



INTERNAL AUDIT REPORT

Lynn Scully, Internal Auditor
Town of Trumbull, CT

REVIEW OF TOWN-OWNED VEHICLES

October 26, 2007



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Mrs. Kathleen McGannon, Chairperson

Board of Finance
Town of Trumbull
5866 Main Street
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Mrs. McGannon,

I respectfully submit the enclosed Review of Town-Owned Vehicles.

This review began in January, 2007 and involved all Town of Trumbull Departments, including Trumbull Public Schools (TPS). It was designed to address the following objectives:

- ◆ Provide an overview of number and type of vehicles (cars, trucks, commercial vehicles) the Town currently owns and how they are used.
- ◆ Obtain an understanding of all key controls over fleet inventory.
- ◆ Evaluate control procedures related to drivers of Town vehicles.
- ◆ Estimate the costs associated with maintaining the Town's current fleet of vehicles, including insurance, fuel and repairs.
- ◆ Identify opportunities for strengthened controls and cost savings within the context of Town-owned vehicles.

Many Town (including TPS) employees participated in this review. Of considerable assistance were Tom Baldwin, General Foreman and Margaret Brindisi, Budget Analyst/Insurance Coordinator.

I appreciate the opportunity to provide this information to the Board of Finance.

Very Truly Yours,

Lynn Scully, Internal Auditor

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A. Introduction

The following report represents several months of review and analysis of Town-owned vehicles.

This review was designed to address the following objectives:

- ◆ Provide an overview of number and type of vehicles (cars, trucks, commercial vehicles) the Town currently owns and how they are used.
- ◆ Obtain an understanding of all key controls over fleet inventory.
- ◆ Evaluate control procedures related to drivers of Town vehicles.
- ◆ Estimate the costs associated with maintaining the Town's current fleet of vehicles, including insurance, fuel and repairs.
- ◆ Identify opportunities for strengthened controls and cost savings within the context of Town-owned vehicles.

During the information-gathering phase of this review, extensive interviews were conducted throughout the Town, including Trumbull Public Schools. In addition to obtaining a considerable number of pertinent financial reports, forms and other supporting documents, on-site visits to each of the Town's existing vehicle maintenance operations greatly facilitated an understanding of how the Town maintains its fleet of vehicles.

On the subject of take-home vehicles, surveys were conducted to determine who was taking them home and for what purpose. Area towns were contacted regarding take-home vehicles for purposes of comparison. Information specific to take home vehicles is presented in Section F of this report.

B. An Overview of Town-Owned Vehicles

As of the date of this report, the Town of Trumbull, CT owns 318 vehicles (and 80 golf carts that are excluded from this analysis), which can be broken down as follows:

- 52 Cars
- 4 Motorcycles
- 18 Vans
- 77 Pickup Trucks/Sport Utility Vehicles (SUVs)
- 167 Commercial Vehicles *

318 Town-owned Vehicles

* Commercial vehicles include tractors, backhoes and similar vehicles that are often transported by trailer and do not have a license plate.

By Department, this same list of vehicles is broken down as follows:

Table B-1

Department	Cars	Cycles	Vans	PU/SUVs	Commercial	Total
BOE	6		2	18	23	49
Building	1			4		5
Director of Finance	1					1
EMS			3	1		4
Engineering	3		1	3		7
Fire Marshal	1			2	2	5
First Selectman	1					1
Golf				3		3
Highway	10		3	22	122	157
Parks				13	14	27
Police	27	4	4	9	5	49
Recreation	1					1
Senior Center			5			5
Sewer	1			2	1	4
	52	4	18	77	167	318

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Procurement

The majority of Town-owned vehicles are procured through the Town's normal budgetary and bid processes. They are accounted for as fixed assets and are charged to departmental capital outlay expenditure accounts.

Recent exceptions to the normal procurement processes are:

- ◆ A motorcycle was donated to the Town's Police Department by an officer who had won the vehicle in a contest.
- ◆ Another motorcycle was obtained through a grant.
- ◆ An SUV and two trailers were obtained for the Emergency Management Department through various grants.
- ◆ Trumbull Public Schools (TPS) has recently entered into a lease agreement for a car to be used in its Driver's Education program.

Financing

Several years ago, the Town instituted an Internal Service Fund to finance the purchase of Town-owned vehicles. Entitled "Lease Fund," vehicle purchases are initially charged to this proprietary account which is reimbursed by departmental capital outlay accounts over a period of 3-5 years.

Registration and Insurance

All Town-owned vehicles are registered to the Town of Trumbull, CT. The majority of Town-owned vehicles have municipal license markers with a number followed by the letters "TR." The use of these municipal license plates must be reported to the State of Connecticut's Department of Motor Vehicles annually. A small number of vehicles owned by the Town have non-municipal plates, presumably for security purposes.

The Town has insurance through Connecticut Interlocal Risk Management Agency (CIRMA) that is considered a Liability-Automobile-Property pool policy. All town-owned vehicles are covered by this policy.

Personal Property Tax

All Town-owned vehicles are exempt from personal property taxes.

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Fuel

Drivers of Town-owned vehicles obtain gasoline at the Town's Highway Department. Usage data is maintained by vehicle and by driver through a fleet management software application, Gasboy.

Individuals authorized to obtain fuel at the Highway Department are issued 2 special keys (one represents the individual, the other the vehicle) to be used simultaneously at the pump as part of the fueling procedure.

There is an "emergency only" gas pump located at Police Headquarters. There is a separate gasoline pump located at Tashua Knolls Golf Course, which is used exclusively by Golf Course staff. Usage data for these pumps is not tracked through the Gasboy system.

There are also 4 vehicles that are fueled by natural gas. The natural gas tanks are also located at the Highway Department. Southern CT Gas is the Town's natural gas vendor. Natural gas delivered to the Highway Dept is posted to the Public Works Fuel Account (1030200-567701). Because this fuel alternative is not connected to the Town's Gasboy system, individual driver/vehicle consumption information is not easily determined.

The Finance Department of the Town bills TPS, 2 Fire Districts (Long Hill and Nichols), the WPCA and the Health District for fuel usage.

Maintenance

Vehicle maintenance is performed in 3 locations within the Town:

1. Town Garage (9 employees) located at the Highway Department on Churchill Rd;
2. TPS Garage (1 vacant position) at 28 Strobel Rd; and
3. Police Garage (1 employee).

When necessary, maintenance is also performed by outside vendors.

C. Key Controls Over Fleet Inventory

- ◆ The Town has recently revised the job description and hired a Budget Analyst/Insurance Coordinator who has undertaken the responsibility of maintaining inventory records of all Town-owned vehicles for reporting and insurance purposes.
- ◆ In addition to the 2-key access system utilized at the gas pumps, the Town has 24-hour security cameras located in several important locations, including the gasoline pump area.
- ◆ The Highway Department has a locking gate which is routinely closed at the end of each work day, so that access to Town equipment is limited during evenings and weekends.
- ◆ Historical maintenance information is maintained for each vehicle owned by the Town.

D. Drivers

Licenses

All employees who are eligible or required by job description to drive Town-owned vehicles must provide evidence of a valid Driver's License.

Drug Testing

As part of the hiring process, all prospective Town employees submit to drug screening. In addition, any Town employees required to have a valid Commercial Driver's License (CDL) are subject to random drug testing.

E. Associated Costs

Fuel

The cost of fuel has increased dramatically over the past several years, as illustrated by historical analysis of the Town's Fuel Accounts, ending in account number 567701 (and TPS account # 01852623-56133):

Table E-1

567701 GAS, OIL						
FY Ended	Public Works	TPS	WPCA	Golf	Total	
2003	129,664	20,255	1,908	16,010	167,837	
2004	247,160	27,115	3,378	13,814	291,467	74%
2005	185,726	28,703	5,057	17,970	237,456	-19%
2006	282,172	28,777	4,232	20,408	335,590	41%
2007 (not audited)	318,534	59,846	6,524	16,455	401,358	20%
2008 (Budget)	367,800	52,500	6,500	25,275	452,075	13%

* Fuel data for TPS is based upon information provided in the 2007-2008 proposed budget request.

NOTES: Natural Gas expenditures are included in the Public Works Fuel Account and are not charged to TPS or WPCA.

These amounts are NET of reimbursements from outside users (Fire, Health, etc.).

Insurance

As mentioned previously, the Town has insurance through Connecticut Interlocal Risk Management Agency (CIRMA) that is considered a Liability-Automobile-Property pool policy. The estimated current annual cost associated with Town-owned vehicles is \$157,915 (there is also a per-incident deductible amount, which has averaged slightly less than \$7,000 annually).

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Maintenance

The following is an analysis of the expenditures associated with vehicle maintenance.

Table E-2

567702 REPAIR							
FY Ended	Public Works	Police	TPS	WPCA	Animal Control	Golf	Total
2003	209,251	32,944		2,311	-	1,624	246,131
2004	206,392	51,944		5,387	-	1,845	265,568 8%
2005	195,053	37,777		4,202	2,002	3,416	242,451 -9%
2006	225,399	46,600	39,287	6,499	74	3,253	321,111 32%
2007 (not audited)	248,315	45,603	56,257	8,762	583	3,495	361,859 13%
2008 (Budget)	223,000	47,800	57,150	8,000	500	5,000	341,450 -6%

NOTES: The salaries of Town employees dedicated to vehicle repair and maintenance are not charged through this repair account. The following table represents 2008 salary projections for employees assigned to vehicle maintenance.

Table E-3

Dept	Job Title	2008 Salary
Police	Mechanic - Police	48,797
Highway	Garage Supervisor	67,783
Highway	Senior Mechanic	57,756
Highway	Motor Equipment Repairman	55,873
Highway	Motor Equipment Repairman	56,487
Highway	Motor Equipment Repairman	56,487
Highway	Motor Equipment Repairman	56,487
Highway	Motor Equipment Repairman	56,487
Highway	Motor Equipment Repairman	56,487
Highway	Motor Equipment Repairman	56,487
Highway	Motor Equipment Repairman	56,487
		569,131

Because the job description for the TPS mechanic is under revision, this salary amount is not included. The costs associated with employee benefits are also not included.

Given the employee-related costs, the Town is projected to spend in excess of \$1.5 million* in vehicle related costs for fiscal year ending 2008.

* Includes Fuel \$452,575; Insurance \$157,915; Maintenance \$341,450 and Mechanic Salaries of \$569,131.

F. Findings & Recommendations

It should be noted that no significant internal control issues were identified as a result of this review. The following findings and recommendations are operational in nature and are intended to assist Town administrators in identifying opportunities for strengthened controls and cost savings.

1. Take-Home Vehicles

a. Finding: Excessive Number of assigned Take-Home Vehicles

Take Home Vehicles - Comparative Analysis				
Town/City	Population* (2006)	# Take Home Vehicles		
		Town/City	BOE	Total
Trumbull	35,733	24	9	33
Fairfield	58,490	17	2	19
Milford	53,887	29	2	31
Monroe	19,757	7	0	7
Shelton	38,955	16	1	17
Stratford	49,985	21	0	21
Westport	26,275	20	0	20

* These population numbers were obtained from Connecticut
Economic Resource Center, Inc. www.cerc.com.

For comparative purposes, I contacted several neighboring towns/cities to determine how many town/city-owned vehicles were taken home by employees. The information obtained is summarized in the table above. The number of take-home vehicles in Trumbull exceeded that of all of the municipalities contacted.

It should be noted that of the municipalities contacted, only Monroe and Shelton (along with Trumbull) have volunteer Fire Departments. As Fire Chiefs are often assigned a vehicle for take-home use, it is likely that there is an even greater disparity between Trumbull and some of the other towns surveyed.

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The listing of Town (including TPS/BOE) employees that currently take vehicles home is illustrated below:

Town of Trumbull Take-Home Vehicle Listing					Approx
June, 2007					Commute
	Job Title	Yr	Mk/Mdl		(miles
					one way)
1	Director of Finance	1999	CV	Car	6
2	First Selectman	2003	CV	Car	6
3	Sr. Mechanic	1998	CV	Car	0.25
4	Acting General Foreman	2002	CHVY 2500	P/U	13
5	Supervisor	2003	CHVY 2500	P/U	5
6	Garage Supervisor	2003	CHVY 1500	P/U	3
7	Senior Supervisor	2001	Dodge 2500	P/U	2
8	Supervisor	2002	CHVY 1500	P/U	3
9	Transportation Coordinator - TPS	2001	CHVY Blazer	P/U	3.5
10	Plant Administrator - TPS	1993	CV	Car	8
11	Carpenter - TPS	1997	F-250	P/U	3.2
12	Plumber - TPS	2002	CK 25903	P/U	10.8
13	Maint Team Leader - TPS	2005	CK2500	P/U	9.6
14	Supervisor - TPS	2005	CK2500	P/U	5.3
15	HVAC - TPS	1999	CK 25903	P/U	6.1
16	Electrician - TPS	2005	CK2500	P/U	17.1
17	Welder - TPS	1997	F250	P/U	5.3
18	Chief of Police	2006	Ford Explorer	P/U	6
19	Police Inspector	2006	CV	Car	3
20	Police Inspector	2005	CV	Car	6
21	Police Lt/ERT Coord/EM Dir	2006	CV	Car	15
22	Golf Course Property Director	2002	CHVY Silverado	P/U	50
23	Golf Course Superintendent	1997	F-150	P/U	30
24	Fire Marshal	2003	FD Expedition	P/U	3
25	Deputy Fire Marshal	1994	CV	Car	2
26	Chief Building Official	2008	Trailblazer	P/U	2.5
27	Deputy Building Official	2004	Trailblazer	P/U	9
28	Superintendent of Parks	2002	CHVY 2500	P/U	11
29	Asst. Super Parks	2006	CHVY 2500	P/U	10
30	Asst WPCA Administrator	2004	Honda (NG)	Car	8
31	Asst Town Engineer	1992	CV	Car	22
32	Director of Public Works	2004	Trailblazer	P/U	5
33	Town Engineer	1997	FORD	Car	22

It is important to note the following:

- ◆ Some Town of Trumbull (including TPS) employees are entitled by current policy or contract to a take-home vehicle but have opted not to do so. Such employees are **not** included in the information above.

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- ◆ Of the 33 take-home vehicles assigned to various Town/BOE employees, only 11 (or 1/3rd) are cars. The others are pickup trucks or sport utility vehicles (usually 4 wheel drive), which tend to be less fuel-efficient.
- ◆ 9 Town employees commute in excess of 10 miles (one way) to work. The Golf Course Property Director and Superintendent commute 50 miles (Valhalla, NY) and 30 miles (Bethany, CT) one-way respectively.

Recommendation(s):

Town Administrators need to evaluate the list of take-home vehicles to look for opportunities to cut back on this fringe benefit. Generally, take-home vehicles should be restricted to those employees who would frequently need to respond immediately in an after-hours emergency to a location other than the workplace. For those individuals who use their take-home vehicles after hours infrequently, there are potential cost savings in reimbursing those employees for any work-related extra miles driven in a personal vehicle. (NOTE: as Town of Trumbull employees are usually compensated for extra hours, commuting expenses are generally not considered reimbursable.)

Departments might further consider the rotation of a take-home vehicle, with department personnel rotating the on-call responsibilities.

b. Finding: *Policy Regarding Take-Home Vehicles*

Town administrators are aware of the need to update its vehicle use policy, which is considerably outdated. See finding 4 for more information regarding suggested changes.

Currently, there are few policy guidelines that refer specifically to take-home vehicles.

Recommendation(s):

Specific guidelines for drivers of take-home vehicles that are intended to communicate:

- ◆ Who is authorized to drive them;
- ◆ Whether passengers are allowed;
- ◆ Fringe benefit reporting requirements to the Internal Revenue Service;
- ◆ Rights of the Town to deny use of the vehicle due to a poor employee driving record, vehicle abuse or violation of Town vehicle policy, etc.

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A form specific to those employees authorized to take home town-owned vehicles should be signed by each employee, attesting to the fact that they are familiar with and agree to the policy.

2. Lease Fund

a. Finding: Understatement/Overstatement of Departmental Expenditures

The Town's Lease Fund is used to finance vehicle purchases over a period of 4-5 years. The initial payment is expensed to a departmental capital outlay account, with the balance posted to the Lease Fund, which is used as a prepaid expense account. Each subsequent year, the fund is repaid through the departmental capital outlay accounts.

For reporting purposes, the outside auditors have required that this prepaid expenditure account be treated as an internal service fund with a beginning and ending fund balance. The source of revenues (really reimbursements) for the fund would be the annual payments received from departmental capital outlay accounts. Expenditures are recognized over the estimated life of the vehicles in the form of depreciation expense.

The problem with this accounting strategy is that capital expenditures are not accurately stated for a given fiscal year, as they do not fully represent cash disbursed for vehicle purchase.

Recommendation(s):

Since the Town buys the majority of its vehicles outright (without outside financing), there is no reason why any portion of capital expenditures for vehicles (at a department level) should be deferred to future years. The Town should consider phasing out the use of this fund, with full capital outlay funds anticipated at budget time. This gives the Town a more transparent look at what each department is planning to spend in any given fiscal year.

The option of leasing vehicles should also be investigated as an alternative means of financing town vehicles.

3. Random Drug Testing

a. Finding: Control Weakness in Procedures

All Town employees that are required by job description to have a current Commercial Driver's License (CDL) are subject to random drug testing. Presently, the Town's Human Resource Director receives (via US Mail) a monthly listing of 3 randomly selected employees and 3 alternates for drug & alcohol testing. She passes this and the related necessary paperwork to the Director of Public Works on

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the afternoon before the testing is scheduled. The Director of Public Works distributes the paperwork to the 3 employees the next morning. These employees are required to leave work immediately and go to a facility for the testing. All unused packets of information are returned by the Director of Public Works to the Human Resources Director. Testing results are mailed directly to the Human Resources Director, who reports any bad results to the Executive Assistant to the First Selectman.

The problem with this arrangement is that the Director of Public Works is not independent of the department being tested (Highway), and decisions about who is ultimately tested might be questioned.

Recommendation(s):

The Human Resource Director and/or the Executive Assistant to the First Selectman should be the individual to contact the Highway Department first thing the morning of the test and have the selected employees stop at Town Hall to pick up the necessary paperwork. This will eliminate any perceived conflict of interest.

4. Vehicle Use Policy

a. Finding: Vehicle Use Policy Needs Updating

The Town's current Vehicle Use Policy dates back to June, 1988.

Recommendation(s):

Town administrators have commenced the process of updating the Town's vehicle use policy. Administrators should consider including the following operating procedures and guidelines:

- ◆ All operators of Town-owned vehicles shall have an appropriate valid driver's license with them while operating the vehicle;
- ◆ The vehicle operator shall obey all traffic and motor vehicle laws. No one shall operate a Town vehicle while under the influence of alcohol or drugs (reference CT State Statutes regarding the definition of "driving under the influence");
- ◆ The vehicle shall be used in a fuel-efficient manner and kept free of litter and debris;
- ◆ The vehicle operator shall be aware of the maintenance needs of the vehicle and comply with the routine maintenance schedule as prescribed by the Highway Department and any mechanical defects shall be reported immediately;

- ◆ If/when personal use is permitted;
- ◆ Which (if any) other operators or passengers are permitted;
- ◆ When vehicle operators are permitted to take a Town-owned vehicle outside of the Town;
- ◆ Process of reporting of any vehicle accidents;
- ◆ Penalties associated with violation of the vehicle use policy, including the rights of the Town to deny and individual the use of a Town-owned vehicle due to a poor driving record, vehicle abuse or other policy violation.

5. Organization of Vehicle Maintenance Personnel

a. Finding: Decentralized Vehicle Maintenance

As was previously discussed, the Town has 3 locations for vehicle maintenance. In addition to the large staff at the Highway Department (9 employees), the Police Department employs an automobile mechanic and TPS has 4 positions with vehicle maintenance responsibilities (1 is currently vacant).

Presently, the Mechanic at the Police Department reports to an Inspector who is not trained in vehicle maintenance.

While there are considerable needs for maintenance and custodial work at the schools, vehicle maintenance is not particularly related to the running of our various school facilities.

Recommendation(s):

The Town should give serious consideration to consolidating vehicle maintenance activities organizationally. Employees could be deployed to any of the 3 vehicle maintenance locations on an "as needed" basis. This cooperative arrangement might reduce the need to send vehicles to outside vendors for assistance.

Realistically, as several different unions are represented in this pool of employees, re-organization of the vehicle maintenance function might be a challenging endeavor. However, a streamlined vehicle maintenance organization might make such considerations worthwhile.

Moving supervisory responsibilities of the Police Department Mechanic to the Highway Garage Supervisor is highly recommended.

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6. Disposal of Vehicles

a. Finding: Aging Fleet of Vehicles

As illustrated in the chart below, 46% of the Town's vehicles are in excess of 10 years old. An aging fleet undoubtedly requires more repair and maintenance.

Trumbull Town-Owned Vehicles By Year (of Manufacture)							
Year	Cars	Motorcycles	Vans	PU/SUVs	Commercial	Total	%
2008			1	1	1	3	1%
2007	5	4		5	4	18	6%
2006	6			11	11	28	9%
2005	8		1	7	3	19	6%
2004	5		1	2	6	14	4%
2003	3		2	4	7	16	5%
2002				10	10	20	6%
2001	1		3	1	6	11	3%
2000	2		1	6	3	12	4%
1999	6		2	7	5	20	6%
1998	6			3	3	12	4%
1997 (or older)	10		7	20	108	145	46%
	52	4	18	77	167	318	100%

Recommendation(s):

The useful life of a vehicle varies, depending on the type of vehicle, how it is used and how well it is maintained. Ideally, vehicles should be kept by the Town as long as:

1. there is a need for the vehicle; and
2. the costs associated with maintaining the vehicle do not exceed its value.

Consideration should be given to age of the Town's fleet of vehicles; particularly passenger vehicles. Inventory should be reduced to only those vehicles that are necessary to conduct Town business. All others should be traded in, auctioned or otherwise disposed of, thereby reducing the associated insurance and maintenance costs.

7. Vehicle Records

a. Finding: Key Documents Decentralized

The Police Department's Traffic Clerk currently maintains all Certificates of Title and registration documents for the majority of its vehicles. All other Certificates of Title are maintained by the Town's Insurance Coordinator/Budget Analyst. All other

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vehicle registration documents are maintained by the Highway Department.

Recommendation(s):

The Town's Finance Department should have sole possession of Certificates of Title for Town-Owned Vehicles. This is imperative as it prevents any unauthorized transfer of ownership rights.

b. Finding: Manual Maintenance Records

Maintenance records for each Town-owned vehicle are kept at the Town's Highway Department, the Police Department and the TPS garage. Presently, all such records are manual, which does not facilitate analysis.

Recommendation(s):

Since fuel usage is tracked electronically on a per-vehicle basis (through the Town's Gasboy system), the feasibility of also tracking maintenance costs with this application should be investigated. This would considerably strengthen the Town's ability to monitor maintenance costs in a detailed manner.

8. Physical Inventory

a. Finding: Physical Inventory of Vehicles Necessary

It has been several years since a physical inventory has been undertaken to determine that all vehicles have been properly accounted for.

Recommendation(s):

A full inventory of existing Town-owned vehicles should be undertaken by the Town. This should be reconciled with existing fixed asset information to determine the following:

- ◆ All vehicles are properly accounted for within the towns financial records (with any exceptions investigated and resolved);
- ◆ All supporting documentation is complete and accurate (Certificate of Title, registration with proper vehicle identification number, etc.);
- ◆ All Town-owned vehicles are properly reported to the State and to the Town's insurance carrier.

In order to accomplish this, a team of Highway and Finance Department personnel should be involved in this process. The Internal Auditor should also be involved in an advisory capacity.

ATTACHMENT A
Internal Audit Report
Review of Town-owned Vehicles

Responses to Recommendations
By the Director of Finance

1.a. The Administration is working with the Labor Attorney to revise the Town's vehicle policy to create a fiscally responsible plan that will adjust this fringe benefit without sacrificing public safety and emergency response.

1.b. The recommendations of the internal auditor will be incorporated into the revised vehicle use plan. The fringe benefit is currently being charged to employees and reported to the IRS. Any revisions to the vehicle use policy will be in compliance with current IRS regulations regarding fringe benefits.

2.a. It is planned that the internal service fund utilized for vehicle purchases will not be available for the 2008-09 operating budget. The administration agrees the current practice understates capital expenditures in the operating budget.

3.a. This procedure will be reviewed and changed if necessary to maintain the integrity of random testing.

4.a. The recommendations of the Internal Auditor will be considered and most likely incorporated into the revised vehicle use policy.

5.a. There are several union issues involved in this recommendation that will require consultation with the Labor Attorney.

6.a. In conjunction with the revision of the vehicle use policy, the administration will also create a vehicle/equipment disposal policy.

7.a. The Finance Department has implemented this recommendation.

7.b. The maintenance costs are currently being tracked using handwritten reports and excel spreadsheets. This recommendation will be discussed with the Public Works Director.

8.a. The Finance Department recently met with our insurance company (CIRMA) to review documentation of all insured capital assets. The administration agrees that it is time for the Highway Department to conduct a physical inspection and inventory of all vehicles and equipment. The implementation of this process will be coordinated with the Director of Public Works.