

AUDIT COMMITTEE – NOVEMBER 22, 2021**COMMUNICATIONS****Distributed November 19, 2021****Item**

C1. Presentation material.

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VFRS Mechanical Review

Audit Committee – November 22, 2021



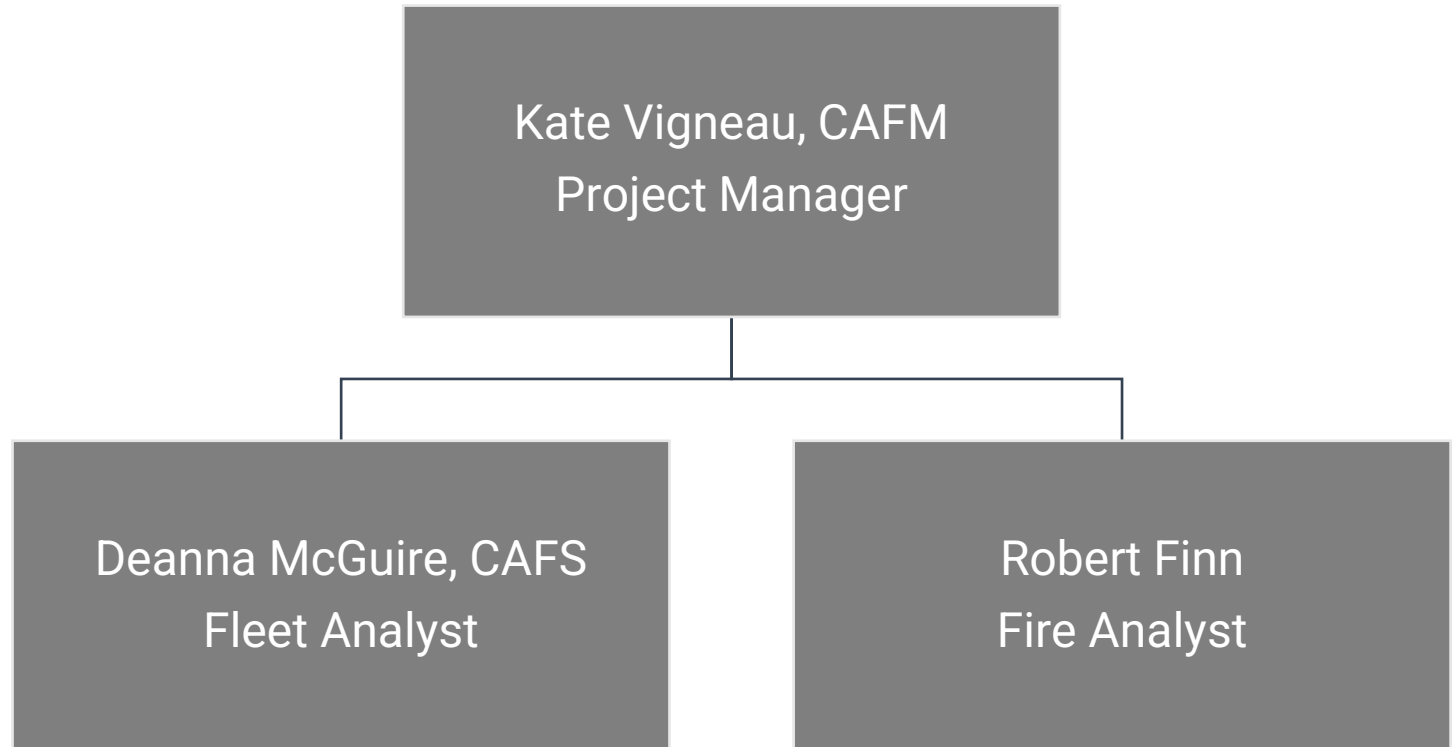
Today's Presentation

- Review Objective
- Scope and Methodology
- Issues, Observations & Recommendations
- Management Action Plans
- Next Steps
- Questions

Review Objective

- MCG Consulting Solutions was engaged through a competitive process to perform a best practice review of the VFRS Mechanical Operations.
- The City received a Provincial grant under the Audit and Accountability Fund that covered the full cost of the review.
- Internal Audit leveraged this initiative and participated in monitoring the work undertaken by MCG Consulting Solutions.

MCG Consulting Solutions



Scope & Methodology

- Review was extensive and included several deliverables:
 - Fleet Profile
 - Best Practices Checklist
 - Benchmarking against three fire fleets
 - Final Report

Issues & Observations

The root cause of many of the operational issues identified in this report has been the absence of a Fleet Management Information System (FMIS).

The lack of an FMIS limits the availability of useful data and impacts the organization's ability to:

- Verify time spent on individual repairs
- Justify the maintenance budget
- Confirm outsourcing requirements
- Predict parts needed
- Assess staffing requirements

Issues & Observations

- The City of Vaughan is looking to collectively implement an all-in-one ERP system known as JD Edwards, that encompasses the multiple facets of the City's operations.
- A fully functioning FMIS is immediately required and would be the backbone of the improved operating model.
- Leading systems are aligned with best practice processes and include standard reports and analysis tools for tracking all aspects of mechanical operations.

Issues & Observations

Fleet Inventory

Class Type	Count	Class Type	Count
Aerial	9	SUV	12
CUV	5	Tanker	2
Equipment LD	1	Trailer	3
HAZ-MAT	1	Truck HD	2
Pumper	10	Truck LD	3
Rescue	6	Truck MD	2
Sedan	5		
Total			61

Issues & Observations

Capital Budget

	2016	2017	2018	2019	2020
RP Budget	\$3,370,106	\$3,051,723	\$3,332,732	\$1,442,000	\$597,429
RP Actual	\$3,150,861	\$2,993,642	\$2,905,485	\$1,405,518	\$385,864
RP Count	3	4	3	1	10
Average Budget	\$2,358,798				
Average Actual	\$2,168,274				
Average RP Count	4				

Issues & Observations

Operating Budget

Operating Expenditure Totals	2017	2018	2019	2020	Averages
Total Budget	\$615,696	\$621,696	\$651,696	\$692,116	\$645,301
Total Actual	\$681,031	\$811,401	\$885,907	\$762,516	\$785,214
Variance	(\$65,335)	(\$189,705)	(\$234,211)	(\$70,400)	(\$139,913)

Benchmarking

Criteria	Mississauga	Brampton	London	Vaughan
Population	828,854	603,346	404,699	323,281
Calls	28,883	23,024	9,960	11,000
Staff	770	550	416	300

Criteria	Mississauga	Brampton	London	Vaughan
Apparatus	56	38	58	30
LD/MD	36	79	28	31
Fleet Size	92	117	86	61
VEU	859	697.5	536.5	457.5

Benchmarking

Governance

Cooperation with the City should continue

Fleet is lacking administrative and parts support

Acquisition and Disposal

Purchasing off Standing Contracts is effective

Maintenance and Repair

Staffing is appropriate for workload with some outsourcing

Need for FMIS

Replacement Planning

Need formal lifecycles and a Replacement Plan

Management Action Plans

- Several divisions of the Vaughan Fire & Rescue Service rely on a fleet of vehicles and equipment in their daily work
- If a vehicle or piece of equipment is out of service for repair or maintenance, it impacts the efficiency of routine service delivery and emergency response.

Management Action Plans

- The findings were not surprising as the issue of reliable data is the root cause of many of the issues.
- The City will need to address this by purchasing or expanding on an existing system.

Next Steps

- Management action plans have been developed
- Implementation is underway
- Internal Audit will follow up and report on the status of these action plans



Questions?





Thank You

