS to objectively review a project/item's relative merit, when grant funds have already been committed to it.

A quick survey of the Department's automated systems, excluding standard City-owned software, is presented as follows:

Selected Commercial Off The Shelf (COTS) Software:

- FIREHOUSE Software (Visionary Systems is the vendor). This was purchased approximately eight years ago for approximately $1.2k, after which a number of major version upgrades and communication line upgrades were added that total approximately $10k. FIREHOUSE is interfaced with the Tiburon Dispatch System via a custom interface module. In addition, the Department has an annual service contract for $1.5k per year. In general, FIREHOUSE is used in the following ways:
  - Fire/EMS reporting.
  - Training.
  - Company journal.
  - Inspections.
  - Occupancies.
  - Quarterly performance program data collection.
  - Inventory of capital assets.
  - Selected aspects of staffing.
  - It is not used (i.e., but has the systems capability) in recording and testing fire hydrants which is done by the City's Public Works Department.

- SANITAS Ambulance Billing (Zoll Data Systems is the vendor). This was purchased in March of 2003 for approximately $30k after having properly gone through the Data Processing Committee (DPC). The purchase was necessary because this system is HIPAA compliant (i.e., refer to EMS Division Audit Report section). This system takes the place of the SWEETSOFT system, which was the original ambulance billing system. SWEETSOFT will still be used for old accounts until they are either collected or written off (i.e., estimated date to close the system may be two to three years from now). At this writing, there is approximately $1M of old accounts on this system.

- Quick Books Pro (Intuit is the vendor). Refer to the Administrative Division Audit Report

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section for related comments. This software is to track expenditures to budget on a daily basis, and is considered a redundant system to the City's HTE system. IA was informed that the Fire Department does not feel that the City's HTE system has the capability to track expenditures to budget on a daily basis and thus utilizes Quick Books Pro as a redundant system.

- Tiburon MDT and associated software, along with Hazmat software. IA chose not to provide a detail explanation of these COTS, but the reader should know that the former, in particular, is considered very important as is shown in the above paragraph that dealt with SPAN requests.

Selected Proprietary Software:

- Staffing, Scheduling and Call-Back System (written by the EMS Division Chief). This FoxPro Data Base staffing, scheduling and call-back program was written in 1999 replacing a manual flip-card system and has been modified periodically. Of necessity, the program was written to closely comply with the Firefighters CBA. In addition, the program also prints payroll records and is used Department-wide.
- CC Care Membership (written by the EMS Division Chief). This FoxPro Data Base medical information data base was written in 1996 and keeps track of the CC Care membership data base of people who would call 911. Thus, the info can be given to paramedics; all on a voluntary basis. In addition, it is HIPAA compliant as there is no electronic transfer of records.

Servers in the Fire Department:

- There are two located in the Fire Department Administrative Building in Fire Station #1; a Novel server and a SQL server. As noted above, the Department has identified a need for a second SQL server to serve in a redundant capacity for ambulance billing functions.
- IA was informed that every night information is backed-up on tape files. IA was further informed that the Fire Department EMS now has complete Administrative Rights to tape backups because of the 24/7 operation it runs. It appears that, on occasion, the CCFD EMS does not call IS during normal business hours (i.e., IS does not operate 24/7) when problems arise. Procedurally, EMS uses 22 tapes with a log book to backup, whereby the EMS Division Chief can view the previous evening's backup on his computer.
- Very much related to the above is a recent event that took place that may illustrate the relationship between the Fire Department and IS regarding backup protocol in a SQL server environment. The background to this series of events and actions is that, in March, 2004, IA requested three years of statistical data for audit purposes, for both EMS and Fire incidents. Since the EMS Division Chief is the sole Fire Department source to retrieve such data, the request was provided to him.
Significant events and dates, not necessarily in chronological order, are as follows:

- On or around June, 2003, the EMS Division Chief created an archive SQL database via FIREHOUSE.
- On or around July, 2003, IS inquired as to the nature and purpose of the archive database, whereby they were told that the file was developed by mistake and should not be there. IS thus assumed that it would not be used.
- On or around November, 2003, the EMS Division Chief was given full access with instructions on how to restore files and check backups.
- On or around 1/17/04 (i.e., when many of the City's key personnel were attending the Emergency Preparedness Training conducted in Emmitsburg, Maryland), the Fire SQL server crashed whereby IS was called upon to rebuild it and to restore the data. Without the ability to access the data therein, statistics such as IA was asking for would be lost.
- As stated above, IA requested the three years of statistical data in March, 2003. IA was informed that the data requested could not be located without IS's assistance.
- On or around March, 2003, the EMS Division Chief requested IS to restore the above mentioned archive SQL file, whereby it was formally believed that the data base would not be used.
- In April, 2004, and after an extensive search for the missing data, IS was able to restore the data, which was ultimately assembled and provided to IA for audit purposes.

RECOMMENDATIONS:

44. Make every attempt to inform IS/DPC of a pending purchase before grant monies are committed to the City. Ideally, the request should go to SPAN to inform the DPC to obtain tentative affirmation to move forward. IS does not have the manpower to work all automated projects originating from grants. In fact, all City Departments should be requesting purchases, notwithstanding what the funding source is.

45. Resolve with Finance and IS, as appropriate, the full capability of the HTE system as to whether it can provide the daily services that the Fire Department feels it needs. If it cannot, than continue to use Quick Books Pro as a redundant system.

46. Review, analyze, and enhance where applicable, the appropriate roles and responsibilities that the Fire Department and IS have regarding Fire Department SQL server data bases and backup protocol. This should include the issue of IS support during normal business hours. The data, in question, is extremely important to the Fire Department regarding historic productivity and the ability to compare to other Fire and EMS Agencies regionally and nationally.

47. Ensure (i.e., City) that the Fire Department has sufficient technology support. This was previously mentioned by Abbey Group as a need for all of Public Safety, and was supposedly

corrected by the recent hire of an IS technical person. However, that person is not currently dedicated to Public Safety, although IS personnel appear to work Public Safety matters continually.

MANAGEMENT RESPONSE:

44. Agree in Principle. We have no problem with informing the DPC/IS. However, because of IS's lack of manpower, we do not intend to slow the process of technological advances by not quickly acting on grants in this manner.

45. Agree in Principle. As we previously stated in 6. above, although we have inquired many times, we have no control when Finance changes a line item code from the code we provide. In theory, if they would discontinue this practice, we would consider eliminating the QB redundant system.

46. Agree in Principle. However, and as we stated in 44. above, we need to continue to advance our technology and should not be slowed down by a support division's lack of manpower to do so.

47. Agree in Principle. As stated in a number of our responses, we feel that IS lacks the manpower to deal with all City automated issues. We certainly agree that we need more technological support as has been shown in this Audit Report throughout.

ATTACHMENT A. LIST OF ACRONYMS USED

Acronym	**Description**

Non-alpha Listing:

$ K, k	Expressed in thousands of dollars
$ M, m	Expressed in millions of dollars

Alpha Listing:

Abbey Group or Abbey	Abbey Group Consultants
AKA	Also Known As
ALS	Advanced Life Support
AOR	Area of Responsibility
A/R	Accounts Receivable
BLS	Basic Life Support
BOS	Board of Supervisors
CAD	Computer Aided Dispatch
CAFR	Comprehensive Annual Financial Report
CBA	Collective Bargaining Agreement
CCFD	Carson City Fire Department
CCMC	Carson City Municipal Code
CCSO	Carson City Sheriff's Office
CFR	Code of Federal Regulations
COTS	Commercial Off The Shelf
CPT	Captain
CR	Credit
DPC	Data Processing Committee
DR	Debit
EMS	Emergency Medical Services
FEMA	Federal Emergency Management Act
FF	Firefighter(s)
FIREHOUSE	CCFD COTS software
FP	Firefighter/paramedics
FTE	Full Time Equivalent
Hazmat	Hazardous materials
HIPAA	Health Insurance Portability and Accountability Act
HTE	The City's Finance System
IA	Internal Audit
ICMA	International City/County Management Association
IDLH	Immediately Dangerous to Life or Health
IFSTA	International Fire Service Training Association

IS	Information Systems
ISO	Insurance Services Office
MDT	Mobile Data Terminals
NAC	Nevada Administrative Code
NBV	Net Book Value
N/C	No change
NCO	A nationally recognized collection agency
NFPA	National Fire Protection Association
NRS	Nevada Revised Statutes
ODP	Office of Domestic Preparedness
OSHA	Occupational Safety & Health Administration
O.T. (P)	Overtime (Premium)
PC's	Personal Computers
POA&M	Plan of Action & Milestone
POD	Pump Operator
PPE	Personal protective equipment
PRC	Possible Report Comment
QA	Quality Assurance
QB	Quick Books Pro
RIT	Rapid Intervention Team
REMSA	Regional Medical Services Authority
SCBA	Self-Contained Breathing Apparatus
SERC	State Emergency Response Commission
SOP	Standard Operating Procedure
SPAN	Strategic Planning & Automation Needs
TA	Terrorist Activity
TO	Table of Organization (authorized manpower)
WECO	Warren Engine Company
WMD	Weapons of Mass Destruction
WUI	Wildlife Urban Interface

ATTACHMENT B. CITY MANAGER PLAN OF ACTION & MILESTONE (POA&M)

Recom- mendation Number	Action	Completion Date
1	Service level policy can be affected by budget realities. A policy of this nature can not be adequately addressed without a thorough review of current and future funding opportunities. Additionally, growth and development can affect the service level, and budget for maintaining the service level. For these reasons, delivery of a report detailing optional service levels, budget requirements and projected development trends will be provided to the Board for their review. In order to provide the best information possible, I would suggest that this report be delayed until the Comprehensive Master Plan is completed.	January 2006
2, 24, 40	Staff will seek out jurisdiction similar in size (geographic and population) and develop comparative data. This comparative data will note the differences in the communities that can effect fire services. The result will be range of values that will give the Board a general benchmark, but should not be interpreted to guide Carson City towards an "ideal" picture of fire services. The level of service is an individual decision made by community leaders.	September, 2004
3	Staff will work with the Carson City Sheriffs staff to examine response time provided by Dispatch. We will also explore creation of a "users group" to provide input to Dispatch operations.	December, 2004

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4	The position control data file is created based on positions approved and budgeted. A recent city-wide audit was completed to insure that actual manpower accurately reflected the authorized positions in position control. "Acting" positions will not be created in the position control file, as they are temporary assignments. These are tracked as temporary assignments with an "add pay" addition to the employee file. The position control file also reflects positions represented by Collective Bargaining Agreements (CBA). The EMS Division Chief is considered a Battalion Chief under the CBA. The position control file shall continue to be based upon approved budgeted positions. Temporary assignments shall be tracked separately and monitored by Human Resources.	n/a
5	All temporary assignments of personnel to other positions and verification of appropriate "acting pay" pursuant to contract or regulation shall be monitored and verified by Human Resources.	Immediately
6, 45	Staff will examine the needs of the Fire Department as it relates to expenditure accounts. Line item numbers are assigned as part of the budget and should be used when classifying expenses. Individual line items within categories are a tool for managers and can reasonably be accommodated within the HTE system. Finance is responsible to insure that expenditures are classified in the appropriate category - salaries, benefits, services/supplies, and capital outlay. In the event that an expense is charged to an inappropriate category, Finance will make the correction and notify the Fire Department. The only reason the Fire Department should have need to use a duplicate accounting system is if they wish to reflect encumbered funds, i.e., those expenditures that have been obligated but not yet paid for.	September, 2004
7	Beginning in FY 2005, the Finance Department will account for all grants in a separate fund.	July, 2004
8	Due to the small relative size of the Fire Department and the need for one position to serve many needs, a completely accurate accounting of time spent in the various function within the Fire Department is not feasible. The cost of hourly time tracking by individuals would exceed the benefit of having the data at hand.	n/a

9, 22, 23, 25, 39	Staff will begin compiling statistical data on a fiscal year basis, to include breaking down the miscellaneous Operations call volume into its more significant components.	July, 2004
10	Staff will begin using the New and Existing Equipment Inventory form.	July, 2004
11	A policy requiring update of the inventory data base with major purchases during the year shall be implemented.	July, 2004
12	Fire and Fleet staff will work together to define the appropriate equipment management software. Use of "in-house" data base programs should be avoided in order to insure continuity of data when changes in personnel occur.	January, 2005
13	Although we appreciate IA's attempt to streamline our inventory procedures, we believe it absolutely necessary to do a comprehensive year-end inventory of our equipment, to include those on rolling stock.	n/a
14	The Finance Department is exploring policies that will address surplus property disposal.	September, 2004
15	The Management Analyst has received by direction signature authority, thus this item has been completed.	n/a
16	The Data Processing Committee has approved the acquisition of notebook PC's in order to process standardized check lists for all fire inspections. Fire Department staff can direct the IS Department to acquire the notebooks when ready.	September, 2004
17, 18	A comprehensive inspection manual containing the information suggested by the Internal Auditor shall be developed and implemented.	June, 2005

19	An assessment of staffing needs for the Fire Prevention Division based upon the implemented comprehensive inspection manual shall be completed.	September, 2005
20	Staff will examine the adequacy of current Plan Review Fees to fully cover the cost of service.	December, 2004
21	Full certification of all inspectors for all types of inspections shall be pursued within current staffing and budget constraints.	No deadline
26	Prior to going forward with a proposal to raise false alarm fees, staff will examine the cause / effect of false alarms and the effectiveness of assessing higher fees. Staff will also examine other methods to address false alarms such as public education and follow up with businesses experiencing fire alarm system difficulties.	December, 2004
29	Any overtime analysis will include a review by the Finance Department.	June, 2004
27, 28, 30, 32	To be considered when negotiating a successor agreement with the Carson City Fire Fighters Association: -Limitation on multi-day shifts -Clarification of current language. -Sick leave use	December, 2006
31	The supplemental budget request to hire seven additional fire fighters was approved by the Board, thus this item has been completed.	n/a
33	Staff has recently identified compensation issues related to "compaction". A revised compensation schedule is being developed and shall be presented to the Board of Supervisors. Once the compensation package for the Assistant Fire Chief is approved, recruitment can begin and the Battalion Chief will be placed back into that position areas of responsibility.	July, 2004
34, 36, 37	Staff is currently studying operational and financial strategies associated with EMS services. A full report detailing various options shall be provided to the Board of Supervisors.	December, 2004

35	As a financial and operational strategy is being developed, staff will identify data necessary to evaluate call and payment information as it relates to financial viability of the EMS service. Although collection rates by payer or type of service may be helpful, there may be other information that may be needed. Staff is hesitant to go forward with a software change until all needed changes are identified.	December, 2004
38	The EMS Division Chief is currently receiving Finance's Revenue and Cash Sheet, thus this item has been completed.	n/a
41, 42, 43	Staff will examine and provide an analysis of the current relationship between Warren Engine Company and the Fire Department, and will provide options for future operations and activities.	June, 2005
44, 46, 47	The completion of an Automation Master Plan was set as a goal of the Board of Supervisors and approved as part of the FY 05 budget. A team of Department Heads, to include the Data Processing Committee and Fire Department, shall be assembled to select the consultant and develop the scope of work for the Plan. All issues addressed by the Internal Auditor as it relates to Fire Department automation services shall be addressed in the Master Plan.	December, 2005