



News for Immediate Release

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Auditor General DePasquale Says Shockingly Inept Record-Keeping Threatens Safety Funds for Albion Volunteer Firefighters

Mismanagement issues at Albion VFRA deepen, despite previous warnings

ERIE – Auditor General Eugene DePasquale said today he is withholding state aid to an Erie County volunteer firefighters’ relief association with a history of mismanaging public funds intended to help volunteer firefighters.

Despite being warned in 2016 that funding was in jeopardy, conditions at the Albion Volunteer Firemen’s Relief Association worsened, according to a recently completed audit, including a dramatic increase in undocumented expenses and unaddressed issues with \$279,470 in loans and unauthorized spending.

“Two years ago, I put the Albion VFRA on notice to get its house in order,” DePasquale said. “After my 2016 audit, I warned association leaders they needed to address these chronic concerns. Unfortunately, there was no improvement. In fact, things got worse, appreciably worse. That’s unacceptable.”

The audit released today includes \$39,000 in undocumented expenses — nearly three times the amount found in the 2016 audit. Four of five previously identified findings were not corrected. In the latest audit, the number of findings increased from five to seven, including 60 undocumented expenses, six times the number found in the previous audit.

“Without proper documentation, there is no way of knowing if the money was spent properly,” DePasquale said. “Until the audit issues are corrected, taxpayers cannot be sure that funds intended to protect their community are being spent with public safety in mind,” he said. “I am withholding state aid to spur the volunteer fire officials to correct deficiencies to make sure these funds are spent properly to protect residents.”

In 2017, the Albion VFRA received a total of \$17,626 in state aid from Albion Borough and Conneaut Township for equipment purchases and maintenance, training, and insurance.

Auditors noted that the VFRA still has not deposited a \$7,478 check for state aid allocated by Albion Borough in October 2014. Relief association managers in both 2016 and the current audit said they would remedy this situation.

“We cannot afford to risk allowing sloppiness and mismanagement to diminish public safety. These issues must be addressed, not ignored,” DePasquale said.

The latest audit also found the VFRA:

- Had \$5,204 in unauthorized expenses, including performing maintenance on a fire company-owned vehicle.
- Is making payments on a \$127,266 loan for a vehicle it does not own. The VFRA took over payments for the Albion Fire Department.
- Does not have a formal, written agreement for a \$117,000 loan to the Albion Fire Department to purchase an ambulance.
- Is owed \$828 in loan payments from the Albion Fire Department on a \$30,000 loan made in 2010.

“Fixing these issues requires commitment by the association officers, the fire company and community leaders. Once these findings are addressed, I can release the state aid,” DePasquale said.

The Department of the Auditor General examines volunteer firefighters' relief associations, which receive state aid from a 2 percent state tax on fire insurance premiums purchased by Pennsylvania residents from out-of-state casualty insurance companies.

In 2017, \$60.6 million in state funds was distributed through funding municipalities to 2,521 VFRA's to provide training, purchase equipment and insurance, and pay for death benefits for volunteer firefighters. The 2018 state aid figures will be announced next month.

The Albion VFRA audit report is [available online here: www.PaAuditor.gov](http://www.PaAuditor.gov).

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