



Pennsylvania Department of the

# AUDITOR GENERAL

Facebook: Pennsylvania Auditor General

Twitter: @PaAuditorGen

## News for Immediate Release

Oct. 4, 2018

### Auditor General DePasquale Releases Audits for Volunteer Firefighters' Relief Associations in 20 Counties

**HARRISBURG** – Auditor General Eugene DePasquale today announced the release of audit reports for volunteer firefighters' relief associations in Allegheny, Berks, Beaver, Blair, Cambria, Centre, Chester, Clearfield, Dauphin, Delaware, Fayette, Juniata, Lancaster, Lebanon, Luzerne, Perry, Washington, Westmoreland, Wyoming and York counties.

“Volunteer Firefighter Relief Associations are essential in helping fire and rescue crews perform their dedicated, often heroic, duties. We are forever grateful,” 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, 2,521 municipalities received \$60.6 million in fire relief association funding for distribution to local volunteer firefighters' relief associations to provide training, purchase equipment and insurance, and pay for death benefits for volunteer firefighters.

The full audit reports for VFRA with findings are available online using the links provided below; others are available online at: [www.PaAuditor.gov/audit-reports](http://www.PaAuditor.gov/audit-reports).

#### **Allegheny County**

[Wexford VFRA](#) – No findings

#### **Berks County**

[Reading VFRA](#) – No findings

#### **Beaver County**

[Daugherty Township VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for three findings: insufficient bond coverage, failure to maintain a complete and accurate equipment roster and failure to maintain a complete and accurate membership roster

The VFRA had \$45,000 in bond coverage while having \$59,590 in assets.

#### **Blair County**

[Phoenix VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for two findings: untimely deposit of state aid and inappropriate commingling of funds.

The VFRA did not deposit \$6,863 in state aid within 60 days of receipt from Blair Township. The VFRA inadvertently transferred \$1,869 to the fire company's checking account.

### **Cambria County**

[Dale Borough VFRA](#) – No findings

### **Centre County**

[Mountain Top VFRA](#) – No findings

### **Chester County**

[Paoli VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for two findings: undocumented expenditures and noncompliance with prior audit recommendation for unauthorized expenditures.

The VFRA had \$207 in phone services assigned to an ambulance and spent \$34 in travel expenses to the Harrisburg Expo. The VFRA did not provide adequate documentation to explain \$415 for four credit card payments.

[Phoenixville VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for one finding:

The VFRA did not deposit \$103,247 in state aid from Phoenixville Borough within 60 days of receipt.

### **Clearfield County**

[Chester Hill VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for one finding: failure to monitor cash account.

Auditors identified a dormant savings account worth \$2,147 that was reported to the Pennsylvania Department of Treasury as unclaimed property. After alerting the VFRA and Treasury, the appropriate paperwork is being processed to return the funding to the VFRA.

[Curwensville VFRA](#) – No findings

### **Dauphin County**

[Halifax VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for two findings: noncompliance with prior audit recommendation for failure to maintain a complete and accurate equipment roster and failure to obtain a Pennsylvania Sales Tax Exemption Number.

The failure to obtain a sales tax exemption number may require the VFRA to pay sales tax on its purchases and therefore have less money available for emergency services.

### **Delaware County**

[Ogden Fire Co. No. 1 VFRA](#) – No findings

### **Fayette County**

[North Union Township VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for three findings: undocumented expenditure, unauthorized expenditure and inadequate financial record-keeping system.

The VFRA could not document \$13,783 in expenses for maintenance, fire prevention, equipment, training and charity vendors. The VFRA also spent \$7,180 for repairs on fire department-owned vehicles, which is not permitted.

[Tower Hill Fire Co. No. 2](#) – No findings

### **Juniata County**

[Thompsontown VFRA](#) – No findings

### **Lancaster County**

[Rheems VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for two findings: unauthorized expenditure and improper equipment transactions.

The VFRA spent \$2,514 for a Sparky the Dog costume, which is not permitted. The VFRA since received a donation for \$2,135 toward the purchase, leaving \$379 in unauthorized expenses.

The VFRA improperly resold \$3,400 in equipment to its members.

### **Lebanon County**

[Speedwell VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for two findings: payment of Pennsylvania sales tax and inadequate relief association bylaws.

The bylaws failed to make the officer's bond for the treasurer equal to or greater than the maximum cash balance. The VFRA paid \$356 in sales tax to an equipment vendor, which would not been required if the sales tax exemption number was provided.

### **Luzerne County**

[Jenkins Township VFRA](#) – No findings

### **Perry County**

[Marysville Fire Co. No. 1 VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for one finding: inadequate minutes of meetings.

### **Washington County**

[Denbo-Vesta Six Volunteer VFRA](#) – No findings

### **Westmoreland County**

[Bolivar VFRA](#) – No finding

[Ligonier Township Fire Co. No. 1 VFRA](#) – No findings

### **Wyoming County**

### [Goodwill VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for five findings: failure to disclose related party transactions, unauthorized expenditure, failure to maintain a complete and accurate equipment roster and noncompliance with prior audit recommendation for insufficient bond coverage and untimely receipts and deposit of state aid.

The VFRA has \$100,000 in bond coverage, while having \$115,688 in assets. The VFRA made a late deposit of state aid checks from Laceyville Borough, Windham Township and Tuscarora Township.

The VFRA did not disclose the association treasurer works for the bank where 100 percent of the association's assets are held. The VFRA purchased \$3,240 for doors and locks to the fire company building, which is not permitted since the VFRA does not own the facility.

### **York County**

#### [North Hopewell-Winterstown VFRA](#)

Complied with applicable state laws, contracts, bylaws and administrative procedures as they relate to the receipt of state aid and the expenditure of relief association funds, except for two findings: failure to maintain a complete and accurate equipment roster and failure to maintain a complete and accurate membership roster.

#### [Springettsbury Township VFRA](#) – No findings

###