



**CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION**

**HEREIN REFERRED TO AS:**

**CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION**

**BEAVER COUNTY**

**COMPLIANCE AUDIT REPORT**

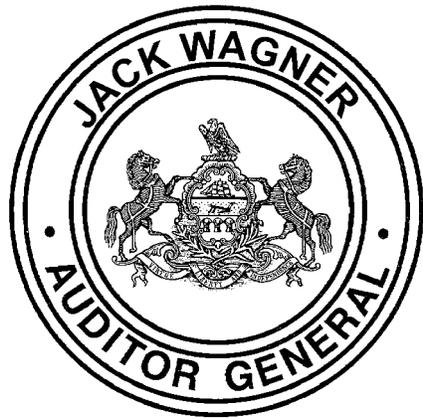
**FOR THE PERIOD**

**JANUARY 1, 2002 TO DECEMBER 31, 2006**



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## 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 Chippewa Township 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. The Chippewa Township Volunteer Firefighters' Relief Association was allocated state aid from the following municipality:

<u>Municipality</u>	<u>County</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Chippewa Township	Beaver	\$37,254	\$43,032	\$43,428	\$48,843	\$49,881

BACKGROUND (Continued)

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

Chippewa Township Volunteer Fire Department

Mr. Jeff Sokol, President  
CHIPPEWA TOWNSHIP VOLUNTEER  
FIREFIGHTERS' RELIEF ASSOCIATION  
Beaver County

We have conducted a compliance audit of the Chippewa Township 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, 2002 to December 31, 2006. The audit was conducted in accordance with *Government Auditing Standards* applicable to performance audits, issued by the Comptroller General of the United States.

The objectives of the audit were:

1. To determine if the volunteer firefighters' relief association took appropriate corrective action to address the finding 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.

The Department of the Auditor General (Department) is mandated by state statute to calculate state aid provided to volunteer firefighters' relief associations and to audit volunteer firefighters' relief associations having received such aid. An administrative unit of the Department's Comptroller's Office that is not involved in the audit process calculates state aid and submits requests to the Commonwealth's Treasury Department for the disbursement of state aid to the municipality. The Department has implemented procedures to ensure that Department audit personnel are not directly involved in the calculation and disbursement processes. The Department's mandatory responsibilities are being disclosed in accordance with *Government Auditing Standards*.

Volunteer firefighters' relief association officers are responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the Chippewa Township 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 applicable state laws, contracts, bylaws and administrative procedures significant within the context of the audit objectives. We also tested transactions, confirmed the Chippewa Township Volunteer Firefighters' Relief Association's investment balance and the cash balance as of December 31, 2006, with the custodians of the funds, and interviewed selected officials to the extent necessary to satisfy the audit objectives.

The results of our audit found that for the period January 1, 2002 to December 31, 2006, the Chippewa Township Volunteer Firefighters' Relief Association expended funds as presented in the accompanying information and as of December 31, 2006, had a cash balance of \$44,508 and no investments. We were unable to determine that state aid and accumulated relief funds were expended in compliance with applicable state laws, contracts, bylaws and administrative procedures due to undocumented expenditures and an inadequate financial record-keeping system as noted in the following findings discussed later in this report:

Finding No. 1 – Undocumented Expenditures

Finding No. 2 – Inadequate Internal Controls and Financial Record-Keeping System

Finding No. 3 – Inappropriate Ownership of Assets

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

Finding No. 5 – Failure to Maintain a Complete and Accurate Equipment Roster

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

October 16, 2007

JACK WAGNER  
Auditor General

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
STATUS OF PRIOR FINDING

NONCOMPLIANCE WITH PRIOR AUDIT RECOMMENDATION

The Chippewa Township Volunteer Firefighters' Relief Association has not complied with the prior audit finding. This issue is further discussed in the following finding noted in the Findings and Recommendations section of this report:

- Noncompliance With Prior Audit Recommendation –  
Failure to Maintain Minutes of Meetings

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

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – Undocumented Expenditures

Condition: The relief association was unable to provide adequate supporting documentation for the following expenditures:

<u>Date</u>	<u>Check No.</u>	<u>Expenditure Description</u>	<u>Amount</u>
01/25/02	1033	Association dues	\$ 512
01/07/02	1035	Equipment maintenance vendor	17
01/07/02	1038	Equipment vendor	443
01/07/02	1039	Equipment maintenance vendor	67
01/07/02	1040	Training provider	40
01/07/02	1041	Postage	20
02/19/02	1042	Training provider	185
02/20/02	1044	Training provider	160
02/20/02	1045	Equipment maintenance vendor	30
02/20/02	1047	Equipment maintenance vendor	637
02/20/02	1048	Equipment maintenance vendor	160
02/21/02	1049	Training related expense	600
02/27/02	1051	Training related expense	63
03/07/02	1053	Training related expense	400
03/13/02	1055	Association dues	75
03/13/02	1056	Training provider	35
03/13/02	1057	Healthcare provider	75
03/13/02	1058	Healthcare provider	75
03/15/02	1059	Member for relief benefit	34
04/10/02	1060	Equipment maintenance vendor	60
04/10/02	1061	Equipment maintenance vendor	40
04/25/02	1063	Training related expense	21
05/08/02	1066	Equipment maintenance vendor	26
05/08/02	1067	Training related expense	135
05/11/02	1068	Training related expense	150
05/10/02	1069	Equipment maintenance vendor	73
02/15/02	1070	Training related expenses	66
05/15/02	1071	Equipment maintenance vendor	77
02/15/02	1073	Training provider	60
02/15/02	1074	Healthcare provider	215
02/15/02	1075	Equipment vendor	132
05/24/02	1077	Equipment maintenance vendor	93
06/01/02	1078	Training provider	135

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – (Continued)

<u>Date</u>	<u>Check No.</u>	<u>Expenditure Description</u>	<u>Amount</u>
07/09/02	1079	Equipment vendor	\$ 54
07/09/02	1080	Equipment vendor	621
07/09/02	1081	Equipment maintenance vendor	79
07/09/02	1083	Training related expense	12
07/09/02	1084	Training related expense	200
07/09/02	1086	Training related expense	1,000
07/22/02	1087	Equipment maintenance vendor	187
07/22/02	1088	Equipment maintenance vendor	88
08/29/02	1089	Training related expense	200
08/29/02	1090	Training related expense	120
08/29/02	1091	Training provider	200
08/29/02	1092	Healthcare provider	10
08/29/02	1093	Equipment maintenance vendor	76
09/30/02	1094	Equipment maintenance vendor	40
09/30/02	1095	Equipment maintenance vendor	92
09/30/02	1096	Training provider	140
10/09/02	1101	Training related expense	400
10/09/02	1102	Training related expense	1,000
10/09/02	1103	Training related expense	719
10/09/02	1104	Training related expense	125
10/09/02	1105	Training related expense	20
10/09/02	1107	Healthcare provider	60
10/23/02	1108	Training related expense	133
10/23/02	1109	Training related expense	284
10/23/02	1110	Training related expense	18
10/23/02	1111	Training related expense	1,000
11/05/02	1114	Equipment maintenance vendor	85
11/05/02	1115	Healthcare provider	195
11/05/02	1116	Equipment maintenance vendor	255
11/05/02	1117	Equipment maintenance vendor	86
11/20/02	1121	Equipment vendor	207
11/20/02	1122	Equipment maintenance vendor	105
12/04/02	1123	Training related expense	30
12/04/02	1124	Association dues	20
01/14/03	1129	Association dues	124
01/15/03	1130	Equipment vendor	190
01/15/03	1131	Equipment maintenance vendor	347

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – (Continued)

<u>Date</u>	<u>Check No.</u>	<u>Expenditure Description</u>	<u>Amount</u>
01/15/03	1132	Member for relief benefit	\$ 22
01/15/03	1133	Association dues	174
01/16/03	1134	Training related expense	20
01/16/03	1135	Training related expense	50
02/01/03	1136	Training related expense	1,000
02/05/03	1137	Equipment maintenance vendor	410
02/05/03	1138	Equipment maintenance vendor	102
02/05/03	1139	Equipment vendor	421
02/05/03	1140	Training related expense	200
02/05/02	1141	Equipment maintenance vendor	170
05/26/03	1143	Training related expense	80
05/27/03	1144	Training provider	31
05/27/03	1145	Training related expense	100
03/12/03	1147	Association dues	75
05/02/03	1148	Training related expense	600
05/06/03	1151	Healthcare provider	30
05/06/03	1153	Training related expense	113
05/10/03	1154	Training related expense	100
09/02/03	1156	Training related expense	20
11/12/03	1163	Training related expense	500
11/12/03	1164	Equipment maintenance vendor	69
11/12/03	1165	Training related expense	1,516
02/18/02	1166	Training provider	30
03/28/02	1167	Unidentified expenditure*	1,200
11/26/03	1167**	Equipment Vendor	152
06/05/02	1168	Unidentified expenditure*	557
04/01/02	1169	Unidentified expenditure*	270
04/11/02	1170	Unidentified expenditure*	110
01/14/04	1170**	Association dues	180
04/11/02	1171	Unidentified expenditure*	124
01/14/04	1171**	Training provider	20
04/08/02	1172	Unidentified expenditure*	35
01/14/04	1172**	Equipment vendor	1,246
01/14/04	1173	Insurance agency	5,216
01/15/04	1174	Equipment maintenance vendor	54
01/30/04	1175	Equipment maintenance vendor	31

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – (Continued)

<u>Date</u>	<u>Check No.</u>	<u>Expenditure Description</u>	<u>Amount</u>
02/16/04	1176	Training related expense	\$ 95
03/12/03	1177	Unidentified expenditure*	7,000
02/16/04	1177**	Association dues	56
02/16/04	1178	Association dues	10
02/18/04	1179	Training related expense	75
02/18/04	1180	Training related expense	75
02/23/04	1181	Equipment vendor	203
02/23/04	1183	Equipment vendor	195
03/04/04	1184	Training provider	120
03/08/04	1185	Equipment maintenance vendor	22
03/08/04	1186	Association dues	75
04/07/04	1189	Equipment maintenance vendor	15
04/07/04	1191	Training related expense	32
04/26/04	1192	Equipment vendor	195
04/26/04	1193	Training related expense	10
05/24/04	1196	Member for relief benefit	60
05/24/04	1197	Member for relief benefit	99
06/02/04	1198	Equipment vendor	195
07/08/04	1199	Equipment vendor	2,869
11/05/04	1206	Training provider	60
01/05/05	1221	Association dues	66
08/30/05	1249	Training related expense	500
			<u>\$ 40,488</u>

\* The cancelled check was not available from the relief association or the relief association's financial institution for these transactions. The details listed were obtained from bank statements.

\*\* Duplicate check numbers are for two different checking accounts in two separate banks.

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – (Continued)

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 or training certificates, 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: Relief association officials failed to establish adequate internal control procedures to ensure supporting documentation is maintained for all expenditures. The treasurer stated that all records were lost in a flood for the years 2002, 2003, and up to September 2004.

Effect: Lack of supporting documentation, such as invoices, training certificates, and detailed minutes of meetings, made it impossible to determine the expenditures were made in accordance with Act 84 at 53 P.S. § 8506(e).

Recommendation: We recommend the relief association provide this department with adequate supporting documentation, such as invoices, to determine the validity of the expenditures or that the relief association be reimbursed \$40,488 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.

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
FINDINGS AND RECOMMENDATIONS

Finding No. 2 – Inadequate Internal Controls and Financial Record-Keeping System

Condition: The relief association's financial record-keeping system did not provide effective control over cash receipts, disbursements, and monetary assets, and does not meet the minimum requirements of maintaining financial records established by this department. The following are the noted deficiencies:

- A journal recording the receipts and disbursements of the relief association from January 1, 2002 to December 31, 2005, was not provided.
- Ledgers recording the transactions of the relief association accounts from January 1, 2002 to December 31, 2005, were not provided.
- Documentation to support various expenditures was not available for examination at the time of the audit.
- Documentation was not available to support deposits totaling \$56,722.
- Bank reconciliations were not performed.

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.

In addition, an adequate system of accounting and record keeping is a prerequisite for sound administration of relief association assets. Furthermore, prudent business practice dictates that monthly bank reconciliations should be performed.

Cause: Relief association officials were aware of their various record-keeping responsibilities but unaware of the relief association's ineffective internal control system. The treasurer stated all records were lost in a flood for the years 2002, 2003, and up to September 2004.

Effect: The failure of relief association officials to maintain adequate records prohibits the membership from effectively monitoring the relief association's financial operations. Furthermore, the failure to establish adequate internal controls prevented the relief association from adequately safeguarding its assets. In addition the lack of effective internal controls places the relief association funds at greater risk of misappropriation.

Recommendation: We recommend the relief association establish and maintain a financial record-keeping system, which meets the minimum record-keeping requirements of this department. For further guidance, please refer to the Auditor General's publication, MANAGEMENT GUIDELINES FOR VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATIONS.

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
FINDINGS AND RECOMMENDATIONS

Finding No. 2 – (Continued)

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.

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
FINDINGS AND RECOMMENDATIONS

Finding No. 3 – Inappropriate Ownership of Assets

Condition: As of December 31, 2006, the relief association held \$550 in a checking account that was inappropriately registered under the fire company's name and federal tax identification number rather than the relief association's name and tax identification number.

Criteria: Sound business practice dictates that the relief association maintain ownership of all investments as a means of safeguarding its assets from unauthorized use or disposition.

Cause: The relief association failed to establish adequate internal control procedures to ensure that the checking accounting was registered with the relief association's name and federal tax identification number.

Effect: As a result of the checking accounting being inappropriately registered under another entity's federal tax identification number and name, this relief association asset was not properly safeguarded.

Recommendation: We recommend the relief association secure ownership rights to all monetary assets. This requirement can be accomplished by ensuring that all investments are registered under the relief association's federal tax identification number and name. 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.

CHIPPEWA TOWNSHIP 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 the prior audit report, the relief association did not maintain minutes of meetings, as required by Act 84. Specifically, the relief association had minimal minutes for 2002, none for 2003 and 2004, partial minutes for 2005, and inadequate minutes for 2006.

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 in the prior audit report, relief association officials neglected to maintain minutes of meetings as required by Act 84.

Effect: The failure to maintain minutes of meetings prevented the verification as to whether relief association business was presented before the membership for approval.

Recommendation: We again recommend relief association officials maintain a permanent record of all relief association meetings as required by Act 84. The minutes should include 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.

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
FINDINGS AND RECOMMENDATIONS

Finding No. 5 – Failure to Maintain a Complete and Accurate Equipment Roster

Condition: The relief association officials did not maintain a complete and accurate roster of equipment owned by the relief association. No equipment roster was provided by the relief association during the current audit. Accordingly, none of the \$224,572 in equipment purchased during the period was recorded. As such, there was no indication that an annual inventory of the equipment was performed to account for 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 roster of all relief association equipment should include the following:

- Type of equipment purchased.
- Date of purchase.
- Unit cost.
- Name of supplier.
- Serial number, if applicable.
- Current location of item.
- Final disposition of sold or damaged equipment.
- Notation of the annual inventory.

Cause: Relief association officials failed to establish adequate internal control procedures over fixed assets to include the maintenance of a cumulative equipment roster and the performance of an annual equipment inventory.

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 equipment inventory prevents adequate accountability and safeguarding of relief association assets.

Recommendation: We recommend the relief association officials maintain a cumulative roster of all relief association owned equipment. Furthermore, the relief association should ensure it performs an annual inventory of all operable equipment and that 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 as presented at the audit exit conference and indicated they will take action to comply with the recommendation.

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
POTENTIAL WITHHOLD OF STATE AID

A condition such as that reported in Finding No. 1 may lead to a total withholding of state aid in the future unless the finding is corrected. However, such action will not be considered if sufficient documentation is provided within 60 days 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, 406 Finance Building, Harrisburg, PA 17120.

CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
 ACCOMPANYING EXPENDITURE INFORMATION  
 FOR THE PERIOD JANUARY 1, 2002 TO DECEMBER 31, 2006

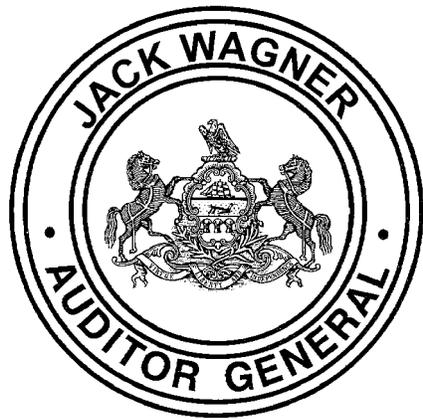
Act 84 at 53 P.S. § 8502(1) states, in part, that:

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	\$ 24,142
Relief benefits	152
Total Benefit Services	\$ 24,294
Fire Services:	
Equipment purchased	\$ 217,450
Equipment maintenance	20,275
Training expenses	5,179
Total Fire Services	\$ 242,904
Administrative Services:	
Officer compensation	\$ 2,800
Other administrative expenses	3,748
Total Administrative Services	\$ 6,548
Other Expenditures:	
Principal payments on loan	\$ 28,743
Interest payments on loan	1,669
Principal payments on lease-financing	47,519
Interest payments on lease-financing	7,552
Undocumented expenditures	40,488
Total Other Expenditures	\$ 125,971



CHIPPEWA TOWNSHIP VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION  
REPORT DISTRIBUTION LIST

This report was initially distributed to the following:

The Honorable Edward G. Rendell  
Governor  
Commonwealth of Pennsylvania

Chippewa Township Volunteer Firefighters' Relief Association Officers:

Mr. Jeff Sokol, President

Mr. Kevin Whipple, Secretary

Mr. Jay Owens, Treasurer

Reports were also distributed to each municipality, which allocated foreign fire insurance tax monies to this relief association.

Mr. Mark A. Taylor, Secretary  
Chippewa Township

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](http://www.auditorgen.state.pa.us).