



EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION

NORTHAMPTON COUNTY

COMPLIANCE AUDIT REPORT

FOR THE PERIOD

JANUARY 1, 2007 TO DECEMBER 31, 2008



CONTENTS

Background.....	1
Letter From the Auditor General	3
Status of Prior Findings	7
Findings and Recommendations:	
Finding No. 1 – Noncompliance With Prior Audit Recommendation - Undocumented Expenditures	9
Finding No. 2 – Noncompliance With Prior Audit Recommendation – Failure to Obtain a Federal Tax Identification Number.....	12
Finding No. 3 – Noncompliance With Prior Audit Recommendation – Failure to Maintain Officer's Bond Coverage.....	13
Finding No. 4 – Noncompliance With Prior Audit Recommendation – Failure to Maintain Minutes of Meetings	14
Finding No. 5 – Noncompliance With Prior Audit Recommendation – Failure to Maintain a Complete and Accurate Equipment Roster	15
Finding No. 6 – Insufficient Documentation of Loan to the Fire Company.....	17
Withhold of State Aid	18
Accompanying Expenditure Information	19
Report Distribution List	21



BACKGROUND

Pursuant to Article VIII, Section 10 of the Constitution of the Commonwealth of Pennsylvania, Section 403 of The Fiscal Code, Act of April 9, 1929, (P.L. 343, No. 176), and the Volunteer Firefighters' Relief Association Act, Act of June 11, 1968, (P.L. 149, No. 84), as amended, 53 P.S. § 8501 et seq. (commonly referred to as Act 84), the Department of the Auditor General's duty is to audit the accounts and records of every volunteer firefighters' relief association to determine that funds received under the Foreign Fire Insurance Tax Distribution Law, Act of December 18, 1984, (P.L. 1005, No. 205), as amended 53 P.S. § 895.701 et seq. (commonly referred to as Act 205), are properly expended.

The East Bangor Volunteer Firefighters' Relief Association is a charitable organization that was formed primarily to afford financial protection to volunteer firefighters and to encourage individuals to participate in volunteer fire service.

Act 84 governs the overall operation of the volunteer firefighters' relief association. The relief association's bylaws define the specific operational procedures by which the volunteer firefighters' relief association conducts business. To fulfill its primary purpose, Act 84 authorizes specific types of expenditures and prescribes appropriate volunteer firefighters' relief association investment options. Within the parameters established by Act 84, it is the responsibility of the volunteer firefighters' relief association to choose investments in a proper and prudent manner.

Volunteer firefighters' relief associations receive public tax monies, and the association officers therefore have a responsibility to the public to conduct the association's financial affairs in a businesslike manner and to maintain sufficient financial records to support the propriety of all association transactions. Volunteer firefighters' relief association officers are also responsible for ensuring that the association operates in accordance with applicable state laws, contracts, bylaws and administrative procedures.

Act 205 sets forth the computation of the Foreign Fire Insurance Tax Distribution paid to each applicable municipality throughout the Commonwealth of Pennsylvania. The amount of the distribution is based upon the population of each municipality and the market value of real estate within the municipality. Upon receipt of this distribution, the municipality must allocate the funds to the volunteer firefighters' relief association of the fire service organization or fire service organizations, which is or are recognized as providing the service to the municipality.

BACKGROUND (Continued)

The East Bangor Volunteer Firefighters' Relief Association was allocated state aid from the following municipality:

<u>Municipality</u>	<u>County</u>	<u>2007</u>	<u>2008</u>
East Bangor Borough	Northampton	\$5,517	*

*The 2008 state aid allocation was withheld due to the relief association's noncompliance with significant findings and recommendations reported in our prior audit report. The prior audit report was released May 20, 2008, for the period January 1, 2003 to December 31, 2006.

The volunteer firefighters' relief association and the affiliated fire service organization are separate, legal entities. The East Bangor Volunteer Firefighters' Relief Association is affiliated with the following fire service organization:

East Bangor Volunteer Fire Company

Mr. Peter Zazulak, President
EAST BANGOR VOLUNTEER FIREFIGHTERS'
RELIEF ASSOCIATION
Northampton County

We have conducted a compliance audit of the East Bangor Volunteer Firefighters' Relief Association pursuant to authority derived from Article VIII, Section 10 of the Constitution of the Commonwealth of Pennsylvania, Section 403 of The Fiscal Code, Act of April 9, 1929, (P.L. 343, No. 176), and mandated by the Volunteer Firefighters' Relief Association Act, Act of June 11, 1968, (P.L. 149, No. 84), as amended, 53 P.S. § 8501 et seq. (commonly referred to as Act 84), for the period January 1, 2007 to December 31, 2008.

We conducted this compliance audit in accordance with *Government Auditing Standards* applicable to performance audits, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our audit results and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our audit results and conclusions based on our audit objectives.

The objectives of the audit were:

1. To determine if the volunteer firefighters' relief association took appropriate corrective action to address the findings contained in our prior audit report; and
2. To determine if the volunteer firefighters' relief association received and expended state aid and accumulated relief funds in compliance with applicable state laws, contracts, bylaws and administrative procedures.

Our audit was limited to the areas related to the objectives identified above.

Volunteer firefighters' relief association officers are responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the East Bangor Volunteer Firefighters' Relief Association's administration of state aid and accumulated funds complies with applicable state laws, contracts, bylaws and administrative procedures including the safeguarding of assets. In conducting our audit, we obtained an understanding of the volunteer

firefighters' relief association's internal controls as they relate to the association's compliance with those requirements and that we considered to be significant within the context of the audit objectives, and assessed whether those significant controls were properly designed and implemented. Our audit procedures also included tests of documentary evidence supporting the East Bangor Volunteer Firefighters' Relief Association's recorded financial transactions, tests of the physical existence of inventories, interviews of selected officials and direct confirmation of the East Bangor Volunteer Firefighters' Relief Association's cash, investments, and certain other assets and liabilities as of December 31, 2008, with the custodians of the funds, debtors, creditors, and financial institutions to the extent necessary to satisfy the audit objectives. Additionally, we performed procedures to provide a reasonable assurance of detecting instances of violations of legal and regulatory requirements or violations of provisions of contracts that are significant within the context of the audit objectives.

The results of our audit for the period January 1, 2007 to December 31, 2008, found the East Bangor Volunteer Firefighters' Relief Association took appropriate corrective action to address four of the nine findings contained in our prior audit report. The East Bangor Volunteer Firefighters' Relief Association failed to take appropriate corrective action to address the remaining five findings contained in our prior audit report listed below and discussed in the Status of Prior Findings section of this report. In addition, the results of our audit found, in all significant respects, the East Bangor Volunteer Firefighters' Relief Association did not receive and expend state aid and accumulated relief funds in compliance with applicable state laws, contracts, bylaws and administrative procedures, as noted in the findings listed below and discussed in detail in the Findings and Recommendations section of this report. The results of our tests also indicate the East Bangor Volunteer Firefighters' Relief Association expended funds as presented in the accompanying information and as of December 31, 2008, had a cash balance of \$2,825 and an investment balance with a fair value of \$3,775.

Finding No. 1 – Noncompliance With Prior Audit Recommendation –
Undocumented Expenditures

Finding No. 2 – Noncompliance With Prior Audit Recommendation –
Failure to Obtain a Federal Tax Identification Number

Finding No. 3 – Noncompliance With Prior Audit Recommendation –
Failure to Maintain Officer's Bond Coverage

Finding No. 4 – Noncompliance With Prior Audit Recommendation –
Inadequate Minutes of Meetings

Finding No. 5 – Noncompliance With Prior Audit Recommendation –
Failure to Maintain a Complete and Accurate Equipment Roster

Finding No. 6 – Insufficient Documentation of Loan to the Fire Company

The contents of this report were discussed with the management of the East Bangor Volunteer Firefighters' Relief Association and, where appropriate, their responses have been included in the report.

December 30, 2009

JACK WAGNER
Auditor General



EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
STATUS OF PRIOR FINDINGS

COMPLIANCE WITH PRIOR AUDIT FINDINGS AND RECOMMENDATIONS

The East Bangor Volunteer Firefighters' Relief Association has complied with the following prior audit findings and recommendations:

- Inadequate Signatory Authority for the Disbursement of Funds

By requiring more than one signature on negotiable instruments.

- Untimely Deposit of State Aid

By ensuring the timely deposit of the state aid allocation received during the current audit period.

- Inadequate Financial Record-Keeping System

By establishing accounting procedures that meet the minimum financial record-keeping requirements of this department.

- Failure to Maintain a Complete and Accurate Membership Roster

By compiling a roster of the relief association membership.

NONCOMPLIANCE WITH PRIOR AUDIT FINDINGS AND RECOMMENDATIONS

The East Bangor Volunteer Firefighters' Relief Association has not complied with five of the nine prior audit findings. These findings are noted below and discussed in detail in the Findings and Recommendations section of this report:

- Noncompliance With Prior Audit Recommendation – Undocumented Expenditures
- Noncompliance With Prior Audit Recommendation – Failure to Obtain a Federal Tax Identification Number
- Noncompliance With Prior Audit Recommendation – Failure to Maintain Officer's Bond Coverage
- Noncompliance With Prior Audit Recommendation – Failure to Maintain Minutes of Meetings

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
STATUS OF PRIOR FINDINGS – (Continued)

- Noncompliance With Prior Audit Recommendation –
Failure to Maintain a Complete and Accurate Equipment Roster

We are concerned with the volunteer firefighters' relief association's failure to correct five of the nine previously reported audit findings. The association management should strive to implement the recommendations and corrective actions noted in this audit report.

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – Noncompliance With Prior Audit Recommendation –
Undocumented Expenditures

Condition: As cited in our prior audit report, the relief association was unable to provide adequate supporting documentation for the following expenditures made in the prior audit period:

<u>Date</u>	<u>Check No.</u>	<u>Description</u>	<u>Amount</u>
04/03/03	174	Unidentified expenditure	\$ 104
04/07/03	176	Unidentified expenditure	20
04/08/03	175	Unidentified expenditure	52
04/08/03	177	Unidentified expenditure	10
05/21/03	178	Unidentified expenditure	534
06/13/03	180	Unidentified expenditure	85
06/19/03	179	Unidentified expenditure	85
07/16/03	Bank check	Unidentified expenditure	85
04/12/04	181	Unidentified expenditure	670
05/20/04	184	Unidentified expenditure	85
05/25/04	182	Unidentified expenditure	32
06/22/04	183	Unidentified expenditure	1,220
07/06/04	185	Unidentified expenditure	30
01/27/05	188	Unidentified expenditure	304
03/29/05	189	Unidentified expenditure	668
03/29/05	190	Token of sympathy	30
04/08/05	192	Equipment vendor	157
05/09/05	193	Equipment vendor	3,171
05/21/05	194	Equipment vendor	88
05/21/05	195	Equipment vendor	80
05/21/05	196	Equipment vendor	276
Unknown	Unidentified	Unidentified expenditure	20
Total prior period expenditures			<u>\$ 7,806</u>

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – (Continued)

In addition, the relief association was unable to provide adequate supporting documentation for the following current audit period expenditures:

<u>Date</u>	<u>Check No.</u>	<u>Description</u>	<u>Amount</u>
01/08/07	243	Equipment vendor	\$ 243
03/31/07	244	Administrative expenditure	3,095
11/26/07	248	Unidentified expenditure	325
05/09/08	252	Unidentified expenditure	878
08/12/08	256	Unidentified expenditure	417
09/25/08	258	Training expenditure	70
10/08/08	259	Training expenditure	20
10/16/08	260	Unidentified expenditure	846
Total current period expenditures			<u>\$ 5,894</u>
Total undocumented expenditures			<u>\$ 13,700</u>

Criteria: Act 84 at 53 P.S. § 8507(a) states, in part:

The Department of the Auditor General shall have the power, and its duty shall be, to audit the accounts and records of every volunteer firefighters' relief association receiving any money under Chapter 7 of the Act of December 18, 1984 (P.L. 1005, No 205), known as the "Municipal Pension Plan Funding Standard and Recovery Act," as amended, as far as may be necessary to satisfy the department that the money received was expended or is being expended for no purpose other than that authorized by this act.

Without adequate supporting documentation, such as invoices, training certificates, and detailed minutes of meetings, this department is unable to determine if the relief association funds were expended for purposes authorized by Act 84. Furthermore, good business practices would require that supporting documentation be maintained to verify the propriety of all financial transactions.

Cause: While notified of this condition during our prior audit, relief association officials neglected to establish adequate internal control procedures to ensure supporting documentation is maintained for all expenditures in accordance with Act 84 at 53 P.S. § 8506(e).

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – (Continued)

Effect: Lack of supporting documentation, such as invoices, training certificates, and detailed minutes of meetings, made it impossible to determine if the expenditures were made in accordance with Act 84 at 53 P.S. § 8506(e). In addition, the failure to maintain adequate documentation for relief association expenditures can lead to an increased risk of errors occurring and funds being misappropriated.

Recommendation: We again recommend the relief association provide this department with adequate supporting documentation, such as invoices and training certificates, to determine the validity of the expenditures or that the relief association be reimbursed \$13,700 for the undocumented expenditures. We also recommend that the relief association officials maintain supporting documentation for all future expenditures. For further guidance, please refer to the Auditor General's publication, MANAGEMENT GUIDELINES FOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATIONS.

Management's Response: Relief association management agreed with the finding as presented at the audit exit conference and indicated they will take action to comply with the recommendation.

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
FINDINGS AND RECOMMENDATIONS

Finding No. 2 – Noncompliance With Prior Audit Recommendation –
Failure to Obtain a Federal Tax Identification Number

Condition: As cited in our four prior audit reports, the volunteer firefighters' relief association failed to comply with the Tax Equity and Fiscal Responsibility Act by not obtaining a federal tax identification number. The relief association is inappropriately using the fire service organization's federal tax identification number, although the fire service organization and the relief association are separate legal entities.

Criteria: All businesses, both profit and nonprofit, are required to obtain a federal tax identification number and provide this number to any financial institution where funds are earning interest. If their tax identification number is not provided, the financial institution is required to withhold 31 percent of interest earned and transmit these funds to the Internal Revenue Service, as withholdings for federal income taxes.

Cause: While notified of this condition during our prior four audits, the relief association neglected to take the appropriate steps to procure its own federal tax identification number.

Effect: Failure to comply with the Tax Equity and Fiscal Responsibility Act could cause the relief association to be penalized by the Internal Revenue Service, resulting in the loss of funds otherwise available for general operating expenditures or for investment purposes.

Recommendation: We again recommend the relief association immediately apply for its own federal tax identification number through the Internal Revenue Service and furnish this number to its financial institutions. The relief association should also consider applying to the Internal Revenue Service for tax exempt status as a nonprofit corporation under Internal Revenue Code 501(c). For further guidance, please refer to the Auditor General's publication, MANAGEMENT GUIDELINES FOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATIONS.

Management's Response: Relief association management agreed with the finding as presented at the audit exit conference and indicated they will take action to comply with the recommendation.

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
FINDINGS AND RECOMMENDATIONS

Finding No. 3 – Noncompliance With Prior Audit Recommendation –
Failure to Maintain Officer's Bond Coverage

Condition: As cited in our prior two audit reports, the relief association failed to maintain bond coverage on the disbursing officer, as required by Act 84. Specifically, the relief association's bond policy expired on April 11, 2003, and the relief association was without bond coverage through August 18, 2008.

Criteria: Act 84 at 53 P.S. § 8505(c) states, in part, that:

. . . the disbursing officer, whether designated treasurer, comptroller, financial secretary, or otherwise, shall be bonded by corporate surety for the faithful performance of his duties. The amount of such bond shall be at least as great as the maximum cash balance in current funds of the association at any time during the fiscal year, and the premium on such bond shall be a proper charge against the funds of the association.

Cause: While notified of this condition during our prior two audits, relief association officials neglected the Act 84 provisions regarding the maintenance of officer's bond coverage.

Effect: As a result of the disbursing officer of the relief association not being bonded, the relief association's cash assets are not adequately safeguarded.

However, effective August 18, 2008, the relief association obtained officer's bond coverage in an amount greater than the maximum cash balance, as required by Act 84.

Recommendation: We again recommend the relief association officials ensure the disbursing officer remains bonded, as required by Act 84. For further guidance, please refer to the Auditor General's publication, MANAGEMENT GUIDELINES FOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATIONS.

Management's Response: Relief association management agreed with the finding as presented at the audit exit conference and indicated they will take action to comply with the recommendation.

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
FINDINGS AND RECOMMENDATIONS

Finding No. 4 – Noncompliance With Prior Audit Recommendation –
Failure to Maintain Minutes of Meetings

Condition: As cited in our prior two audit reports, the relief association failed to maintain adequate minutes of meetings, as required by Act 84. Specifically, the relief association's minutes did not address all of the financial-related transactions, which occurred during the audit period. In addition, it was impossible to determine if the quorum requirements were met.

Criteria: Act 84 at 53 P.S. § 8505(a) states, in part, that the relief association:

. . . must provide for the taking and preserving of minutes of all meetings, and the maintenance of such books of account as may be necessary and appropriate to afford a permanent record of its financial affairs.

Cause: While notified of this condition during our prior two audits, relief association officials neglected to maintain detailed minutes of meetings, as required by Act 84.

Effect: Without detailed minutes of meetings, verification that relief association business was presented before the membership for approval does not exist.

Recommendation: We again recommend relief association officials maintain detailed minutes of meetings, including an adequate record of all financial-related business conducted by the relief association. For further guidance, please refer to the Auditor General's publication, MANAGEMENT GUIDELINES FOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATIONS.

Management's Response: Relief association management agreed with the finding as presented at the audit exit conference and indicated they will take action to comply with the recommendation.

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
FINDINGS AND RECOMMENDATIONS

Finding No. 5 – Noncompliance With Prior Audit Recommendation –
Failure to Maintain a Complete and Accurate Equipment Roster

Condition: As cited in our prior two audit reports, the relief association officials did not maintain a complete and accurate roster of equipment owned by the relief association. The relief association did not prepare an equipment roster for items purchased during the current or prior audit period. The relief association had previously maintained rosters of equipment dating back to 1986; however, the rosters were not updated to remove inoperable, unserviceable or sold equipment. Furthermore, there was no indication that a physical inventory of equipment was conducted on an annual basis, nor whether such inventory accounted for all of the relief association's fixed assets.

Criteria: The relief association should establish adequate internal control procedures to ensure the maintenance of a cumulative equipment roster of all items purchased by the relief association in order to provide an effective accounting control over the relief association's fixed assets. A cumulative equipment roster of all relief association equipment should include the following:

- Types of equipment purchased;
- Dates of purchase;
- Unit costs;
- Names of suppliers;
- Serial numbers, if applicable;
- Current locations of items;
- Final dispositions of sold or damaged equipment; and
- Evidence of the results of the annual physical inventory.

Furthermore, sound business practice requires the performance of an annual physical inventory of all relief association owned equipment.

Cause: While notified of this condition during our prior two audits, relief association officials neglected to establish adequate internal control procedures over fixed assets requiring the maintenance of a cumulative equipment roster and the performance of an annual physical inventory of equipment.

Effect: The failure to properly record equipment purchases in a detailed equipment roster prevents officials from effectively monitoring the relief association's equipment purchases. In addition, the failure to maintain a detailed equipment roster and perform an annual physical inventory of fixed assets prevents adequate accountability for, and safeguarding of, relief association fixed assets.

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
FINDINGS AND RECOMMENDATIONS

Finding No. 5 – (Continued)

Recommendation: We again recommend the relief association officials maintain a cumulative equipment roster of all relief association owned equipment. Furthermore, the relief association should ensure it performs an annual physical inventory of all operable equipment and that the completion of the inventory be sufficiently documented. For further guidance, please refer to the Auditor General's publication, MANAGEMENT GUIDELINES FOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATIONS.

Management's Response: Relief association management agreed with the finding presented at the audit exit conference and indicated they will take action to comply with the recommendation.

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
FINDINGS AND RECOMMENDATIONS

Finding No. 6 – Insufficient Documentation of Loan to the Fire Company

Condition: As cited in our prior audit report, the relief association was unable to provide adequate supporting documentation for \$4,500 disbursed to the East Bangor Volunteer Fire Company on March 31, 2007. The documentation provided by the relief association during our current audit indicates that this \$4,500 disbursement was intended to be a loan to the affiliated fire company. However, the loan was not sufficiently documented.

While an agreement was provided, the agreement did not specify: collateral provisions; an amortization schedule (detailing the payment start and loan payoff date); nor the required three percent interest rate.

Criteria: Act 84 at 53 P.S. § 8506(c)(1) requires:

...that loans by relief associations must provide for a minimum interest payment of three percent...

Act 84 at 53 P.S. § 8506(c)(3) requires that loans be:

...secured by assets of the [fire] company having capital value equal to at least one hundred fifty percent of the amount of the obligation at the time it is made, and is subject to provisions which will amortize such loan at a rate ensuring that the depreciated value of the assets pledged shall continue to be at least equal to one hundred fifty percent of the balance remaining due.

Cause: Relief association officials were unaware that the loan to the fire company must be secured and amortized with a proper interest rate to ensure compliance with Act 84 provisions.

Effect: Failure to obtain adequate security for the loan and properly amortize the interest, places the repayment of the loan proceeds and earned interest at greater risk.

Recommendation: We recommend that the relief association immediately amend the written loan agreement to provide adequate security and at least a three percent interest rate, as required by Act 84. If such action is not taken, we recommend that the loan be immediately liquidated. For further guidance, please refer to the Auditor General's publication, MANAGEMENT GUIDELINES FOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATIONS.

Management's Response: Relief association management agreed with the finding presented at the audit exit conference and indicated they will take action to comply with the recommendation.

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
WITHHOLD OF STATE AID

Conditions of the repeat findings such as those reported in Finding Nos. 1 and 2 may lead to a continued, total withholding of state aid in the future unless these findings are corrected. Furthermore, a condition such as that reported in Finding No. 6 also may lead to a continued, total withholding of state aid in the future unless this finding is corrected. However, such action will not be considered if sufficient documentation is provided immediately to verify compliance with this department's recommendations. Such documentation should be submitted by the volunteer firefighters' relief association to: Department of the Auditor General, Bureau of Firefighters' Relief Association Audits, Room 316-D Finance Building, Harrisburg, PA 17120.

EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
 ACCOMPANYING EXPENDITURE INFORMATION
 FOR THE PERIOD JANUARY 1, 2007 TO DECEMBER 31, 2008

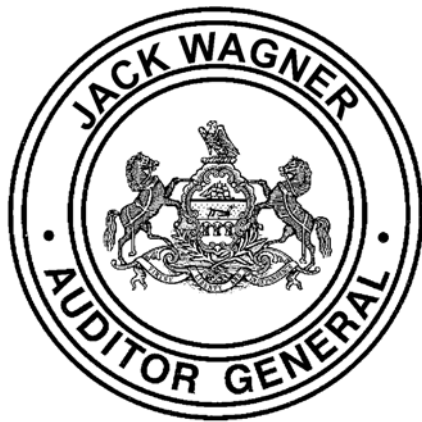
Act 84 at 53 P.S. § 8502(1) states, in part, that:

A volunteer firefighters' relief association is an organization formed primarily for the purpose of affording financial protection to volunteer firefighters against the consequences of misfortune suffered as a result of their participation in the fire service. Such an association may also serve other purposes, . . . provided only that adequate provisions be first made to serve its primary purpose. . . .

Act 84 at 53 P.S. § 8506, authorizes the investment of relief association funds and outlines the types of benefits and services that can be provided with volunteer firefighters' relief association funds. All expenditures must be properly authorized as prescribed in the volunteer firefighters' relief association bylaws and approved at an association meeting.

USES OF FUNDS:

Benefit Services:	
Insurance premiums	\$ 170
Tokens of sympathy and goodwill	105
Total Benefit Services	\$ 275
Fire Services:	
Equipment purchased	\$ 5,716
Equipment maintenance	2,327
Training expenses	132
Total Fire Services	\$ 8,175
Administrative Services:	
Miscellaneous administrative expenses	96
Total Administrative Services	\$ 96
Total Investments Purchased	\$ 4,500
Other Expenditures:	
Undocumented expenditures	\$ 5,894
Total Other Expenditures	\$ 5,894



EAST BANGOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION
REPORT DISTRIBUTION LIST

This report was initially distributed to the following:

The Honorable Tom Corbett
Governor
Commonwealth of Pennsylvania

East Bangor Volunteer Firefighters' Relief Association Governing Body:

Mr. Peter Zazulak, President

Mr. Christopher VanDusen, Vice President

Mr. Patrick O'Brien, Secretary

Ms. Heather VanDusen, Treasurer

A report was also distributed to the following municipality, which allocated foreign fire insurance tax monies to this relief association.

Ms. Bonnie L. Due, Secretary
East Bangor Borough

This report is a matter of public record. Copies of this report may be obtained from the Pennsylvania Department of the Auditor General, Office of Communications, 318 Finance Building, Harrisburg, PA 17120. If you have any questions regarding this report or any other matter, you may contact the Department of the Auditor General by accessing our website at www.auditorgen.state.pa.us.