

COMPLIANCE AUDIT

Nottingham Fire Company Relief Association Bucks County, Pennsylvania For the Period January 1, 2021, to October 8, 2025

April 2026



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen
www.PaAuditor.gov

TIMOTHY L. DEFOOR
AUDITOR GENERAL

Mr. John Izak, President
Nottingham Fire Company
Relief Association
Bucks County

We have conducted a compliance audit of the Nottingham Fire Company Relief Association (relief association) for the period January 1, 2021, to October 8, 2025. The audit was conducted pursuant to authority derived from Article VIII, Section 10 of the Constitution of the Commonwealth of Pennsylvania; Section 403 of The Fiscal Code, 72 P.S. § 403; and the Volunteer Firefighters' Relief Association Act ("VFRA Act"), see 35 Pa.C.S. § 7418.

The objective of the audit was to determine if the relief association 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.

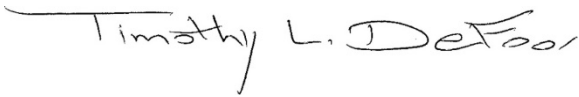
Our audit was limited to the areas related to the objective identified above and was not, nor was it required to be, conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Relief association officers are responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the relief association's administration of state aid and accumulated relief association funds complies with applicable state laws, contracts, bylaws, and administrative procedures, including the safeguarding of assets. Relief association officers are responsible for complying with applicable state laws, contracts, bylaws, and administrative procedures. It is our responsibility to perform procedures to obtain sufficient, appropriate evidence to the extent necessary to satisfy the audit objectives. We believe that our audit provides a reasonable basis for our conclusions.

Based on our audit procedures, we conclude that, for the period January 1, 2021, to October 8, 2025, the relief association, in all significant respects, 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.

As of October 8, 2025, the relief association completed the process of dissolution and merged with Cornwells Firemen's Relief Association, The Eddington Fire Company Relief Association, Newport Fire Co. No. 1 Relief Association, Trevoise Fire Company Firemen's Relief Association, and Union Fire Company Relief Association to form Bensalem Volunteer Firefighters Relief Association. Consequently, all remaining monetary assets and equipment of the relief association were transferred to the Bensalem Volunteer Firefighters Relief Association.

The contents of this report were discussed with the management of the relief association. We would like to thank the relief association officials for the cooperation extended to us during the conduct of the audit.

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending from the start of the name.

Timothy L. DeFoor
Auditor General
March 13, 2026

CONTENTS

	<u>Page</u>
Background	1
Report Distribution List	5

BACKGROUND

Pursuant to Article VIII, Section 10 of the Constitution of the Commonwealth of Pennsylvania,¹ Section 403 of The Fiscal Code,² and the Volunteer Firefighters' Relief Association Act ("VFRA Act"),³ 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, commonly referred to as Act 205,⁴ are properly expended.

The relief association was a charitable organization that was formed primarily to afford financial protection to volunteer firefighters and to encourage individuals to participate in volunteer fire service.

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

Volunteer firefighters' relief associations receive public tax monies, and the relief association officers therefore have a responsibility to the public to conduct the relief association's financial affairs in a businesslike manner and to maintain sufficient financial records to support the propriety of all relief association transactions. Volunteer firefighters' relief association officers are also responsible for ensuring that the relief 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 that is or are recognized as providing the service to the municipality.

¹ Pa. Const. Art. VIII § 10.

² 72 P.S. § 403.

³ 35 Pa.C.S. § 7411 *et seq.*

⁴ 53 P.S. § 895.701 *et seq.*

BACKGROUND – (Continued)

The relief association was allocated state aid from the following municipality:

<u>Municipality</u>	<u>County</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bensalem Township	Bucks	\$59,964	\$74,268	\$74,677	\$0*	\$0**

* During the current audit period, the relief association did not receive an allocation of state aid from Bensalem Township in 2024. Municipalities have sole discretion to distribute their annual allocation of state aid received to any relief association providing fire service to the municipality.

** As of October 8, 2025, the relief association dissolved its organization. Thereafter, it did not receive any further state aid allocations.

BACKGROUND – (Continued)

Based on the relief association’s records, its total cash as of October 8, 2025, was \$0.

Based on the relief association’s records, its total expenditures for the period January 1, 2021, to October 8, 2025, were \$349,460, as noted below. The accuracy of these expenditures was evaluated as part of the Department’s audit to conclude on the relief association’s compliance 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.⁵ **The scope of the Department’s audit does not include the issuance of an opinion on the accuracy of these amounts.**

Expenditures:

Benefit Services:	
Insurance premiums	\$ 75,650
Death benefits	5,000
Relief benefits	58,880
Total Benefit Services	<u>\$ 139,530</u>
Fire Services:	
Equipment purchased	\$ 65,917
Equipment maintenance	32,699
Training expenses	341
Total Fire Services	<u>\$ 98,957</u>
Administrative Services:	
Bond premiums	\$ 1,050
Officer compensation	800
Other administrative expenses *	10,336
Total Administrative Services	<u>\$ 12,186</u>
Other Expenditures:	
Transfer of monetary assets **	<u>\$ 98,787</u>
Total Expenditures	<u><u>\$ 349,460</u></u>

* A majority of the other administrative expenses represent \$8,400 expended during the audit period for accounting fees and tax preparation fees.

** Transfer of Monetary Assets/Dissolution of Relief Association.

⁵ Accuracy was evaluated for a selection of transactions based on dollar amount, category, and/or random selection.

BACKGROUND – (Continued)

As of October 8, 2025, the relief association completed the process of dissolution and merged with Cornwells Firemen’s Relief Association, Eddington Fire Company Relief Association, Newport Fire Company No.1 Relief Association, Trevoise Fire Company Firemen’s Relief Association and Union Fire Company Relief Association to form Bensalem Volunteer Firefighters Relief Association. Consequently, all remaining monetary assets and equipment of the relief association were transferred to the Bensalem Volunteer Firefighters Relief Association. Due to the dissolution of the relief association, we are providing officials of Bensalem Volunteer Firefighters Relief Association with copies of this report.

The volunteer firefighters’ relief association and the affiliated fire service organization are separate, legal entities. The relief association was affiliated with the following fire service organization:

Nottingham Fire Company

NOTTINGHAM FIRE COMPANY RELIEF ASSOCIATION
REPORT DISTRIBUTION LIST

This report was initially distributed to the following:

The Honorable Joshua D. Shapiro
Governor
Commonwealth of Pennsylvania

Nottingham Fire Company Relief Association Governing Body:

Mr. John Izak
President

Mr. Ronald Harris
Vice President

Ms. Kate Sponheimer
Secretary

Mr. James Esposito
Treasurer

Mr. Jeff Sarcewicz
Trustee

Mr. Fred Sponheimer, Jr.
Trustee

Bensalem Volunteer Firefighters Relief Association Governing Body:

Mr. Tom Markert
President

Mr. Andrew M. Hazlett
Vice President

Mr. Thomas Tennesen
Secretary

Mr. Larry Ackerman
Treasurer

NOTTINGHAM FIRE COMPANY RELIEF ASSOCIATION
REPORT DISTRIBUTION LIST

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

Mr. Joseph Wenzel, Jr.
Secretary
Bensalem Township

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.