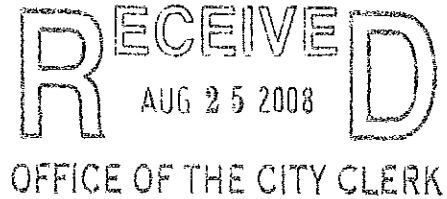


FIRE DEPARTMENT RECOMMENDATIONS

1. The City of Dover will give monthly contributions to the fire department for operating cost equal to the budgeted amount as outlined in the City Budget. City utilities and fuel cost will be excluded from the contribution, and will come directly out of the City budget as it presently does.
2. The Fire department will set up separate accounts isolating City funds from fire department funds to establish accountability and eliminate any confusion between the two entities.
3. The Fire Chief or his Designee will adhere to provisions of personnel policies and contracts as applicable to City employees.
4. The administrative assistant assigned to the fire department will monitor and control any expenditures of all city money contributed to the Dover Fire Department from the City of Dover. The Administrative Assistant will be responsible for a monthly detailed report to the status of the bank and loan account balances along with the documentation supporting all deposits withdrawals and payments made to or from such accounts. This report will be submitted to the Finance department and City Council monthly along with the Fire Chiefs report.



Action Form

Proceeding: Legislative, Finance, & Administration

Department of Origin: Fire Department

Date Submitted: 8/25/08

Prepared By: Dover Fire Department

Subject: Independent Accountant Report – Haggerty & Haggerty

Exhibits: Haggerty & Haggerty Report

Expenditure Required: N/A

Amount Budgeted: N/A

Funding Source (Dept./Page in CIP & Budget): N/A

Recommended Action: Acceptance of Option 1

Background

In 2007, the Fire Department agreed to have a review done in reference to City contributions made to the Fire Department.

This review was to be paid for by the City, not the Fire Department.

This review cost the citizens of Dover approximately \$15,000.

A review was conducted of the financial procedures being followed by the Fire Department when expending funds provided by the City of Dover.

Several meetings have been held in reference to this.

Agreed Upon Procedures

Option 1 of the Independent Accountant's Report on Applying Agreed-Upon Procedures by Haggerty & Haggerty.

The City makes an annual operating and capital allocation payable in equal monthly installments to the DFD. Once the funds are allocated, as authorized by the City annual budget, it becomes the DFD's responsibility to administer these funds as it sees fit to carry on its duties to the City's citizens. This practice is a common practice among other governments within Delaware and other states.