

RESOLUTION NO. 13-027 CENSURING COMMISSIONER WILLIAM FOX

WHEREAS, prior to the reorganization meeting of March 21, 2013, Commissioner William Fox was the Treasurer for the Harrison Township Fire District (“Fire District”); and

WHEREAS, it has come to the attention of the Fire District that during Commissioner Fox’s tenure as Treasurer

- accurate bank reconciliations were not completed for any bank account in 2012;
- a general ledger was not maintained by the Fire District, whereby causing the Fire District’s financial statements to be materially misstated;
- deposits were only being recorded in the Fire District’s operating account such that receipt activity for the other four bank accounts was not being recorded;
- despite maintaining five bank accounts, transactions were only being recorded in the Fire District's checking account such that significant financial activity (e.g. payroll, EMS receipts and SAFER Grant receipts) was not included/reflected in the Fire District’s financial records;
- on multiple occasions non-payroll transactions were improperly run through the payroll account, non-EMS transactions through the EMS-designated account, and monthly life-support payments received from UMH were deposited in three different bank accounts throughout the year;
- the Fire District was required to pay the sum of \$1,717.00 in finance charges for late debt service payments in 2012;
- payroll transactions were not being recorded in the Fire District’s financial records;
- the payroll bank account has accumulated excess cash of over \$80,000.00 over the past several years because the payroll account encompasses certain non-payroll

activity despite the fact that best practices for accounting suggests that payroll accounts be used strictly for payroll activity and that a zero balance be maintained;

- outstanding checks over one year old remain as of December 31, 2012;
- the amount paid to Hoagland Oil service exceeded the bid threshold in 2012;
- the bid documents relative to the rechassising of Ambulance 2391 awarded to VCI could not be located;
- support documentation for at least 4 out of 65 disbursements tested by the auditor could not be located;
- despite the legal requirements set forth in Local Fiscal Affairs Law, N.J.S.A. 40A:5-16, the claimant's certification was not signed for 1 out of 5 disbursements tested by the auditor for compliance;
- the auditor has advised that the bank statements provided by the Fire District for review were altered and manipulated to exclude fraudulent checks issued to the former Business Administrator;
- unauthorized checks were issued from the Fire District's operating account to the former Business Administrator in the amount of \$12,586.60 in 2012;
- unauthorized overtime was paid to the Business Administrator in the amount of \$2,850;
- there were several gaps in the Fire District check sequence throughout the year and the disposition of certain uncashed checks could not be determined (e.g. outstanding, void, alignment, etc.);
- the Fire District's SAFER grant reimbursement request for the period October 9, 2011 – January 8, 2012 improperly sought funds for a whole year as opposed to one

quarter and subsequent reimbursement requests were not reduced to offset the overpayment;

- the Fire District did not submit DCRP deductions to Prudential Retirement consistently and timely in 2012 such that as of December 31, 2012, the Fire District owed \$29,188 to Prudential, which sum represents the employee and employer share of DCRP contributions for the period March 1, 2012 – December 31, 2012; and
- there were substantial over expenditures in various budget line items;

NOW, THEREFORE, BE IT RESOLVED that Board of Fire Commissioners of the Harrison Township Fire District publicly censure Commissioner William Fox and ask of him that he resign his position.

Certified to be a true copy of a Resolution adopted at the meeting of the Board of Fire Commissioners of the Harrison Township Fire District held on the 15 day of August, 2013.

ATTEST

BOARD OF FIRE COMMISSIONERS OF
THE HARRISON TOWNSHIP FIRE
DISTRICT



COMMISSIONER WALTER BRIGHT
SECRETARY/TREASURER



CHAIRMAN MICHAEL KOESTLER

Dated: 8/15/2013