



HARFORD COUNTY, MARYLAND

Office of the County Auditor

December 30, 2024

Report Highlights

Audited financial statements have not been completed for one of the county's affiliated agencies.

Fire companies have improved the timeliness of their financial reporting.

REPORT ON FINANCIAL AUDITS OF AFFILIATED AGENCIES

Council Members and County Executive Cassilly:

In accordance with Section 213(b) of the Harford County Charter, an audit of the County's financial statements as of June 30, 2024 has been completed and an unmodified opinion was reported to the County Council and County Executive on October 28, 2024. Financial Statement audits of the County's affiliated agencies (not included in the Annual Comprehensive Financial Report) have been performed by various independent public accounting firms. I submit this report to you, in accordance with the reporting extension approved by the County Council on October 8, 2024.

A number of agencies received an appropriation from the County in fiscal year 2024 but are not component units of the County for financial reporting purposes. They include:

- Humane Society of Harford County
- ARC Northern Chesapeake Region
- 12 Volunteer Fire Companies
- Volunteer Fire and EMS Association

Appropriations to these agencies were approximately 1.4% of the FY2024 General Fund operating budget. They are all not-for-profit organizations that supplement their Harford County appropriations with funding from other sources.

In accordance with County Charter Section 213(b), I present the following explanatory comment related to the audits of the County's affiliated agencies:

In prior years, we have noted that the financial statements for the County's Volunteer Fire Companies, and the Association, are not always completed by the 120-day deadline specified in their County support agreements. There has been improvement in the current year; 11 were completed before the deadline, while 2 were completed later. As in the prior year, the audited financial statements for the Humane Society of Harford County have not yet been completed; they are expected in January.

For the reports provided, I have reviewed the financial statements and independent auditor reports. Each organization received an unmodified audit opinion, and although 6 companies did not spend their entire appropriation, I did not identify any information that indicated a misuse of County funds.

Management has been provided an opportunity to respond to this report; however, no response was required. The response provided is below. I am available to respond to any questions you have regarding this summary.

Sincerely,



Chrystal Brooks

CPA, CGFM, CIA, CISA, CGAP, CRMA

County Auditor

cc: Mr. Robert McCord, Director of Administration
Mr. Rick Ayers, Director of Emergency Services
Ms. Mylia Dixon, Council Administrator

MANAGEMENT RESPONSE

Management thanks the Office of the County Auditor and has no comment.