Baltimore County, Maryland

Fire Protection Expenditures Report
For the Year Ended June 30, 2002

Office of the County Auditor
Baltimore County, Maryland

BALTIMORE COUNTY, MARYLAND
OFFICE OF THE COUNTY AUDITOR

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Independent Auditor's Report

Honorable Members of the County Council
Honorable James T. Smith, Jr., County Executive
Baltimore County, Maryland

We have audited the accompanying Schedule A - Fire Protection Expenditures of Baltimore County, Maryland for the year ended June 30, 2002. This schedule is the responsibility of the County's management. Our responsibility is to express an opinion on this schedule based on our audit.

We conducted our audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, this schedule was prepared pursuant to the accounting practices prescribed by the Department of State Police's Procedures for Administration of the Fire, Rescue, and Ambulance Fund, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the schedule referred to above presents fairly, in all material respects, the fire protection expenditures of Baltimore County, Maryland for the year ended June 30, 2002, on the basis of accounting described in Note 1.

This report is intended solely for the information and use of the management of Baltimore County for filing with the Department of State Police, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Brian J. Rowe, CPA
County Auditor

Lauren M. Smelkinson, CPA
Audit Manager

December 24, 2002

Baltimore County, Maryland

Schedule A

Fire Protection Expenditures

For the Year Ended June 30, 2002

Fire Protection Expenditures	$13,223,999

The accompanying note is an integral part of this schedule.

Baltimore County, Maryland
Note to Schedule A - Fire Protection Expenditures
For the Year Ended June 30, 2002

1. Basis of Accounting

The schedule of fire protection expenditures is reported in accordance with the instructions prescribed by the Department of State Police's Procedures for Administration of the Fire, Rescue, and Ambulance Fund, and as referenced in the Annotated Code of Maryland, Article 38A, Sections 45A through 45D. This basis of reporting fire protection expenditures differs from generally accepted accounting principles in that only specific expenditures as defined in State law and the Department's procedures are included in the schedule. Specifically, fire protection expenditures are defined as expenditures from sources other than 508 funds (i.e., State funds) for fire protection, rescue, and ambulance services, including training costs, loans to volunteer stations, and expenditures of bond proceeds used to finance facilities that house fire protection equipment, and excluding salaries, fringe benefits, and other personnel and administrative costs.