



# *Arlington Fire District*

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**For Emergencies  
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January 24, 2023

*Via Email & USPS*

Ms. Dara Disko-McCagg  
Chief Examiner, Newburgh Regional Office  
Local Government and School Accountability  
33 Airport Drive, Suite 103  
New Windsor, NY 12553

***Re: Arlington Fire District State Comptroller Audit – Corrective Action Plan***

Dear Ms. Disko-McCagg:

Please allow this correspondence to serve as the Corrective Action Plan from the Arlington Fire District ("District") with respect to the Report of Examination (2022M-54) conducted by your office for the period January 1, 2020 through October 19, 2021. For each recommendation included in the audit report, the following is the District's corrective action(s) taken or proposed.

Audit Recommendation: Follow the competitive bidding requirements of GML when District funds are used to renovate real property in which the District has a leasehold interest.

**Response: The Board of Fire Commissioners maintains that improvements to a lease of real property do not necessarily qualify as a contract for public work, subject to competitive bidding; however, the District's Board of Fire Commissioners, in accordance with the Comptroller's recommendation, shall consider improvements to leases of real property that are paid with District funds and that exceed monetary statutory thresholds, as a contract for public works that are subject to competitive bidding under General Municipal Law § 103.**

Audit Recommendation: Request and review evidence to support the legitimacy of materials costs and increases in materials costs associated with leasehold agreements for renovations prior to approving leases or lease addendums.

**Response: The Board of Fire Commissioners shall consider revising its Procurement Policy to include language requiring the Board to receive and review documentation from parties seeking payment for renovation costs, prior to approving and issuing payment. The Board is also considering the hiring of a construction manager at the outset of a construction project who would be designated to monitor project progress, ensure the work is completed in accordance with project specifications, and review renovation costs and provide periodic updates to the Board. The Board intends on reviewing its Procurement Policy by June 30, 2023.**

Audit Recommendation: Monitor leasehold agreements for renovations and addendums to ensure that project materials purchases appear reasonable.

**Response:** The Board of Fire Commissioners has always monitored its leasehold agreements having conducted periodic check-ins throughout the different phases of a construction project. The Board shall continue to monitor construction projects, with a particular emphasis on reviewing costs and verifying that the incurred costs are supported by proper documentation. The District shall consider the hiring of a construction manager for certain construction projects at the outset to help monitor project progress and ensure that the work is completed in accordance with the project specifications and agreed-upon price. Finally, as indicated above, the Board will consider revising its Procurement Policy to include language that requires the receipt and review of documentation from parties seeking payment prior to approving payment for those costs (please refer to the response above).

Audit Recommendation: Consider exercising leasehold option to pay reduced rent when project completion does not meet specified timeframes.

**Response:** The Board of Fire Commissioners has and shall continue to evaluate discretionary contractual provisions that are favorable to the District, including rent reduction clauses. In evaluating an option to exercise a reduction in rent, the District shall carefully assess and weigh all of the involved factors, including costs saved/incurred, as well as any potential implications that may result in a decision to exercise such a clause. The Board shall also confer with counsel, if appropriate, to determine any legal implications.

Audit Recommendation: Ensure that municipal officers and employees publicly disclose their interest in any actual or proposed contracts as required under Article 18 of the GML.

**Response:** The District updated its Code of Ethics on June 27, 2022, so that its policies are more transparent for the community, its officers, and personnel. In particular, the Code of Ethics has been modified and now requires that all Fire Commissioners, Business Manager, EMS Director and Chief Officers complete an Annual Statement of Disclosure and disclose potential conflicts prior to January 15 (at its Organizational Meeting) for the *proceeding* calendar year (as opposed to filing the statement on May 15 for the *preceding* calendar year). This change should help ensure greater transparency for its Fire Commissioners moving forward.

The Board of Fire Commissioners and the District Administration would like to thank you and your staff for your recommendations and expertise. We remain committed to improving our internal processes and providing greater transparency, while ensuring that our taxpayers receive excellent service at the lowest possible cost.

Very truly yours,



Richard C. Dore, Chairman  
Arlington Fire District  
Board of Fire Commissioners