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# PENNSYLVANIA DEPARTMENT OF THE AUDITOR GENERAL



Pennsylvania Auditor General



PaAuditorGen



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## News for Immediate Release

July 7, 2021

### **Auditor General DeFoor Releases Audits of Volunteer Firefighters' Relief Associations in Ten Counties**

**HARRISBURG** – Auditor General Timothy L. DeFoor today announced the release of audit reports for volunteer firefighters' relief associations (VFRAs) in Bradford, Cambria, Carbon, Columbia, Erie, Juniata, Lebanon, Monroe, Pike and York counties.

“Relief associations provide vital support to Pennsylvania's first responders,” DeFoor said. “These audits make sure state aid is used to maximize public safety and protect firefighters.”

DeFoor applauded the Sayre, Palmerton and Myerstown VFRAs for having no audit findings. In particular, the Myerstown VFRA took action to address a prior audit finding and recommendation involving meeting minutes.

The Department of the Auditor General distributes state aid for VFRAs and audits how they use the funds, which are generated by a 2 percent tax on fire insurance policies sold in Pennsylvania by out-of-state companies.

In 2020, \$60.25 million went to 2,518 municipalities for distribution to VFRAs to provide training, purchase equipment and insurance, and pay for death benefits for volunteer firefighters.

Relief associations are separate legal entities from the fire departments they support. VFRAs must comply with applicable state laws, contracts, bylaws and administrative procedures in managing the receipt and expenditure of relief association funds or face the potential withholding of future state aid.

Audit reports are available online using the links provided below, or at [www.PaAuditor.gov/audit-reports](http://www.PaAuditor.gov/audit-reports).

#### **Bradford County**

[The Volunteer Firemen's Relief Association of Sayre](#) – No findings.

#### **Cambria County**

[Nanty-Glo Volunteer Fire Company No. 1 Relief Association](#) – One finding: Failure to maintain surety bond coverage on its disbursing officer as required by state law.

#### **Carbon County**

[Fireman's Relief Association of Palmerton](#) – No findings.

## **Columbia County**

[Berwick Volunteer Fireman's Relief Association](#) – Two findings: The title of a rescue vehicle, purchased by the VFRA for \$580,000, could not be located during audit field work but was subsequently provided. The association also spent \$100,000 for a jointly purchased vehicle without securing an ownership interest, an error which it later corrected.

## **Erie County**

[McKean Volunteer Fireman's Relief Association, Inc.](#) – Seven findings: Noncompliance with previous recommendation to provide adequate supporting documentation for expenditures. Noncompliance with previous recommendation to maintain surety bond coverage on its disbursing officer as required by state law. Failure to maintain detailed minutes of meetings as required by state law and the association's bylaws. Inappropriate pre-signing of blank checks. Failure to maintain a complete and accurate equipment roster. Failure to maintain a complete and accurate membership roster. Failure to maintain a state sales tax exemption number, which expired in 2013.

## **Juniata County**

[Beale Township Volunteer Firefighter's Relief Association](#) – One finding: Failure to adhere to numerous provisions of the relief association's bylaws, including failing to hold monthly meetings and allowing an extended vacancy in the position of vice president.

## **Lebanon County**

[Myerstown and Vicinity Volunteer Firemen's Relief Association](#) – No findings.

## **Monroe County**

[East Stroudsburg Volunteer Firemen's Relief Association](#) – Seven findings: Failure to provide adequate documentation to support \$7,751 of undocumented expenditures. Failure to formally define and approve discretionary benefits offered to members. The VFRA loaned \$200,000 to the affiliated fire department without a formal written agreement or charging interest. Inadequate administration of mortgages to association members, including failure to collect nearly \$2,000 in late fees. Failure to maintain detailed minutes of meetings as required by state law. Failure to establish an adequate and accurate financial record-keeping system. The association spent \$432,355 on a jointly purchased vehicle without securing an ownership interest.

## **Pike County**

[Hemlock Farms Volunteer Firemen's Relief Association](#) – One finding: Inadequate signatory authority for the disbursement of funds; state law and association bylaws require the signatures of two VFRA officers on checks. One observation: A total of \$8,898 spent for accounting and tax preparation represented nearly 20 percent of the VFRA's total disbursements during the audit period. The association should reevaluate this cost to determine if it is excessive.

## **York County**

[Fireman's Relief Association of Rose Fire Company No. 1, Inc.](#) – Two findings: Inadequate signatory authority for the disbursement of funds; state law and association bylaws require the signatures of two VFRA officers on checks. Failure to conduct annual physical equipment inventories.

Learn more about the Department of the Auditor General online at [www.PaAuditor.gov](http://www.PaAuditor.gov).

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