



**ANNE ARUNDEL COUNTY  
OFFICE OF THE COUNTY AUDITOR**

**To:** Councilmembers, Anne Arundel County Council  
**From:** Michelle Bohlayer, County Auditor  
**Date:** February 2, 2022 (Bill 1-22 updated February 7, 2022)  
**Subject:** Auditor's Review of Legislation for the February 7, 2022 Council Meeting

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**Bill 103-21:  
Zoning – Commercial  
Districts – Gunsmiths and  
Ammunition Sales  
Facilities (As Amended)**

**Summary of Legislation**

This bill allows gunsmiths and ammunition sales facilities as a conditional use in C3 zoning districts.

We commented on this bill in our letters dated December 15, 2021, December 23, 2021, and January 12, 2022. At the January 18, 2022 Council meeting, this bill was amended to require gunsmiths engaged in repairing or making firearms to obtain all permits and licenses required by law. We have no further comments on this bill.

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**Bill 104-21:  
Zoning – School Bus  
Facilities (As Amended)**

**Summary of Legislation**

This bill adds a definition of school bus facility, allows school bus facilities as a permitted use in C4, W2, and W3 zoning districts; allows school bus facilities as a conditional use in the C3 zoning district; allows school bus facilities as a conditional use in small business districts; and adds the conditional use requirements for school bus facilities.

We commented on this bill in our letters dated December 15, 2021, December 23, 2021, and January 12, 2022. At the January 18, 2022 Council meeting, this bill was amended to require a school bus facility as a conditional use in a C3 zoning district to be on a lot of at least one acre and remove school bus facilities as a conditional use in small business districts. We have no further comments on this bill.

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**Bill 114-21:  
Public Works – Utilities –  
Charges and Assessments  
– Late Penalties (As  
Amended)**

**Summary of Legislation**

This bill allows the waiver of penalties on overdue water and wastewater service charges due to County error or billing or payment delays due to certain events or issues affecting multiple property owners. This bill applies to such penalty charges assessed on or after October 1, 2021.

We commented on this bill in our letter dated January 12, 2022. At the January 18, 2022 Council meeting, this bill was amended to require the waiver of a penalty charge when there is a County error. We have no further comments on this bill.

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**Bill 115-21:  
Finance, Taxation, and  
Budget – Real and  
Personal Property Taxes –  
Late Interest and Penalties  
(As Amended)**

**Summary of Legislation**

This bill allows the waiver of interest and penalties on overdue property taxes due to County error or billing or payment delays due to certain events or issues affecting multiple property owners. This bill applies to any overdue property taxes that began to accrue on or after October 1, 2021.

We commented on this bill in our letter dated January 12, 2022. At the January 18, 2022 Council meeting, this bill was amended to require the waiver of a penalty charge when there is a County error. We have no further comments on this bill.

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**Bill 116-21:  
Zoning – Nonconforming  
Uses – Termination (As  
Amended)**

**Summary of Legislation**

This bill allows a nonconforming use or structure to be repaired under certain circumstances and amends the method of calculating termination of a nonconforming use.

We commented on this bill in our letter dated January 12, 2022. At the January 18, 2022 Council meeting, this bill was amended to provide for the reconstruction, repair, or relocation of a nonconforming structure in certain situations and provide that the Office of Planning and Zoning may allow the registration and use of nonconforming dwellings in certain situations. We have no further comments on this bill.

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**Bill 1-22:  
Current Expense Budget –  
Supplementary  
Appropriations**

**Summary of Legislation**

This bill provides a supplementary appropriation of \$1,242,808 to the Grants Special Revenue Fund, \$193,300 to the Office of Information Technology (OIT) in the General Fund, \$10,004,000 to the Revenue Reserve Fund, and \$800,000 to the Community Development Fund.

**Review of Fiscal Impact**

The \$1,242,808 in additional appropriations for the Grants Special Revenue Fund provide for the following:

- \$107,995 to the Anne Arundel County Office of the Sheriff (Sheriff) related to the body worn camera program, which consists of \$100,000 from the Governor’s Office of Crime Prevention, Youth, and Victim Services for the Byrne-Justice Assistance Grant (JAC) program to provide for body worn cameras and related network cabling and workstations for sworn officers and \$7,995 from the U.S. Department of Justice – Office of Justice Programs (DOJ – OJP) for a mobile application that went live in March 2021 to provide enhanced information sharing between the Sheriff and communities at a single point. The award period for the grant from the Governor’s Office is from October 1, 2021 through September 30, 2022 whereas the award period for the grant from the DOJ – OJP is from October 1, 2021 through September 30, 2023. These grants were not included in the Fiscal Year 2022 Approved Budget (FY22 Budget) and do not require a matching contribution. Per the Office of the Budget, the body worn camera program will have ongoing costs and will be included in the budget for fiscal year 2023 (FY23) and future budgets.
- \$59,973 from the Maryland Department of Health (MDH) – Office of Population Health Improvement to the Anne Arundel County Department of Health (Health Department) from one-time American Rescue Plan (ARP) supplement funding to support the work of the Local Overdose Fatality Review team to increase their capacity to implement recommendations, assess implemented recommendations, and monitor case review that address systemic factors contributing to the risk of overdose, addiction and substance misuse, and/or behavioral disorders in the perspective communities. The award period is from September 1, 2021 through June 30, 2022. This grant was not included in the FY22 Budget and does not require a matching contribution.
- \$386,621 from MDH – Prevention and Health Promotion Administration to the Health Department for the Childhood Lead Poisoning Prevention and Environmental Case Management Program to improve health outcomes and reduce disparities for eligible children with either blood lead exposure, moderate to severe persistent asthma, or both. The award period is from July 1, 2021 through June 30, 2022. This grant

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**Bill 1-22 (continued)**

- was not included in the FY22 Budget and does not require a matching contribution.
- \$555,907 from the Maryland Department of Aging to the Anne Arundel County Department of Aging and Disabilities for home delivered meals that meet one-third of the recommended dietary allowance for persons over the age of 51 and residents of senior housing who are physically or emotionally disabled, regardless of age by using funds made available by federal ARP Older Americans Act funding. The award period is from April 1, 2021 through September 30, 2024. This grant was not included in the FY22 Budget and does not require a matching contribution.
  - \$44,957 from the DOJ – OJP to the Anne Arundel County Office of the State’s Attorney (State’s Attorney) for the JAC program to partially fund the salary and fringe benefits of a contractual paralegal for the Anne Arundel County Adult Drug Treatment Court that operates under the Circuit Court for Anne Arundel County. The paralegal would vet participants for legal qualifications for the drug court programs. The award period is from October 1, 2020 through September 30, 2024. This grant was not included in the FY22 Budget and does not require a matching contribution.
  - \$87,355 from the DOJ – OJP to the State’s Attorney for the Smart Prosecution – Innovative Prosecution Solutions grant to provide for a decrease in the numbers of expulsions of juveniles from County schools and to decrease the numbers of incarcerated juveniles in the County, while at the same time reducing juvenile crime and increasing safety within the County’s schools and community. The grant will be used by the State’s Attorney to hire a licensed clinical social worker to evaluate and assess juveniles in crisis, provide counseling, and connect juveniles in crisis with trauma informed critical services, such as family counseling, academic coaching, drug treatment, and mental health evaluation and treatment. This supplemental appropriation is for the first year salary of the social worker, but the grant award also provides for the second year salary of the social worker totaling \$89,508 which will be included in the FY23 Proposed Budget. The award period is from October 1, 2021 through September 30, 2023. This grant was not included in the FY22 Budget and does not require a matching contribution.

The \$193,300 in additional appropriations for OIT in the General Fund provide for body worn cameras and related network cabling and workstations related to the Sheriff for a total cost of \$306,750, of which \$100,000 will be funded from the above mentioned Governor’s Office grant for the JAC program. The remaining \$206,750 will be funded with this appropriation of \$193,300 and \$13,450 will be funded from existing FY22 appropriations.

This bill also authorizes a transfer of \$10,004,000 from the unappropriated general fund balance to the Office of Finance (Non-

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**Bill 1-22 (continued)**

Departmental) for a contribution to the Revenue Reserve Fund. On June 30, 2021, per the Anne Arundel County Annual Comprehensive Financial Report (ACFR), the unappropriated general fund balance – budgetary basis was \$243,695,052. The Office of Finance Analyses of Fund Balances Available for Appropriation Governmental Funds indicates \$240,871,679 is available to appropriate. The FY22 Budget appropriated \$110,789,500 of this balance on July 1, 2021 along with \$1,165,000 from Bill 69-21 and \$218,000 from Bill 89-21, leaving \$128,699,179 remaining balance available to appropriate.

The Revenue Reserve Fund is limited to 6% of the estimated general fund revenues for the upcoming fiscal year. Per the FY22 Budget, the estimated FY22 general fund revenues are \$1,762,292,800, so the current Revenue Reserve Fund balance is limited to \$105,737,568. As of January 26, 2022, the total current Revenue Reserve Fund balance is \$95,289,568. This balance includes \$557,062 in FY22 investment income (year to date), \$675,214 in a Generally Accepted Accounting Principles (GAAP) adjustment for unrealized losses, and the \$11,000,000 transfer included in the FY22 Budget. Per County Code § 4-11-106(c), interest earnings shall be retained to the credit of the fund except that the Controller may credit interest earnings to the General Fund if the credited interest earnings cause the Revenue Reserve Fund to exceed the limit. Any additional interest earnings in FY22 will be credited to the Revenue Reserve Fund (up to the limit). The balance after this \$10 million transfer will be \$105,293,568, which is below the 6% limit.

The \$800,000 in additional appropriations for the Community Development Fund provide for a capital improvement grant from the Maryland Department of Aging to construct the Severn Intergenerational Center. The grant was approved by the Maryland Board of Public Works on December 15, 2021.

The Controller certified that these funds are available for appropriation.

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**Bill 2-22:  
Capital Budget and  
Program – Cox Creek  
Dredging 2 and Franklin  
Manor Dredging Capital  
Projects – Fund Transfer****Summary of Legislation**

This bill amends the FY22 Approved Capital Budget and Program (FY22 Capital Budget) by transferring appropriations of funds between two capital projects. These changes to the FY22 Capital Budget have been reviewed by the Planning Advisory Board, and they have offered an advisory recommendation of approval.

**Review of Fiscal Impact**

This bill transfers appropriations in the total amount of \$97,000 between the Franklin Manor Dredging capital project and the Cox Creek Dredging 2 capital project as follows:

- Franklin Manor Dredging (Project #Q579200) – decreases \$97,000 in general County bonds; and

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- Cox Creek Dredging 2 (Project #Q577300) – increases \$97,000 in general County bonds.

**Bill 2-22 (continued)**

This transfer is to provide a different site for placement of the dredged material, specifically, the use of the Maryland Port Administration facility at Hawkins Point rather than the County owned and operated Rock Creek Dredged Material Placement site, which will save future maintenance and handling costs of the dredged material. This transfer will also provide additional funding due to permitting delays that have resulted in two additional years of material located in the channel that needs to be dredged. This transfer results in no net change to the amount of general County bonds appropriation in the FY22 Capital Budget.

The Controller certified that these funds are available for appropriation.

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**Bill 3-22:  
Personnel – Positions in  
the Exempt Service –  
Public Ethics – Financial  
Disclosure – Resilience  
Authority Director –  
Positions in the Classified  
Service**

**Summary of Legislation**

This bill amends the County Code to add one Resilience Authority Director position to the exempt services for the Chief Administrative Officer and to add three positions (one Management Assistant II position, one Program Specialist II position, and one Deputy Sheriff Corporal position) to the classified service in the Sheriff.

**Review of Fiscal Impact**

The FY22 Budget for the Chief Administrative Officer included \$500,000 for the Resilience Authority to use for one year of the Executive Director’s salary and benefits (range of \$134,700 to \$235,800 for salary and benefits), a support staff position, and other expenses, such as office supplies and contractual support.

The three additional new positions relate to the Sheriff’s body worn cameras program and were not included in the FY22 Budget, however, per the Administration’s fiscal note, it is anticipated that the cost of these positions can be absorbed in the FY22 Budget without additional appropriations. Annual salary and benefit costs for the one Management Assistant II and the Program Specialist II positions range from \$79,400 to \$140,900 each, and the annual salary and benefit costs for the one Deputy Sheriff Corporal position ranges from \$76,700 to \$129,800.

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**Bill 4-22:  
Finance, Taxation, and  
Budget – Capital Budget  
and Capital Program**

**Summary of Legislation**

This bill modifies the map requirements for capital projects in the capital budget and capital program. This bill removes an obsolete reference to a specific map book company that no longer exists and instead references a map or location reference.

**Review of Fiscal Impact**

This bill has no direct fiscal impact.

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**Bill 5-22:  
Licenses and Registrations  
– Amusements – Licensing  
of Coin-Operated  
Amusement Devices**

**Summary of Legislation**

This bill amends the definition of coin-operated amusement device, amends the regulations governing the licensing of coin-operated amusement devices, amends the classes of specific licenses, repeals a location prohibition, allows prizes and awards of a certain wholesale value, prohibits the transfer of a certain license, and allows the suspension or revocation of a license under certain circumstances.

This bill clarifies that the annual fee for a Class E license is \$100 per coin-operated amusement device. The bill removes the requirement of having a Class I license to obtain a Class E license and increases the number of devices to allow less than 20 devices in a single room or location.

**Review of Fiscal Impact**

The Department of Inspections and Permits does not expect a change in workload from this bill. This bill results in changes to the current license options, however, the fiscal impact will be dependent upon the specific licenses. For example, a business with a Class FA license (currently \$5,000 annually for 9 or more devices in one location) with less than 20 devices per location can change to being a Class E license holder (\$100 per device with less than 20 devices at one location). There are currently 9 Class I, 10 Class FA, and 96 Class E licenses active.

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**Bill 15-22:  
Redistricting**

**Summary of Legislation**

This bill revises the boundaries of the councilmanic districts.

**Review of Fiscal Impact**

This bill has no direct fiscal impact.

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**Resolution 1-22:  
Charter Amendment to  
Require a System of Public  
Campaign Financing**

**Summary of Legislation**

This resolution proposes an amendment to the Charter of Anne Arundel County to require the establishment of a public campaign financing system (system) for County Executive and County Council candidates for submission to the qualified voters of the County in the General Election in November 2022. If passed, this system would be required to be established by July 1, 2024 for candidates in a general election in 2026 or after.

The resolution provides that the system law include the following provisions:

- Allow candidates to choose whether to participate in the system;
- Establish a public campaign financing system commission (commission) consisting of seven County residents appointed by the County Council and two County residents appointed by the County Executive;
- Provide for the qualifications, terms, and officers of the commission;
- Require the commission to calculate, not later than 180 days prior to fiscal year end, the total amount estimated for the full election cycle and the amount to be included in the current expense budget for the next fiscal year to fully fund the system; and
- Establish a public election fund for County Elective offices that is administered by the Controller.

The resolution provides that each fiscal year the County Executive will include in the Annual Budget and Appropriation Ordinance the amount calculated by the commission as necessary to fully fund the system for the fiscal year except for the following:

- In the current fiscal year, funds have been or are being transferred from the Revenue Reserve Fund to the General Fund; or
- Not later than 120 days prior to fiscal year end, the County Executive certifies to the County Council that the County's fiscal condition makes it imprudent to include such funds, and the County Council approves the certification by a vote of not less than five members.

**Review of Fiscal Impact**

This resolution will have a fiscal impact if the Charter Amendment passes on the ballot. Per Maryland State Board of Elections, to date Baltimore City and Howard, Montgomery, and Prince George's Counties have approved public campaign financing systems but currently only Howard and Montgomery County have operational systems.



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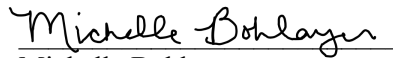
**Resolution 1-22  
(continued)**

Howard County appropriated \$750,000 in FY21 and \$500,000 in FY22 for its system, however, per Howard County Citizen Election Fund Commission, there has been no expenditures to date since there has been no eligible candidate and all members are volunteers and not paid for the work they do for the Citizen Election Fund.

Montgomery County appropriated \$1 million in FY16, \$5.16 million in FY17, \$5.1 million in FY18, and \$3 million in FY22 for its public campaign financing system. Since the formation of the Montgomery County Public Election Fund, there has been one complete election year, 2018, while the next election year is currently ongoing in 2022. Per Montgomery County Office of Finance, at the start of the 2018 General Election, the Public Election Fund balance was \$11 million while the remaining \$260,000 was appropriated for administrative expenses, such as salaries and software. Of the \$11 million, approximately \$4.08 million was distributed to primary election candidates and \$1.08 million was distributed to general election candidates.

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Sincerely,



Michelle Bohlayer  
County Auditor