

STATE OF MARYLAND  
MILITARY DEPARTMENT

MARTIN O'MALLEY  
GOVERNOR



ANTHONY G. BROWN  
LIEUTENANT GOVERNOR

**MARYLAND EMERGENCY MANAGEMENT AGENCY**  
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February 10, 2012

The Honorable Martin O'Malley  
Governor of Maryland  
State of Maryland Executive Department  
State House  
Annapolis MD 21401

Re: William H. Amoss Fire, Rescue and Ambulance Fund for Year Ended June 30, 2010

Dear Governor O'Malley:

The enclosed William H. Amoss Fund (Amoss) report is submitted by the Maryland Emergency Management Agency (MEMA) in accordance with the provisions of Section 8-105 of the Public Safety Article, Annotated Code of Maryland. This report provides information from each county, regarding the distribution and use of these funds, for the period beginning July 1, 2009 and ending June 30, 2010. The term "county" includes Baltimore City. The following is a summary of the results of this engagement:

- 100% of counties reported the expenditure and disposition of Amoss funds per Section 8-105 (a).
- 100% of counties provided adequate matching funds per Section 8-104 (b).
- 96% of counties expended Amoss funds based upon need per Section 8-103 (b) (1).
- 95% of counties expended or encumbered their Amoss allocation within two years of receipt from the State per Section 8-104 (d) (3) (i).
- 93% of the volunteer fire, rescue and ambulance companies tested maintained separate accounts for Amoss funds as required by Section 8-104 (d) (4).
- 92% of Amoss expenditures tested were made for purposes allowed by Section 8-102 (f). The amount of ineligible expenditures was \$339,489.
- 75% of counties fully participated in the Ambulance Information System (AIS) as required by Section 8-103 (b) (7).
- 66% of counties fully participated in the Maryland Fire Incident Reporting System (MFIRS) as required by Section 8-103 (b) (7).
- 54% of counties met the maintenance of effort standard per Section 8-104 (a) (1) (ii).
- Thank you for allowing us the opportunity to report this information to you. The Maryland Emergency Management Agency is pleased to administer the funding for this important program.

Sincerely,

A handwritten signature in black ink that reads "Richard G. Muth".

Richard G. Muth  
Director

Cc: Department of Legislative Services



## **Purpose of Engagement**

We have performed an attestation engagement based upon "agreed upon procedures" in accordance with attestation standards established by the American Institute of Certified Public Accountants.

We have performed these procedures, derived from the requirements specified in Title 8 of the Public Safety Article of the Annotated Code of Maryland for the period beginning July 1, 2009 and ending June 30, 2010. This statute delineates the purpose, administration and monitoring requirements for the Senator William H. Amoss Fire, Rescue, and Ambulance Award (Amoss fund).

Section 8-105 (b) requires the Director of the Maryland Emergency Management Agency (MEMA) "to report to the Governor and General Assembly on the information provided by the counties on the distribution of money provided under this subtitle, including an assessment of the extent to which the purposes of this subtitle are being achieved."

Since the beginning of Fiscal Year 2009, all of the financial functions of MEMA, including the administration of the Amoss award, have been performed by their parent agency, the Maryland Military Department (DMIL).

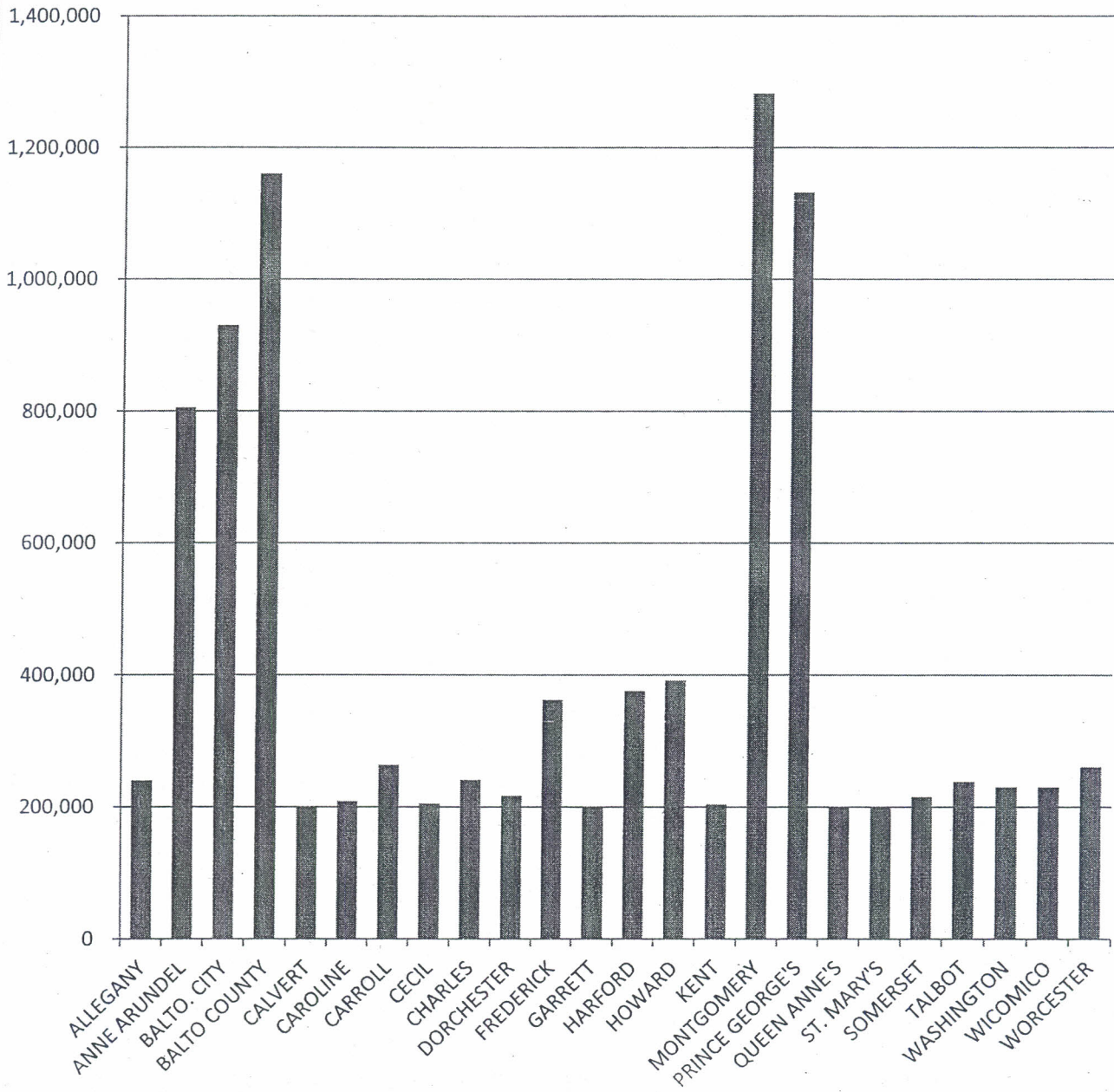
The results of this engagement are found in the section below titled "Findings and Recommendations".

## **Background Information**

The Amoss fund was established to promote: (1) The delivery of effective and high quality fire protection, rescue, and ambulance services to the citizens of this State; (2) Increased financial support for volunteer fire, rescue, and ambulance companies (VFRACs) by local governments; and (3) The continued financial viability of VFRACs given the greatly increased costs of apparatus and other types of equipment.

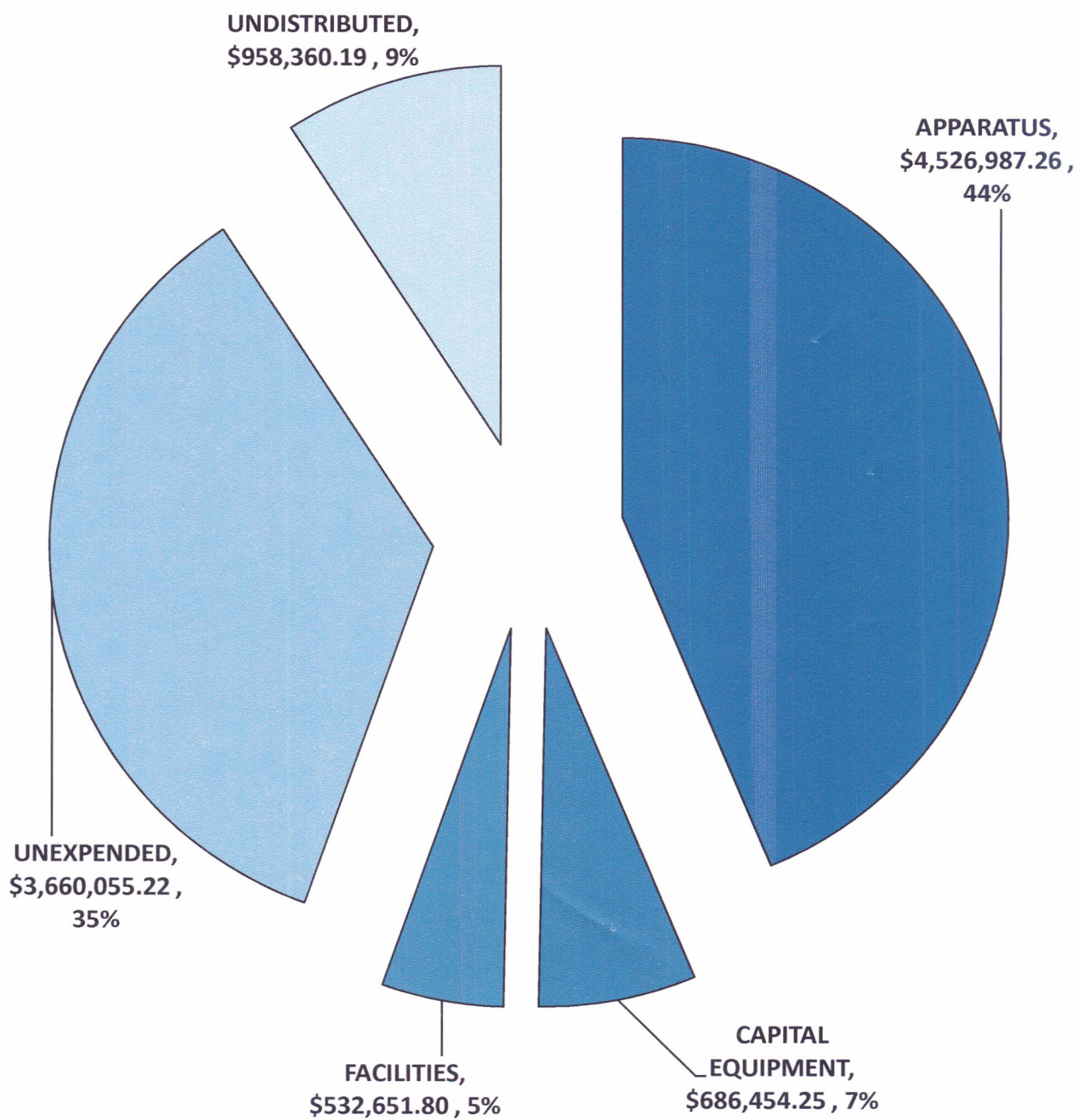
In fiscal year 2010, the Amoss fund provided grants-in-aid of \$10,000,000 for fire protection, rescue, and ambulance services to all counties and Baltimore City. The allocation to each county is determined by the number of property tax accounts in that county. Additional funds are provided to counties with municipalities that have "fire protection" expenditures above a statutory threshold. The pie chart on page 2 reports the Amoss funds allocated to each county in fiscal year 2010. The pie chart on page 3 shows the use of funds in fiscal year 2010.

# FY 2010 ALLOCATION





### Use of Amoss Funds As of 6/30/2010





## Findings and Recommendations

### Procedure #1

Determine whether counties have properly reported the expenditure and disposition of Amoss funds per 8-105 (a) (1).

#### Findings and Recommendations:

All jurisdictions reported the amount of fire expenditures (Schedule A), the amount of Amoss funds distributed to each recipient, the purpose of the expenditure (Schedule B) and the amount and disposition of unencumbered and unexpended money (Schedule B). All of the aforementioned reports were certified by an independent county official.

### Procedure #2

Determine whether counties have met the Maintenance of Effort standard per 8-104 (a) (1) (ii).

#### Findings and Recommendations:

The matrix below compares the fire protection expenditures for each jurisdiction with the average for the preceding three years. Please note that in FY 2010, there were 11 jurisdictions (shaded) that expended funds for fire protection (from sources other than the Amoss Fund) less than this average. These jurisdictions were not penalized due to the current economic condition and to low variance from the three year average.

County	3-Year Avg Expenditure (FY07,08,09)	FY 2010 Actual	Notes	%
ALLEGANY	1,356,311	1,216,343	No	89.68%
ANNE ARUNDEL	12,618,290	11,344,357	No	89.90%
BALTO. CITY	11,524,201	11,411,084	No	99.02%
BALTO COUNTY	14,343,289	13,471,121	No	93.92%
CALVERT	4,359,146	3,988,601	No	91.50%
CAROLINE	1,280,159	1,448,609	Yes	
CARROLL	9,159,788	9,822,332	Yes	
CECIL	2,353,630	2,809,235	Yes	
CHARLES	9,712,995	11,637,088	Yes	
DORCHESTER	3,202,859	3,117,491	No	97.33%
FREDERICK	8,462,439	9,915,094	Yes	
GARRETT	1,292,839	2,020,800	Yes	
HARFORD	9,900,875	9,825,599	No	99.24%
HOWARD	18,603,326	17,553,069	No	94.35%
KENT	701,230	877,762	Yes	
MONTGOMERY	23,703,091	24,854,809	Yes	
PG	27,615,948	23,555,074	No	85.30%
QUEEN ANNE'S	2,530,933	2,725,624	Yes	
ST. MARY'S	5,437,957	6,350,821	Yes	
SOMERSET	503,671	751,652	Yes	
TALBOT	1,742,532	1,629,215	No	93.50%
WASHINGTON	4,841,946	4,377,522	No	90.41%
WICOMICO	6,581,515	7,631,333	Yes	
WORCESTER	7,571,133	7,581,830	Yes	
	<b>\$210,400,102</b>	<b>\$189,916,465</b>		



### **Procedure #3**

Determine whether counties have provided adequate matching funds per 8-104 (b).

#### **Findings and Recommendations:**

In FY 2010, 100% of counties made expenditures for fire protection from their own sources that were greater than or equal to the amount of Amoss money received.

### **Procedure #4**

Determine whether counties expended or encumbered Amoss funds within two years of receipt per 8-104 (3) (i).

#### **Findings and Recommendations:**

All counties except Wicomico expended or encumbered their Amoss allocation within two years of receipt. As of 6/30/2010, Wicomico County did not distribute \$66,742 of their FY 08 allocation. Per a memorandum from the Attorney General's Office dated 8/16/2011, counties should encumber undistributed funds by means of a written agreement with VFRACS. DMIL issued written notice to Wicomico County requesting either proof of encumbrance or return of funds. In December 2011, Wicomico returned unexpended funds to DMIL.

### **Procedure #5**

Determine whether counties have complied with Maryland Fire Incident Reporting System (MFIRS) reporting requirements per 8-103 (7). This web-based system is administered by the Office of the State Fire Marshall.

#### **Findings and Recommendations:**

As of the date of this report, the following counties had VFRACs that were delinquent in reporting for FY 2010 and prior years: Caroline, Carroll, Frederick, Queen Anne's, Somerset, Talbot, Wicomico and Worcester. We recommend that the counties monitor MFIRS compliance on the internet ([www.firemarshal.state.md.us/mfirs.htm](http://www.firemarshal.state.md.us/mfirs.htm)) and withhold Amoss funds from VFRACs that are not reporting. In December 2010, Wicomico informed DMIL that Amoss funds to Powellville VFD were delayed pending MFIRS compliance.

### **Procedure #6**

Determine whether counties have complied with Ambulance Information System (AIS) reporting requirements per 8-103 (7). This system is administered by the Maryland Institute for Emergency Medical Services Systems (MIEMSS).

#### **Findings and Recommendations:**

As of the date of this report, Anne Arundel County, Baltimore City, Frederick, Montgomery, PG and Worcester County were delinquent in their reporting for FY 2010. We recommend that the counties monitor AIS compliance by contacting MIEMSS ([info@miemss.org](mailto:info@miemss.org)). We recommend that counties withhold future distributions from delinquent VFRACs.



**Procedure #7**

Determine whether recipients expended Amoss funds for uses authorized by 8-102 (c) (2).

**Findings and Recommendations:**

***Allegany County:***

Frostburg Ambulance Co. used Amoss funds in the amount of \$7,720 to purchase a bank CD. This is an ineligible use of Amoss funds per Section 8-102.

The following volunteer companies did not provide financial source documentation to support their assertion that Amoss funds were used to purchase equipment: Bedford Road VFD, District 16 VFC, LaVale VFD, LaVale Rescue Squad, Little Orleans VFD, Mt. Savage VFD, and Potomac VFD.

The county has advised the Department that the requested documentation will be provided.

***Prince Georges County:***

District Heights VFD did not provide financial source documentation explaining a \$1,135 payment to "Chase Card".

Glendale Fire Association did not provide financial source documentation supporting two payments totaling \$24,000 made payable to "cash".

Greenbelt VFD invested Amoss funds totaling \$131,987 in an uninsured stock brokerage account in violation of Section 8-102.

Laurel VRS invested Amoss funds totaling \$22,069 in an uninsured stock brokerage account in violation of Section 8-102.

We recommend that counties seek reimbursement for unauthorized expenditures and withhold future funding to non-compliant VFRACs.

The county has advised the Department that the requested documentation will be provided.



**Procedure #8**

Determine whether counties distributed Amoss funds based on need as required by Section 8-103 (b) (1).

**Findings and Recommendations:*****Harford County:***

Our review disclosed that Harford County did not always document their need based methodology for distributing Amoss funds. For example, in FY 2010, the county granted Amoss funds in the amount of \$32,076 to Bel Air VFC even though the company's audited financial statements reported approximately \$10.6 million in mutual fund investments allocated for equipment replacement.

See Appendix A for audited financial statements. See Appendix B for county response.

We recommend that the county request the return of Amoss funds granted to any VFAC that did not demonstrate need in accordance with the statute. This money should be reallocated to other grantees that demonstrate a more urgent need. In addition, we recommend cessation of future distribution of Amoss funds to organizations that have ample financial resources available for purposes delineated in the statute.

**Procedure #9**

Determine whether Amoss money distributed to VFRACs were maintained in a separate account per 8-104 (d) (4).

**Findings and Recommendations:*****Allegany County:***

The following VFRACs did not provide proof of the existence of a separate bank account for Amoss funds: Frostburg Ambulance Squad, LaVale Rescue Squad, Little Orleans VFD, Mt. Savage VFD, McCoole VFD, Rawlings VFD, Tri Towns VFD, and Potomac VFD.

The county has advised the Department that the requested documentation will be provided.

***Queen Anne's County:***

The following VFRACs did not maintain a separate bank account for Amoss funds:

- Goodwill VFC
- Grasonville VFC.

The county has advised the Department that the requested documentation will be provided.



### Audit Scope, Objectives and Methodology

Procedures #1 through #6 were performed by examining the compliance of 100% of counties (including Baltimore City) and both the municipal departments and VFRACs located within.

Procedures #7 through #9 were based on the testing of financial source documentation obtained from a representative sample. Each year, eight (33%) of the twenty four Maryland counties (including Baltimore City) are selected. Per the schedule below, the testing of all counties is completed at the end of each three year cycle. The testing of FY 2010 financial source documentation represents the second year of the current three year cycle. Upon the conclusion of the examination for each fiscal year, MEMA reviews prior year findings and assesses the implementation of county corrective action plans.

<i>State Fiscal Year of Examination Financial Data Tested for:</i>	<i>FY 2010 YE 6/30/2009</i>	<i>FY 2011 YE 6/30/2010</i>	<i>FY 2012 YE 6/30/2011</i>
ALLEGANY		X	
ANNE ARUNDEL	X		
BALTIMORE CITY		X	
BALTIMORE COUNTY		X	
CALVERT	X		
CAROLINE	X		
CARROLL	X		
CECIL	X		
CHARLES			X
DORCHESTER			X
FREDERICK			X
GARRETT	X		
HARFORD		X	
HOWARD			X
KENT		X	
MONTGOMERY	X		
PRINCE GEORGES		X	
QUEEN ANNES		X	
ST. MARY'S	X		
SOMERSET			X
TALBOT		X	
WASHINGTON			X
WICOMICO			X
WORCESTER			X
<b>24</b>	<b>8</b>	<b>8</b>	<b>8</b>

The counties listed below comprise the sample tested for the statutory requirements of proper use, demonstration of need and segregation of Amoss funds in FY 2010. These jurisdictions represent approximately 45% of the total fund allocation. The sample also represents approximately 38% of the number of VFRACs in the State. In order to test compliance, we requested financial source documentation from every recipient of Amoss funds located in the sample. Financial source documentation includes but is not limited to bank statements, cancelled checks, deposit slips and paid invoices.

COUNTY	% OF TOTAL ALLOCATION	AMOUNT	# OF LOCAL FIRE/RESCUE DEPARTMENTS
Allegany	2.4%	\$240,240	28
Balt City	9.3%	\$930,294	0
Balt Co	11.6%	\$1,160,698	33
Harford	3.8%	\$376,203	16
Kent	2.0%	\$204,139	8
PG	11.3%	\$1,131,876	37
QA	2.0%	\$200,000	10
Talbot	2.0%	\$238,684	7
<b>TOTAL</b>	<b>45%</b>	<b>\$4,482,134</b>	<b>139</b>



# Appendix A

**Audited Financial Statements for Bel Air VFC**

BEL AIR VOLUNTEER FIRE COMPANY, INC.  
BEL AIR VOLUNTEER FIRE CO. REAL ESTATE HOLDING, INC.

FINANCIAL STATEMENTS

Years Ended June 30, 2010 and 2009

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## NAZELROD & ASSOCIATES

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### INDEPENDENT AUDITOR'S REPORT

To the Officers and Directors of  
Bel Air Volunteer Fire Company, Inc.  
Bel Air Volunteer Fire Company Real Estate Holding, Inc.

We have audited the accompanying statements of financial position of Bel Air Volunteer Fire Company, Inc. and Bel Air Volunteer Fire Co. Real Estate Holding, Inc. (both are nonprofit organizations), as of June 30, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bel Air Volunteer Fire Company, Inc. and Bel Air Volunteer Fire Company Real Estate Holding, Inc. as of June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the financial statements, in November 2009 the Company changed its accounting principle related to accounting for the Patterson Mill Substation. At that time, the Company began accounting for Patterson Mill transactions using intermediary funds. The financial statements reflect changes in the construction costs and unrestricted net asset contributions for the fiscal years ended June 30, 2010 and 2009.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Nasbd & Associates, PA*

Towson, MD  
November 5, 2010



BEL AIR VOLUNTEER FIRE COMPANY, INC.  
 BEL AIR VOLUNTEER FIRE CO. REAL ESTATE HOLDING, INC.  
 STATEMENTS OF FINANCIAL POSITION  
 JUNE 30, 2010 AND 2009

	2010	2009
<b>ASSETS</b>		
Cash & cash equivalents	\$10,990	\$34,324
Investments	\$11,739,785	\$11,440,710
Accounts receivable - other	\$10,802	\$10,101
Accounts receivable - ambulance billing	\$730,560	\$634,531
Allowance for Doubtful Accounts	(\$420,000)	(\$260,000)
Receivable - Intermediary Funds	\$13,247	\$0
Inventory	\$4,761	\$6,480
Prepaid expenses	\$46,330	\$54,384
Deposits	\$8,302	\$14,462
Property and equipment	\$15,763,579	\$14,713,917
Less: Accumulated Depreciation	(\$6,878,822)	(\$5,812,135)
	<b>\$21,029,534</b>	<b>\$20,836,774</b>
<b>TOTAL ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable	\$45,063	\$30,863
Advance - Intermediary Funds	\$0	\$50,893
Note payable	\$0	\$1,467,443
Accrued interest	\$0	\$2,695
	<b>\$45,063</b>	<b>\$1,551,894</b>
<b>TOTAL LIABILITIES</b>		
<b>NET ASSETS</b>		
Unrestricted net assets	\$20,984,471	\$19,284,880
	<b>\$20,984,471</b>	<b>\$19,284,880</b>
<b>TOTAL NET ASSETS</b>		
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$21,029,534</b>	<b>\$20,836,774</b>

BEL AIR VOLUNTEER FIRE COMPANY, INC.  
 BEL AIR VOLUNTEER FIRE CO. REAL ESTATE HOLDING, INC.  
 STATEMENTS OF ACTIVITIES  
 YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
UNRESTRICTED NET ASSETS		
REVENUES, GAINS AND RECLASSIFICATIONS		
Suppression & EMS services- donated	\$10,150,738	\$8,623,123
Fund drive & special donations	\$586,645	\$593,643
Ambulance donations	\$263,612	\$263,222
Ambulance service	\$1,537,816	\$1,564,311
County and foundation operating appropriations	\$1,190,603	\$1,183,356
Town appropriation	\$153,960	\$139,964
State contribution	\$34,379	\$34,369
Grants	\$812	\$0
Fund raising, welfare, and recreation	\$14,570	\$11,764
Miscellaneous Income	\$17,256	\$5,742
Gain (loss) on sale of equipment	\$0	(\$65,975)
Investment income- total return	\$908,251	(\$4,394,257)
	\$14,858,640	\$7,959,262
Net assets released from restrictions	\$0	\$21,670
	\$14,858,640	\$7,980,932
TOTAL REVENUE		
Expenses		
Program services		
Suppression & EMS services	\$12,633,366	\$11,286,326
Total Program Services	\$12,633,366	\$11,286,326
Support services		
Management and general	\$486,844	\$342,060
Fund Raising	\$38,840	\$34,732
Total Support Services	\$525,684	\$376,792
Total Expenses	\$13,159,050	\$11,663,118
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	\$1,699,591	(\$3,682,186)
TEMPORARILY RESTRICTED NET ASSETS		
Net assets released from restrictions		
Restrictions satisfied by payments	\$0	(\$21,670)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	\$0	(\$21,670)
INCREASE (DECREASE) IN NET ASSETS	\$1,699,591	(\$3,703,856)
Net Assets, Beginning of Year	\$19,284,880	\$22,988,736
NET ASSETS, END OF YEAR	\$20,984,471	\$19,284,880



BEL AIR VOLUNTEER FIRE CO., INC.  
 BEL AIR VOLUNTEER FIRE COMPANY REAL ESTATE HOLDING, INC.  
 SUPPLEMENTARY INFORMATION  
 FOR THE YEAR ENDED JUNE 30, 2010

SCHEDULE OF INVESTMENTS

FUND	FAIR MARKET VALUE 6/30/10	COST BASIS	UNREALIZED GAINS/ (LOSSES)	YTD DIVIDENDS 6/30/10	REALIZED GAIN/ (LOSS)	INVESTMENT TOTAL RETURN 6/30/10
<b>OPERATING FUND:</b>						
<b>OPPENHEIMER FUNDS</b>						
MONEY MARKET ACCOUNT	\$0	\$0	\$0	\$10	\$0	\$10
PNC INSTITUTIONAL INVESTMENTS MLGIP	\$1,100,636	\$1,100,636		\$1,948	\$0	\$1,948
	\$1,100,636	\$1,100,636	\$0	\$1,958	\$0	\$1,958
LESS PRIOR PERIOD APPREC/(DEPREC)						\$0
<b>TOTAL OPERATING FUND</b>	<b>\$1,100,636</b>	<b>\$1,100,636</b>	<b>\$0</b>	<b>\$1,958</b>	<b>\$0</b>	<b>\$1,958</b>
<b>EQUIPMENT REPLACEMENT FUND:</b>						
<b>PNC INSTITUTIONAL INVESTMENTS MLGIP</b>	\$212,488	\$212,488	\$0	\$1,634		\$1,634
<b>OPPENHEIMER FUNDS</b>						
MONEY MARKET ACCOUNT	\$1,001	\$1,001	\$0	\$9		\$9
RISING DIVIDENDS FUND	\$0	\$0	\$0	\$2,073	\$85,727	\$87,800
QUEST OPPORTUNITY FUND	\$356,646	\$340,489	\$16,157	\$0	\$4,489	\$20,646
DEVELOPING MARKETS FUND	\$512,762	\$392,140	\$120,622	\$2,140	\$0	\$122,762
INTERNATIONAL BOND A	\$702,258	\$721,528	(\$19,271)	\$28,842	\$0	\$9,572
<b>TOTAL OPPENHEIMER FUNDS</b>	<b>\$1,572,666</b>	<b>\$1,455,158</b>	<b>\$117,508</b>	<b>\$33,065</b>	<b>\$90,216</b>	<b>\$240,788</b>
<b>FRANKLIN TEMPLETON FUNDS</b>						
MONEY FUND	\$1,000	\$1,000	\$0	\$0	\$0	\$0
US GOVT SECURITIES	\$552,253	\$534,919	\$17,333	\$21,599	\$585	\$39,518
RISING DIVIDENDS	\$0	\$0	\$0	\$0	\$47,085	\$47,085
ADJUSTABLE US GOVT SECURITIES	\$0	\$0	\$0	\$3,821	\$245	\$4,066
MUTUAL QUALIFIED FUND	\$451,277	\$409,372	\$41,905	\$8,280	\$2,082	\$52,267
NATURAL RESOURCES FUND	\$302,148	\$264,610	\$37,538	\$4,610	\$0	\$42,148
EMERGING MARKET SMALL CAP	\$92,495	\$71,384	\$21,111	\$384	\$0	\$21,495
GLOBAL BOND FUND	\$486,838	\$477,815	\$9,023	\$13,734	\$0	\$22,757
MUTUAL GLOBAL DISCOVERY	\$372,390	\$388,268	(\$15,878)	\$3,268	\$0	(\$12,610)
<b>TOTAL FRANKLIN TEMPLETON FUNDS</b>	<b>\$2,258,401</b>	<b>\$2,147,370</b>	<b>\$111,031</b>	<b>\$55,697</b>	<b>\$49,998</b>	<b>\$216,726</b>
<b>TOTAL EQUIPMENT REPLACEMENT FUND</b>	<b>\$4,043,555</b>	<b>\$3,815,016</b>	<b>\$228,539</b>	<b>\$90,396</b>	<b>\$140,213</b>	<b>\$459,148</b>
LESS PRIOR PERIOD APPREC/(DEPREC)			\$123,937			\$123,937
<b>TOTAL EQUIPMENT REPLACEMENT FUND</b>	<b>\$4,043,555</b>	<b>\$3,815,016</b>	<b>\$104,602</b>	<b>\$90,396</b>	<b>\$140,213</b>	<b>\$335,211</b>

continued on next page

FUND	FAIR MARKET VALUE 6/30/10	COST BASIS	UNREALIZED GAINS/ (LOSSES)	YTD DIVIDENDS 6/30/10	REALIZED GAIN/ (LOSS)	INVESTMENT TOTAL RETURN 6/30/10
<b>BUILDING AND EQUIPMENT FUND:</b>						
<b>PNC INSTITUTIONAL INVESTMENTS</b>						
MLGIP	\$627,181	\$627,181	\$0	\$1,425	\$0	\$1,425
MLGIP	\$4,023	\$4,023	\$0	\$51	\$0	\$51
<b>TOTAL PNC INSTITUTIONAL INVESTMENTS</b>	<b>\$631,204</b>	<b>\$631,204</b>	<b>\$0</b>	<b>\$1,476</b>	<b>\$0</b>	<b>\$1,476</b>
<b>OPPENHEIMER FUNDS</b>						
MONEY MARKET ACCOUNT	\$1,001	\$1,001	\$0	\$10	\$0	\$10
RISING DIVIDENDS FUND	\$0	\$0	\$0	\$2,960	\$129,194	\$132,154
QUEST OPPORTUNITY FUND	\$552,569	\$516,844	\$35,724	\$0	\$8,844	\$44,569
DEVELOPING MARKETS FUND	\$796,453	\$587,324	\$209,128	\$3,324	\$0	\$212,453
INTERNATIONAL BOND FUND	\$1,050,011	\$1,076,595	(\$26,584)	\$43,350	\$0	\$16,766
<b>TOTAL OPPENHEIMER FUNDS</b>	<b>\$2,400,034</b>	<b>\$2,181,765</b>	<b>\$218,269</b>	<b>\$49,645</b>	<b>\$138,038</b>	<b>\$405,952</b>
<b>FRANKLIN TEMPLETON FUNDS</b>						
MONEY FUND	\$1,122	\$1,122	\$0	\$0	\$0	\$0
US GOVT SECURITIES	\$899,952	\$868,870	\$31,082	\$36,022	\$1,410	\$68,514
RISING DIVIDENDS	\$0	\$0	\$0	\$0	\$111,866	\$111,866
ADJUSTABLE US GOVT SECURITIES	\$0	\$0	\$0	\$6,272	\$887	\$7,160
MUTUAL QUALIFIED FUND	\$703,554	\$619,991	\$83,563	\$12,909	\$2,082	\$98,554
NATURAL RESOURCES FUND	\$474,778	\$402,244	\$72,534	\$7,244	\$0	\$79,778
EMERGING MARKETS	\$144,958	\$110,602	\$34,355	\$602	\$0	\$34,958
GLOBAL BOND FUND	\$759,645	\$745,567	\$14,078	\$21,430	\$0	\$35,509
MUTUAL GLOBAL DISCOVERY	\$580,348	\$605,094	(\$24,745)	\$5,094	\$0	(\$19,652)
<b>TOTAL FRANKLIN TEMPLETON FUNDS</b>	<b>\$3,564,357</b>	<b>\$3,353,489</b>	<b>\$210,868</b>	<b>\$89,573</b>	<b>\$116,245</b>	<b>\$416,686</b>
<b>TOTAL BUILDING AND EQUIPMENT FUND</b>	<b>\$6,595,594</b>	<b>\$6,166,458</b>	<b>\$429,137</b>	<b>\$140,694</b>	<b>\$254,284</b>	<b>\$824,114</b>
<b>LESS PRIOR PERIOD APPREC/( DEPREC)</b>			<b>\$253,033</b>			<b>\$253,033</b>
<b>TOTAL BUILDING &amp; EQUIPMENT FUND</b>	<b>\$6,595,594</b>	<b>\$6,166,458</b>	<b>\$176,104</b>	<b>\$140,694</b>	<b>\$254,284</b>	<b>\$571,081</b>
<b>TOTAL INVESTMENTS</b>	<b>\$11,739,785</b>	<b>\$11,082,110</b>	<b>\$280,706</b>	<b>\$233,048</b>	<b>\$394,497</b>	<b>\$908,251</b>



# Appendix B

Response from Harford County regarding findings under Procedure #8



MARTIN O'MALLEY  
GOVERNOR  
COMMANDER-IN-CHIEF

STATE OF MARYLAND  
MILITARY DEPARTMENT  
FIFTH REGIMENT ARMORY  
BALTIMORE, MARYLAND 21201-2288

JAMES A. ADKINS  
MAJOR GENERAL  
THE ADJUTANT GENERAL

December 1, 2011

Anne F. Gessner, Chief  
Bureau of Accounting  
Harford County Government  
220 South Main Street  
Bel Air, Maryland 21014

Re: FY 10 Senator William H. Amoss Fire, Rescue & Ambulance Award, Harford County

Dear Ms. Gessner:

The Maryland Military Department (DMIL) has examined the financial source documentation provided by Harford County related to the FY10 Amoss award. Upon review, we have identified preliminary findings that require explanation or resolution. These findings are reported on the attached schedule.

Please review each finding with the respective volunteer or municipal department. A signed written response, accompanied by the requested source documentation, should be mailed to the Maryland Military Department at the above address no later than December 30, 2011.

Should you have any questions or require assistance, you may contact me by telephone or e-mail. My direct telephone number is (410) 234-3829. My e-mail address is [gordons@mdmildep.org](mailto:gordons@mdmildep.org).

Sincerely,

E. Scott Gordon, CPA  
Fiscal Services Chief

Attachments



FY 2010 AMOSS FUND EXAMINATION  
HARFORD COUNTY

Department	Issues for Discussion
BEL AIR VFC	Need bank statements. The Balance Sheet audited by the CPA firm reports investments of \$11.7 million dollars. These funds were invested in brokerage accounts. <b>Did any portion of these investments come from State grants? Did county distribute Amoss funds to Bel Air VFC based on need in accordance with Public Safety Article, Section 8-103 (b) (1)? If so, how did Bel Air VFC demonstrate need?</b>
Darlington VFC	Need bank statements as well as documentation supporting the encumbrance of unspent Amoss funds.
NORRISVILLE VFC	Need documentation supporting disposition of \$66,633.14 payment from PNC Bank account # 55-6097-4076. This transaction was reported in their April 2010 bank statement.

# Bel Air Volunteer Fire Company

INCORPORATED

109 South Hickory Avenue  
Bel Air, Maryland 21014-3730

Business (410) 638-4400 • Operations (410) 638-4401 • Fax (410) 638-4430

Emergency 911 • [www.bavfc.org](http://www.bavfc.org)

December 14, 2011

Ms. Kathryn Hewitt, Treasurer  
Harford County Office of the Treasurer  
220 South Main Street  
Bel Air, MD 21014

**RE: State Audit of FY 2010 Amoss Fund**

Dear Ms. Hewitt:

Amoss Fund grants are received from Harford County by ACH direct deposit (~93%) and by check from Harford County to the Town of Bel Air and endorsed to Bel Air VFC (~7%). We receive the 1<sup>st</sup> and 2<sup>nd</sup> quarter payments in January of the fiscal year, the 3<sup>rd</sup> quarter in late April and the final 4<sup>th</sup> quarter in late June. All Amoss receipts are deposited in the Amoss bank account. We never have the full 4 quarters of Amoss grants when the equipment is paid for so we pay the vendor's invoice in full upon delivery from our Operating checking account and then we reimburse the Operating checking account from the Amoss account when the Amoss grants are received. If a grant is received before the invoice is due, the Amoss funds received are retained in the Amoss bank account until the invoice is received. Then the Operating checking account is reimbursed by funds transfer. Invoices from equipment vendors are due upon delivery. Also, the Amoss funds applied to the purchase are usually a very small percentage of the total price. Our Amoss account bank statements and the general ledger for account 1016G confirm this procedure. Up until FY 2010 we only enclosed the Amoss general ledger. I am enclosing FY 2010 bank statements with this letter. Bank statements for FY 2011 have been sent to Harford County.

In FY 2010 we used the Amoss fund grant of \$34,378.67 to apply to the purchase of ladder truck 332 for \$925,880 in two payments to the vendor from our Operating checking account: \$853,092.00 upon delivery on 4/13/10 and the "Hold Back" balance of \$72,788.00 on 6/10/10. We reimbursed our Operating checking account by transfers from the Amoss account as follows: \$17,278.33 on 4/07/10 (amount deposited on 1/29/10); \$8,550.07 on 4/26/10; \$8,550.27 on 6/25/10.

**STATE AUDIT QUESTIONS:**

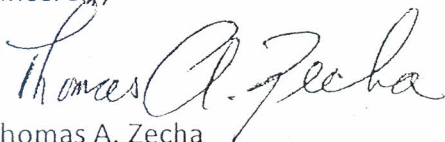


- A. Bank Statements for Fiscal Year 2010 are attached.
- B. Did invested funds come from Amoss State grants? No. The Amoss procedures in effect since 1985 require that the Fire Companies advise Harford County of their plans to use the funds for authorized capital purchases during the current fiscal year and then confirm the authorized purchases by paid checks and invoices. Amoss fund State grants are in the Amoss bank account when received until they are transferred to the Operating checking account to reimburse for the planned purchases.
- C. Did county distribute Amoss funds to Bel Air VFC based on need in accordance with Public Safety Article, Section 8-103 (b) (1) and how did BAVFC demonstrate this need? Yes. In accordance with subparagraph (2) under this section, Harford County has determined the need for Amoss funds by its budgeting procedures used for all Harford County Fire Companies. In addition to current needs for the current fiscal year Harford County also considers the long term needs of the Fire Service by its long term capital budget plan and other information made available to the County. Harford County has long been aware of our Equipment Replacement Fund whereby Bel Air VFC conservatively invests funds every year so that adequate cash is available for the purchase of replacement equipment when it reaches its expected life. On July 1, 2009 our actuarially determined deficit in the ERF was \$440,233.00 (due to the 2008 Lehman Bros and Housing bubble effect on the market) and our actuarially determined FY 2010 deposit to the fund was \$574,724.00 resulting in a total payment to the ERF from our operating fund of \$1,014,957.00. There was a surplus in the ERF on July 1, 2010 so our annual ERF deposit was only \$137,506.00. We also have a Contingency Fund to handle the explosive growth in Harford County for such needs as additional equipment, increase operating costs associated with the planned addition of 2 substations, and possible disruptions in expected income (e.g. the effect on Ambulance Billing receipts resulting from recent Health Care legislation and related administrative regulations). Harford County has complimented us in the past for such prudence and sound financial planning.

Bel Air Volunteer Fire Company submits an independent certified audit of our financial statements every year and was instrumental in working with the Harford County Treasurer's office (under Jim Jewel) to get the other Harford County Fire Companies to submit independent certified audits. These audits document that all of our finances are conducted in the interest of the citizens of Harford County and that all funds including State grants are used only to support our emergency operations.

If you have additional comments, concerns or questions, please feel free to address them to me with a copy to our Board of Directors.

Sincerely,



Thomas A. Zecha

Business and Investment Manager

Cc: Board of Directors



# Bel Air Volunteer Fire Company

INCORPORATED

## BOARD OF DIRECTORS

Anthony P. Coliano, Sr.  
*President*

Charles L. Walls  
*Vice President*

Thomas C. Fry  
*Secretary*

Cletus V. Resh, Jr.  
*Treasurer*

Joshua D. Krebs  
*Director*

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## CHIEF OFFICERS

Harry E. Hopkins, III  
*Chief*

Ricky R. Davis  
*Deputy Chief*

Michael E. Walker, Jr.  
*1st Asst. Chief*

William R. Snyder  
*2nd Asst. Chief*

Beverly A. Britton  
*Asst. Chief EMS*

December 28, 2011

Ms. Kathryn L. Hewitt, CPA, Treasurer  
Harford County, Maryland  
220 South Main Street  
Bel Air, MD 21014

### **RE: Sen. Amoss 2010 Fund Audit - \$4,043,555 Equipment Replacement Fund**

Dear Ms. Hewitt:

The detail requested by the State for the Equipment Replacement Fund is contained in the BAVFC Audit of Financial Statements for FY 2010 at page 27 which has previously been provided. I am attaching a copy of that schedule and a copy of the Schedule of Investments at page 20 to better explain the relationship.

The Bond and Equity funds in Oppenheimer and Franklin/Templeton are held in the name of the Bel Air Volunteer Fire Company, Inc. and managed by us. Because of the size of our portfolios, these mutual funds are all "No Load" funds. They are not held in a brokerage account. We have a professional investment advisor (Bud Imhoff of Chesapeake Financial Management Associates) who, with our Business Manager, provides investment advice to the Board of Directors on a regular quarterly basis. The Business Manager is a volunteer member and serves without compensation. Bud Imhoff provides his services without compensation from Bel Air Volunteer Fire Company. All transactions are made upon the majority vote of the Board of Directors.

Bud Imhoff also provides us with the ERF schedule that you see on page 27, using his proprietary computer software. Annually we provide Mr. Imhoff with current replacement value and asset life of each item on the schedule. We also estimate the percent value increase based upon the expected inflation rate plus technology increases for the coming year. The software provides the compounded value at the end of the asset life for each item on the schedule. The software also determines the present value of our investments for each item of equipment using a present value algorithm based upon the expected earnings percentage agreed upon for the coming year. The factors used in June of 2009 were 3% for cost increases and 2.5% for investment earnings. We used the same factors in June of 2010. The estimates for these percentage factors are very conservative because of recent adverse market conditions. This process is repeated annually to produce an updated ERF schedule for each annual audit.

Please refer to the Schedule of Investments shown on page 20 of the Audit. You will see \$4,043,555, the value of ERF investments shown on the Balance Sheet, also under "Fair Market Value 6/30/10". In order to relate this to the ERF schedule on page 27, it is necessary to break the total down into Bond and Equity funds for long term investment and MLGIP Money Market for liquidity. I added this breakdown on the Bottom of page 20.

The ERF schedule calls for a balance of \$3,427,883 on 6/30/10 to be fully funded on that date. The 6/30/11 fair market value of Bonds and Equities shown on page 20 was \$3,831,067 so the ERF was over funded by \$403,184. The ERF schedule also calls for a 7/01/11 deposit to the fund of \$538,684. The \$403,184 overage applied to the July deposit reduced the deposit to \$135,500.

The 7/01/11 payment of \$135,500 came from the \$212,488 MLGIP Money Market balance shown on page 20 leaving \$76,988 of the \$4,403,555 unspent which was applied to the MLGIP along with funds from our operating account to bring the MLGIP balance to meet next year's expected deposit of \$540,338.

Please contact me with a copy to the Board if you need additional information for the \$4,043,555.

The Board is currently reviewing their strategic plans along with the Harford County long range plan for the Fire and EMS service to give you the detail requested for the Building and Contingency fund investment value of \$6,595,594. The word "Contingency" in the name tells you that the explanation will not be as specific as the one provided for the ERF. I will bring you this information as soon as it is available but in any event no later than January 23, 2012.

Sincerely,

  
Thomas A. Zecha  
Business Manager

Cc1: Board of Directors

Cc2: Ed Hopkins, Chief



BEL AIR VOLUNTEER FIRE COMPANY, INCORPORATED  
 SCHEDULE OF DEPOSIT REQUIREMENTS TO PURCHASE REPLACEMENT EQUIPMENT  
 JUNE 30, 2010

Equipment	Fiscal Year	Fiscal Year	Est. Cost	Fund Balance	Annual Deposit Requirements To Be Made On July 1ST						
	Purchased July 1ST	Replaced July 1ST	In Year Replaced	Required 06/30/2010	2010	2011	2012	2013	2014	2015	2016
Horton Ambulance 391	2007 2015	2015 2023	\$216,784 \$274,616	\$76,321 \$0	\$24,815 \$0	\$24,815 \$0	\$24,815 \$0	\$24,815 \$0	\$24,815 \$0	\$0 \$31,435	\$0 \$31,435
Horton Ambulance 392	2008 2016	2016 2024	\$223,288 \$282,854	\$51,757 \$0	\$25,559 \$0	\$25,559 \$0	\$25,559 \$0	\$25,559 \$0	\$25,559 \$0	\$25,559 \$0	\$0 \$32,378
Horton Ambulance 393	2007 2015	2015 2023	\$216,784 \$274,616	\$76,321 \$0	\$24,815 \$0	\$24,815 \$0	\$24,815 \$0	\$24,815 \$0	\$24,815 \$0	\$0 \$31,435	\$0 \$31,435
Seagrave Engine 311	2006	2022	\$751,376	\$160,994	\$38,770	\$38,770	\$38,770	\$38,770	\$38,770	\$38,770	\$38,770
Seagrave Engine 312	2006	2022	\$751,376	\$160,994	\$38,770	\$38,770	\$38,770	\$38,770	\$38,770	\$38,770	\$38,770
Seagrave Engine 313	2006	2022	\$751,376	\$160,994	\$38,770	\$38,770	\$38,770	\$38,770	\$38,770	\$38,770	\$38,770
Spartan Engine 314	1998 2014	2014 2029	\$593,143 \$924,098	\$422,221 \$0	\$30,606 \$0	\$30,606 \$0	\$30,606 \$0	\$30,606 \$0	\$0 \$51,534	\$0 \$51,534	\$0 \$51,534
Spartan Engine 315	1998 2014	2014 2029	\$593,143 \$924,098	\$422,221 \$0	\$30,606 \$0	\$30,606 \$0	\$30,606 \$0	\$30,606 \$0	\$0 \$51,534	\$0 \$51,534	\$0 \$51,534
Spartan Heavy Rescue 351	2002	2019	\$859,846	\$360,020	\$41,210	\$41,210	\$41,210	\$41,210	\$41,210	\$41,210	\$41,210
Amer Lafrance Ladder Truck 3	2002	2019	\$1,236,925	\$517,904	\$59,283	\$59,283	\$59,283	\$59,283	\$59,283	\$59,283	\$59,283
Spartan Ladder Truck 332	2009	2024	\$1,433,935	\$79,965	\$79,965	\$79,965	\$79,965	\$79,965	\$79,965	\$79,965	\$79,965
International Brush Truck B-34	1971 2015	2015 2040	\$63,760 \$133,499	\$52,584 \$0	\$812 \$0	\$812 \$0	\$812 \$0	\$812 \$0	\$812 \$0	\$0 \$3,908	\$0 \$3,908
Ford 350 XL Brush Truck B-34	1995	2020	\$73,915	\$38,804	\$2,164	\$2,164	\$2,164	\$2,164	\$2,164	\$2,164	\$2,164
Ford F550 Van-Air Cascade 36	1986 2016	2016 2041	\$73,434 \$153,755	\$54,109 \$0	\$1,673 \$0	\$1,673 \$0	\$1,673 \$0	\$1,673 \$0	\$1,673 \$0	\$1,673 \$0	\$0 \$4,501
Mobile Air containment fill stat	1994 2016	2016 2041	\$10,746 \$22,501	\$7,216 \$0	\$372 \$0	\$372 \$0	\$372 \$0	\$372 \$0	\$372 \$0	\$372 \$0	\$0 \$659
In-Station Air Purifying System	1994 2013	2013 2028	\$60,100 \$93,634	\$48,641 \$0	\$2,510 \$0	\$2,510 \$0	\$2,510 \$0	\$0 \$5,222	\$0 \$5,222	\$0 \$5,222	\$0 \$5,222
GMC Yukon U-301	2007	2019	\$48,929	\$10,908	\$3,547	\$3,547	\$3,547	\$3,547	\$3,547	\$3,547	\$3,547
Chevy 4 WD Pickup U-302	2004 2016	2016 2028	\$68,777 \$98,060	\$31,846 \$0	\$4,985 \$0	\$4,985 \$0	\$4,985 \$0	\$4,985 \$0	\$4,985 \$0	\$4,985 \$0	\$0 \$7,108
GMC Sierra Pickup 372	2007	2019	\$75,155	\$16,755	\$5,448	\$5,448	\$5,448	\$5,448	\$5,448	\$5,448	\$5,448
Chevy Suburban U-300	1997 2011	2011 2023	\$38,625 \$55,070	\$35,402 \$0	\$2,338 \$0	\$0 \$3,992	\$0 \$3,992	\$0 \$3,992	\$0 \$3,992	\$0 \$3,992	\$0 \$3,992
GMC Yukon U-303	2004 2016	2016 2028	\$44,777 \$63,841	\$20,733 \$0	\$3,246 \$0	\$3,246 \$0	\$3,246 \$0	\$3,246 \$0	\$3,246 \$0	\$3,246 \$0	\$0 \$4,628
Crown Victoria Police U-304	2003 2015	2015 2027	\$43,473 \$61,982	\$23,784 \$0	\$3,151 \$0	\$3,151 \$0	\$3,151 \$0	\$3,151 \$0	\$3,151 \$0	\$0 \$4,493	\$0 \$4,493
Ford EMS Van U-399	2000 2015	2015 2030	\$69,556 \$108,367	\$43,457 \$0	\$3,879 \$0	\$3,879 \$0	\$3,879 \$0	\$3,879 \$0	\$3,879 \$0	\$0 \$6,043	\$0 \$6,043
Rehab Vehicle U-388	2006	2034	\$357,772	\$37,272	\$8,976	\$8,976	\$8,976	\$8,976	\$8,976	\$8,976	\$8,976
Haulmark Trailer U-386	2005	2030	\$13,726	\$2,112	\$402	\$402	\$402	\$402	\$402	\$402	\$402
SCBA Equipment	2004 2013	2013 2023	\$545,271 \$732,798	\$349,896 \$0	\$54,776 \$0	\$54,776 \$0	\$54,776 \$0	\$0 \$65,409	\$0 \$65,409	\$0 \$65,409	\$0 \$65,409
LD Hose Replacement	2008	2018	\$81,073	\$14,654	\$7,237	\$7,237	\$7,237	\$7,237	\$7,237	\$7,237	\$7,237
Future Substation Equipment		2010	\$150,000	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
				\$3,427,883	\$538,684	\$540,338	\$540,338	\$553,682	\$595,538	\$615,381	\$628,819

NOTES: 1) Replacement cost is based on 2010 technology and mandated increases at a 3% per year increase.  
 2) The deposit requirements are based on present value calculations which assume a 2.5% investment earning factor.



# Bel Air Volunteer Fire Company

INCORPORATED

## BOARD OF DIRECTORS

Anthony P. Coliano, Sr.  
*President*  
Charles L. Walls  
*Vice President*  
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*Deputy Chief*  
Michael E. Walker, Jr.  
*1st Asst. Chief*  
William R. Snyder  
*2nd Asst. Chief*  
Beverly A. Britton  
*Asst. Chief EMS*

January 11, 2012

Ms Kathryn L. Hewitt, CPA, Treasurer  
Harford County, Maryland  
220 South Main Street  
Bel Air, MD 21014

**RE: Sen. Amoss 2010 Fund Audit - \$6,595,594 Building and Contingency Fund**

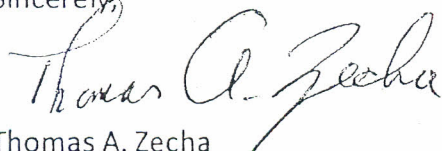
Dear Ms. Hewitt:

The attached schedule displays our estimated expenses over the next five fiscal years that will impact the Building and Contingency Fund (B&C). This fund provides for the purchase of new capital equipment and other large operating contingencies whereas the Equipment Replacement Fund (ERF) accumulates funds over the life of existing equipment so that funds are available at the end of the replacement cycle. When a new vehicle is purchased with B&C funds, it will be added to the ERF so that its replacement cost is accumulated over its life. These additions will increase the annual deposit to the ERF which is not shown on the attached schedule. These two funds are not redundant.

We also foresee expenses that we are unable to quantify that relate to the opening of two new substations and equipping and manning them in accordance with NFPA and ISO standards as well as Harford County's recently completed study of the County Emergency Services. Clearly there will be a need to increase volunteer membership, paid EMS personnel, administrative personnel and one or more additional maintenance mechanics.

We have been able to build these two funds over many years of prudent management of our operations. If we did not maintain and build these reserves, Harford County would have to provide the finances for these contingencies as they arise. The proper use of our financial resources for the benefit of the citizens of Harford County is ensured by the annual submission of a certified financial statement to the County.

Sincerely,



Thomas A. Zecha  
Business Manager

Balance of FY 12 (7/01/11 to 6/30/12):

Repair, remodel and equip Bel Air Station kitchen & dayroom	Bid	\$66,500
New ambulance for Patterson Mill Station - delivery 4/01/12	Contract	\$250,959
Equip ambulance upon delivery	Estimate	\$20,000
3 copy/scan/fax machines to replace 3 eleven year old machines	Contract	\$10,198
Hardware, software, consulting to initiate paperless office	Contract	\$17,500
		<u>\$365,157</u>

FY 13 (7/01/12 TO 6/30/13):

Install alert system in Patterson Mill Station	Estimate	\$58,000
Replace old alert systems in Bel Air & Forest Hill @ \$58,000 each	Estimate	\$116,000
New engine for Patterson Mill	Estimate	\$542,180
2 new utility vehicles for Forest Hill & Bel Air @ \$39,000 each	Estimate	\$78,000
New ATV for Bel Air station	Estimate	\$15,000
Furnishings & Equipment for Patterson Mill station	Estimate	\$250,000
one year salary costs for additional 24/7 Paid Pat Mill Amb crews	FY12 cost	\$194,222
Additional operating expense for Patterson Mill station	Estimate	\$50,000
		<u>\$1,303,402</u>

FY 14 (7/01/13 to 6/30/14):

Replace undersized 60 KW auxilliary generator in Bel Air station	Estimate	\$500,000
New Tanker for Forest Hill Station for non hydrant areas	Estimate	\$275,000
Provide Life Ins for approx 166 volunteer members to aid recruiting	Quote	\$45,194
Purchase 116 Churchville Rd for Bel Air expansion	RE Appr	\$250,000
Demolish 116 Churchville Rd and build maintenance & storage bldg	Estimate	\$1,250,000
		<u>\$2,320,194</u>

FY 15 (7/01/14 to 6/30/15): Construction of Fountain Green station by Harford County as required by addendum to Land Lease dated May 30, 2007

FY 16 (7/01/15 to 6/30/16):

New ladder truck for Fountain Green Station	Estimate	\$1,122,132
New Ambulance for Fountain Green Station	Estimate	\$274,275
2 new engines for Fountain Green Station @ \$592,454 each	Estimate	\$1,184,909
New Utility for Fountain Green Station	Estimate	\$42,616
Furnishings & Equipment for Fountain Green Station	Estimate	\$250,000
One year salary costs for additional 24/7 paid ambulance crews	Estimate	\$194,222
Additional Operating Expense for Fountain Green Station	Estimate	\$50,000
		<u>\$3,118,154</u>

**GRAND TOTAL** \$7,106,907