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News for Immediate Release

Nov. 7, 2018

Auditor General DePasquale Releases \$154,585 for Police & Firefighter Pensions After Monessen Agrees to Comply with Audit

Funds being released conditionally; city must continue to comply

HARRISBURG – Auditor General Eugene DePasquale today said he has reached an agreement to release \$154,585 in state pension aid for the City of Monessen, Westmoreland County.

“Last summer, I withheld pension aid from Monessen due to serious concerns with the city’s procurement process for selecting an investment and advisory services contractor for its police and firemen’s pension plans,” DePasquale said. “We’ve reached an agreement that will allow the city to receive pension aid funds on a conditional basis, which is very good news for the city’s taxpayers and emergency responders.”

An audit released in July of the police and firemen’s pension plans from Jan. 1, 2015 to Dec. 31, 2016 found Monessen officials did not follow state law or the city’s own procurement procedures in replacing its long-time investment firm last year, including having no records explaining how the new firm was chosen. DePasquale termed the entire process “fatally flawed.”

Under the conditional agreement, the city will:

- Re-bid the investment and advisory services contract and make sure all phases of the procurement process are transparent and comply with the law; and
- Repay \$54,390 to the police pension plan from an unauthorized pension benefit improperly awarded to a retired officer years before he was eligible to collect it.

Auditor General DePasquale reserves the right to withhold future pension aid funds without the need for a follow-up audit should the city fail to correct the issues as agreed upon.

“I’m pleased that Monessen agreed with our terms because we do want to help them comply with the law and ensure the city’s pension fund has adequate resources to meet current and future benefit obligations to the city’s hard-working police officers and firefighters,” DePasquale said. “However, the city is on notice that future pension aid will be frozen if it fails to meet all terms of the agreement.”

City officials had previously agreed with two other audit findings: they agreed to repay an \$8,750 pension overpayment to the state, and to keep minutes of future pension board meetings.

The City of Monessen police and firemen pension plan audit reports are available online at:

- [Police Pension Plan](#)
- [Firemen’s Pension Plan](#)

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