

# **MORGAN COUNTY**

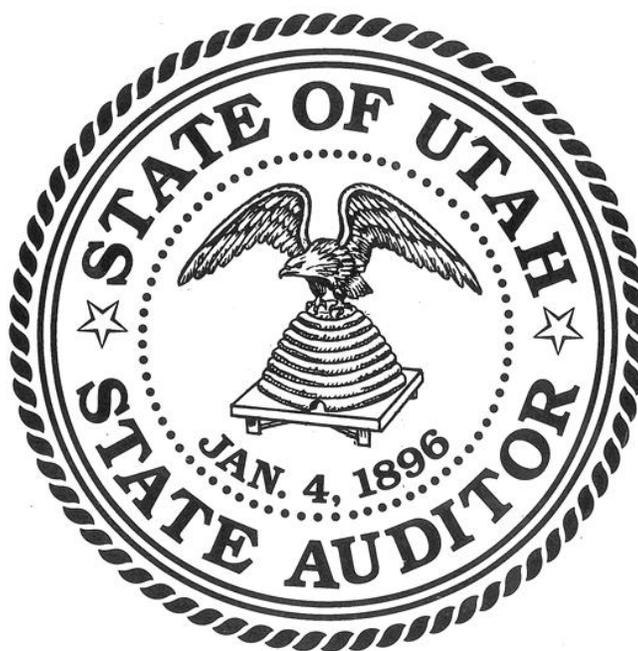
## **Compensation Practices of the Morgan County Fire Department**

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Finding and Recommendation  
July 21, 2016

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Report No. MOCO-16-SP



**OFFICE OF THE  
UTAH STATE AUDITOR**



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**REPORT NO. MOCO-16-SP**

July 21, 2016

Morgan County Council Members  
48 West Young Street, Room 18  
PO Box 886  
Morgan, UT 84050

Dear Council Members:

The Office of the Utah State Auditor is concerned with the compensation practices of the Morgan County Fire Department (Fire Department). We interviewed various officials within the Morgan County government, reviewed established policies and procedures, and reviewed applicable documentation and found that there do not appear to be policies that define when and how the fire chief and others in the Fire Department should be compensated.

In spite of not having a policy, the fire chief currently receives an annual salary of \$7,800 and additional compensation for responding to emergency calls. The fire chief and volunteer firefighters receive \$25.00 per emergency response and \$16.00 to \$18.00 per hour after the first hour of a call.

The fire chief defines a “response” as an instance when a volunteer firefighter arrives at the Morgan County fire station in response to an emergency call. If more firefighters respond to an emergency than are needed they all still receive \$25.00. The firefighters who respond are documented on a list filled out by the incident command, which is usually the fire chief. The fire chief has received the \$25.00 response payment when communicating by telephone with responding firefighters despite not physically responding.

The following finding summarizes our conclusions and recommendation for corrective action regarding this matter.

**FINDING – FAILURE TO ADOPT POLICIES REGARDING FIREFIGHTER COMPENSATION**

The Morgan County Council (Council) has not adopted policies regarding firefighter compensation. *Utah Code* 17-53-207 authorizes the Council to “...make and enforce... rules and regulations for the government...” The Council should adopt policies regarding firefighter compensation which include:

- how much the fire chief and other volunteer firefighters are compensated,
- the definition of a response,
- when the fire chief or volunteer firefighters should be compensated for responding,
- the responsibilities and duties included in the fire chief’s annual salary, and
- qualifications of the fire chief and volunteer firefighters.

Policies should also establish safeguards to ensure that the fire chief and firefighters are only paid in accordance with the policy.

Currently, most firefighter compensation decisions are made by the fire chief. The chief’s ability to make compensation decisions, particularly in regards to his own compensation, can create a conflict between his

personal interests and public duties. Adopting these policies will help ensure consistent application and protects individuals from real or perceived improper conduct.

This weakness appears to have been caused by the Council's failure to understand their governing role and effectively evaluate and implement recommendations received from their external auditor. A similar matter was brought to the Council's attention by the county's external auditor in an August 2, 2011 letter, which in part states,

*Within the County, individual departments over the years have adapted the policies and procedures to serve their own purposes or preferences and as a result there are functional areas that lack uniformity and consistency. Two of these areas are payroll and accounting for fixed assets. With regard to payroll, the procedures and policies used to account for and report overtime, comp time, and accrued leave are significantly different between departments.*

The letter goes on to explain that the Council does not seem understand their role and authority in establishing countywide policies and recommends the following:

*We would recommend that the County develop a unified payroll system, that current policies be reviewed and training be undertaken to ensure that those charged with oversight and supervision have a clear understanding of the policies, procedures and processes to be followed.*

The external auditor indicated that this matter has been verbally brought to the Council's attention as recently as July 21, 2015.

**Recommendation:**

**We recommend that the Council adopt the recommendation of their external auditor and develop countywide compensation policies. Specifically, Fire Department compensation policies should include:**

- **how much the fire chief and other volunteer firefighters are compensated,**
- **the definition of a response,**
- **when the fire chief or volunteer firefighters should be compensated for responding,**
- **the responsibilities and duties included in the fire chief's annual salary, and**
- **qualifications of the fire chief and volunteer firefighters.**

**We also recommend that the Council adopt and document policies and procedures that establish safeguards to ensure that the fire chief and firefighters are only paid in accordance with approved compensation policies.**

If you have questions regarding this letter, please contact Tyson Plastow, Special Projects Senior Auditor, at 801-234-0544 or [tplastow@utah.gov](mailto:tplastow@utah.gov).

Sincerely,



Van Christensen, CPA, CFE  
Audit Director  
801-538-1394  
[vchristensen@utah.gov](mailto:vchristensen@utah.gov)



June 22, 2016

Office of the Utah State Auditor  
East Office Building, Suit E310  
Salt Lake City, UT 84114-2310  
Attn: Van Christensen, CPA CFE

RE: Draft Audit Letter Dated May 23, 2016

Dear Van:

The following is the Morgan County Council's approved corrective action plan addressing the findings in your audit letter.

**Condition:**

The Morgan County Council has not adopted policies regarding firefighter compensation.

**Criteria:**

The Failure of the Morgan County Council to understand their governing role and effectively evaluate and implement recommendations received from their external auditor *"to develop a unified payroll system that current policies be reviewed and training be undertaken to ensure that those charged with oversight and supervision have a clear understanding of the policies, procedures and processes to be followed"*.

**Recommendation:**

Morgan County Council adopt the recommendations of their external auditor and develop countywide compensation policies. Specifically, Fire Department compensation policies should include:

- How much the fire chief and other volunteer firefighters are compensated
- the definition of a response
- when the fire chief or volunteer firefighters should be compensated for responding
- the responsibilities and duties included in the fire chief's annual salary and
- qualifications of the fire chief and volunteer firefighters

**Response:**

Morgan County Council to understand their governing role and authority.

- On June 14, 2016 the Morgan County Council followed the recommendation of the County Attorney that a specific resolution addressing this item was not necessary

#### Develop countywide compensation policies.

- On June 14, 2016 the Morgan County Council instructed that the current employee policies and procedures contained in the employee handbook be made public information by removing the "Strictly Private and Confidential" marking and publishing the document on the County website
- On June 14, 2016 the Morgan County Council instructed the Human Resource Manager to review the employee policies and procedures for recommended revisions for County Council Review by July 19th and adoption of revisions be done by August 2, 2016
- On June 14, 2016 the Morgan County Council authorized the purchase of Caselle's Timekeeping Module. This module is specifically designed for public works, police and fire department time tracking. Morgan County Council will adopt a time tracking policy for all county employees with procedures specific to each department as needed. The implementation for all departments will be complete by year end 2016
- The Morgan County Council will adopt a training schedule for each county department as the time tracking policy is adopted for each department by year end 2016
- The Morgan County Council has instructed the Human Resource Department to create job descriptions and compensation ranges for each hired and volunteer position within Morgan County. Once completed, each job description with compensation range will be made public by posting on the Morgan County website.

#### How much the fire chief and other volunteer firefighters are compensated.

- On June 7, 2016 the Morgan County Council approved the EMS/Fire Department structure, including supervision of employees
- On June 14, 2016 the Morgan County Council included the EMS/Fire Department with all county employees for use of the Caselle Timekeeping module
- On June 14, 2016 the Morgan County Council listened to recommendations of the current EMS Director/Fire Chief regarding volunteer firefighter compensation. The council voiced approval for a plan for firefighters to be scheduled and paid for "on call hours" and be compensated for "responses" and that firefighters would then qualify for W-2 reporting of wages
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- Employment and compensation structure for EMS/Fire personnel will be dependent upon rank and current Utah State Firefighter Certification being completed with a copy provided to the Human Resource Manager
- The compensation policies are to be compiled in written format, reviewed by the Human Resource Manager and presented for Council approval by July 19, 2016

#### The definition of a response.

- The compensation policies will include a "definition of a response" for EMS/fire personnel and will be reviewed by the Human Resource Manager and presented for Council approval by July 19, 2016

#### When the fire chief or volunteer firefighters should be compensated for responding.

- On June 14th the County Council agreed with the recommendation that Volunteer Firefighters will be scheduled on call for responses and only scheduled on call firefighters will be paid for responding unless contacted by the Fire Chief directly
- EMS/Fire compensation policies are to be compiled in written format, reviewed by the Human Resource Manager and presented for Council approval by July 19, 2016
- Approved by the Morgan County Council on June 7, 2016. The Fire Chief responsibilities included fire fighter response supervision. No additional pay will be provided for this responsibility

The responsibilities and duties included in the fire chief's annual salary.

- Approved by Morgan County Council on June 7, 2016 the Job descriptions for the EMS/Fire Chief and Fire Marshal were completed
- Approved by Morgan County Council on June 7, 2016. The EMS/Fire Chief job description includes fire fighter response supervision. No additional pay will be provided for this activity

Qualifications of the EMS/Fire Chief and volunteer firefighters.

- On June 7, 2016 The first Job descriptions, including qualifications for the EMS/Fire Chief position and Fire Marshal positions were completed and approved by the Morgan County Council.
- Qualifications for volunteer firefighters require current Utah State Firefighter Certification being completed with a copy provided to the Human Resource Manager
- All EMS/Fire personnel job descriptions are to be compiled in written format, reviewed by the Human Resource Manager and presented Council approval by July 19, 2016

If you have questions concerning this response, please contact: Tauna MacPherson, Human Resource Manager or Tina Cannon, County Council member over the EMS/Fire Department.

Sincerely,



Logan Wilde  
Morgan County Council Chairman