



FY21 Amoss Fund Annual Report

Maryland Department of Emergency Management

Required by Public Safety Article § 8-105(b) (MSAR #13055)

December 1, 2022



Purpose of Engagement

The Department of Emergency Management have performed an attestation engagement based upon “agreed upon procedures” in accordance with the requirements specified in Title 8 of the Public Safety Article of the Annotated Code of Maryland. This statute defines the purpose, administration and monitoring requirements of the Senator William H. Amoss Fire, Rescue, and Ambulance Award (Amoss fund). Our engagement was for the period beginning July 1, 2020 and ending June 30, 2021.

Section 8-105 (b) requires the Director of the Maryland Department of Emergency Management (MDEM) “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.” The results of this engagement are found in the section below titled “Findings and Recommendations”.

Background Information

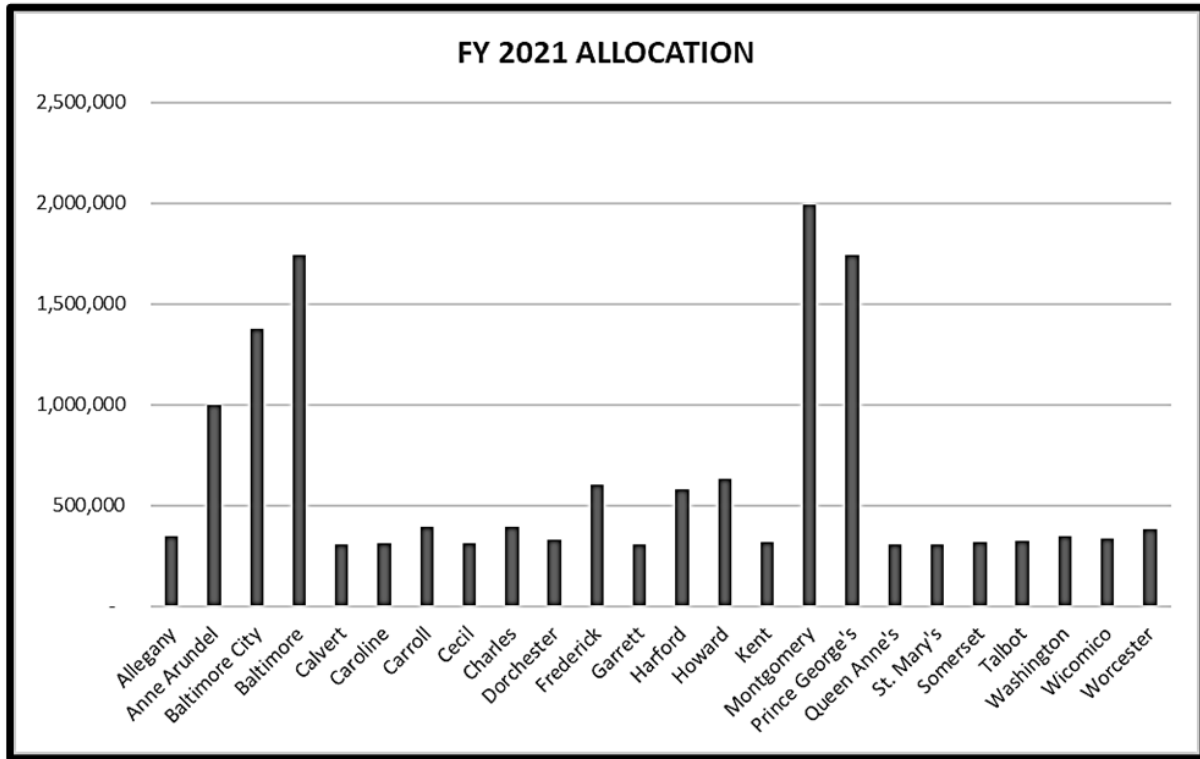
The Amoss fund was established to promote: (1) The delivery of effective and high quality fire protection, rescue, and ambulance services to the citizens of this State; (2) Increased financial support for volunteer fire, rescue, and ambulance companies (VFRACs) by local governments; and (3) the continued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

In fiscal year 2021, the Amoss fund provided grants-in-aid of \$15,000,000 for fire protection, rescue, and ambulance services to all counties. For purposes of this engagement, the term “county” includes Baltimore City. The allocation to each county was determined by the number of property tax accounts within their boundaries. Additional funds were provided to counties with municipalities that had “fire protection” expenditures above a statutory threshold. The bar chart below reports the Amoss funds allocated to each county in fiscal year 2021. The pie chart on page 2 shows the use of funds in fiscal year 2021.



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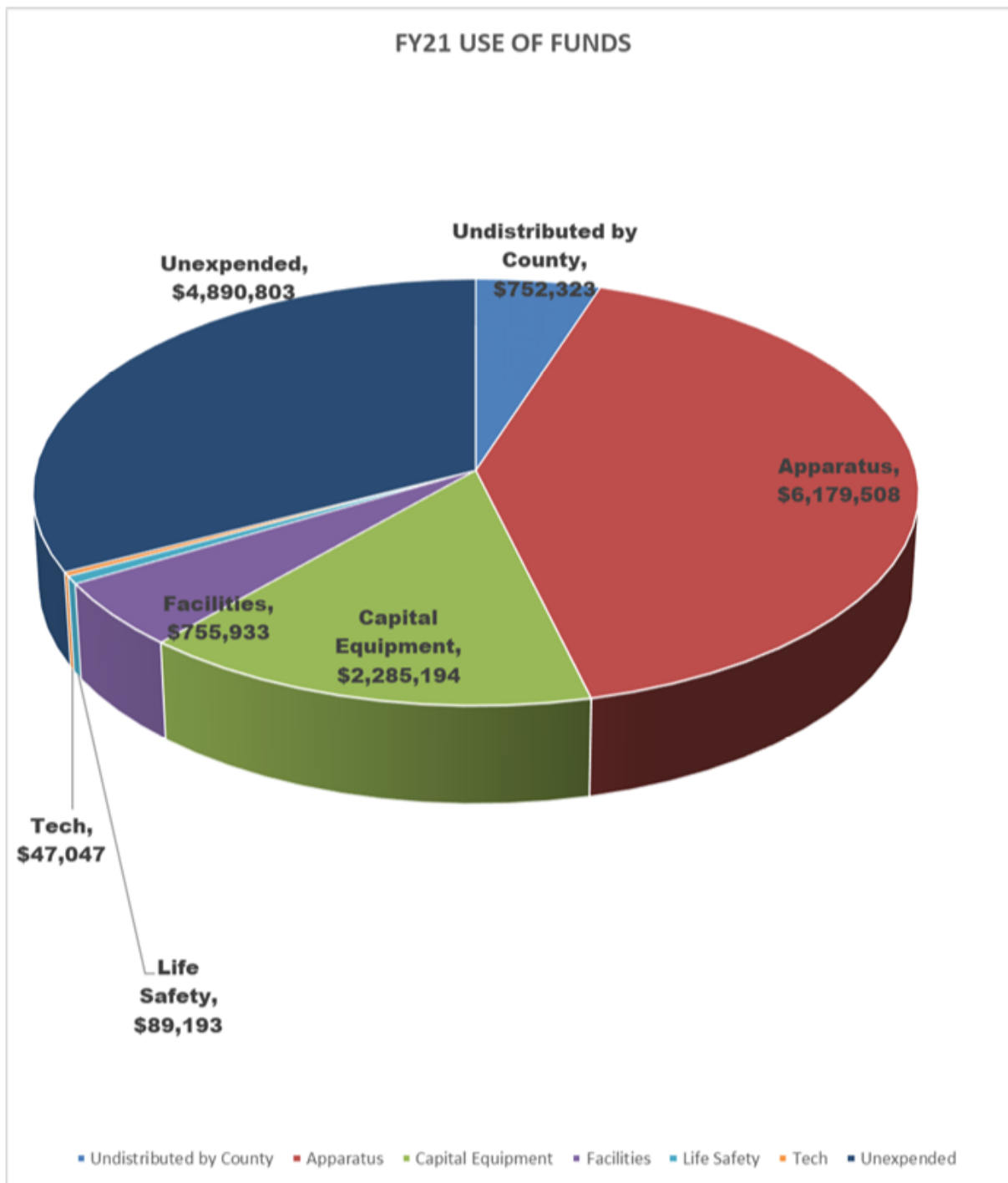
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Findings and Recommendations

Procedure #1

Determine the accuracy of the amount of Fire Protection Expenditures (FPE) reported by each county per 8-105 (a).

Findings and Recommendations

The Director of Finance of each county certified the amount of FPE incurred in fiscal year 2021. We compared each county's FPE with supporting documentation such as general ledger reports, line items from annual financial reports as well as actual costs reported in their annual budgets. The results of our procedures support the reliability of the amounts reported.

Procedure #2

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

Findings and Recommendations

The matrix on page 4 reports Fire Protection Expenditures (FPE) for each county. Section 8-104 requires the use of a 3-year moving average in order to ascertain achievement of the MOE standard. Effective July 1, 2014 (FY 2015), the Maryland General Assembly statutory changed certain provisions regarding MOE. Specifically, capital expenditures were excluded from the calculation of FPE and counties may receive a "waiver" of the MOE requirement. In addition, the state is required to assess a penalty if a county does not meet MOE for the two subsequent fiscal years that follow the 3-year period used to determine the average.

To comply with the new statute and to ensure an accurate comparison, FY 2015 was established as the base year for all future 3-year MOE cycles. FY 2021 Fire Protection Expenditures were compared to the average expenditures incurred in FY 2018, FY2019, and FY 2020. Using this analysis, Montgomery County did not meet the MOE



standard in FY 2020 or in FY 2021. Accordingly, MDEM reduced Montgomery's FY2023 allocation by 3% or \$59,871.

Procedure #3

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

Findings and Recommendations:

In FY 2021, 100% of counties made FPE 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 the Amoss funds within the period proscribed in 8-104 (e).

Findings and Recommendations

Section 8-104 (e) requires counties to return unexpended/unencumbered Amoss funds after two fiscal years. Based on the reporting, funds distributed to counties in FY 2021 and those in prior years were expended or encumbered within the parameters of the statute.

Procedure #5

Determine whether counties participated in the Maryland Fire Incident Reporting System (MFIRS) requirements per 8-103(c). The Office of the State Fire Marshall administers this web-based system.

Findings and Recommendations

As of the date of this report, all counties were compliant in MFIRS reporting for the year ended June 30, 2021.



Procedure #6

Determine whether counties participated in the Ambulance Information System (AIS) reporting requirements per 8-103 (c). The Maryland Institute of Emergency Medical Services Systems (MIEMSS) administers this program.

Findings and Recommendations

As of the date of this report, all counties were compliant with AIS reporting requirements for the year ended June 30, 2021.

Procedure #7

Determine whether counties reported the nature and amount of any in-kind contributions provided to VFRACs per 8-105 (a).

Findings and Recommendation:

All of the counties reported the nature and amount of any in-kind contributions to VFRACs.

Procedure #8

Determine whether each jurisdiction distributed the minimum amount of funds defined by formula per 8-103 (b).

Findings and Recommendations

Based on their reporting, all counties distributed the minimum amount of funds defined by statutory formula.

Procedure #9

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

Findings and Recommendations



All of the VFRACS selected for testing, expended their FY 2021 Amoss funds for uses authorized by 8-102 (f).

Procedure #10

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

Findings and Recommendations

All of the VFRACS selected for testing, held their Amoss funds, in separate accounts per 8-104 (d).

Engagement Scope, Objectives and Methodology

Procedures #1 through #8 were performed by testing financial data provided by 100% of counties. Procedures #9 and #10 were performed by testing financial source documentation obtained from a representative sample. Financial source documentation included but was not limited to bank statements, cancelled checks, deposit slips and paid invoices.

Each year, eight (33%) of the twenty-four Maryland counties are selected. Per the schedule below, the testing of all counties is completed at the end of each three-year cycle. The shaded column represents testing of expenditures incurred in the year ended June 30, 2021 and is the third year of the three-year cycle that began in FY 2019. Upon the conclusion of each year's examination, a review is made of the findings and a report is prepared for the Governor and the General Assembly.



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State Fiscal Year of Expenditure	FY 2019	FY 2020	FY 2021
Allegany	X		
Anne Arundel			X
City of Baltimore	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 George's	X		



Queen Anne's	X		
St. Mary's			X
Somerset		X	
Talbot	X		
Washington		X	
Wicomico		X	
Worcester		X	

The counties listed below comprise the sample tested for Procedures #9 and #10 in FY 2021. These counties represent approximately 32.88% of the total fund Appropriation. The sample also represents approximately 26.78% of the total number of VFRACs in the State.

County	FY21 Allocation	% of Total Appropriation	# of VFRACS	% of Total VFRACS
Anne Arundel	\$997,064.00	6.65%	8	2.19%
Calvert	\$305,587.00	2.04%	8	2.19%
Caroline	\$313,257.00	2.09%	8	2.19%
Carroll	\$395,617.00	2.64%	18	4.92%
Cecil	\$314,541.00	2.10%	11	3.01%
Garrett	\$305,587.00	2.04%	13	3.55%
Montgomery	\$1,995,269.00	13.30%	19	5.19%
St. Mary's	\$305,587.00	2.04%	13	3.55%
Total	\$4,932,509.00	32.88%	9800.00%	26.78%