



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

**To:** Councilmembers, Anne Arundel County Council  
**From:** Michelle Bohlayer, County Auditor  
**Date:** April 27, 2023  
**Subject:** Auditor's Review of Legislation for the May 1, 2023 Council Meeting

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**Bill 13-23:  
Licenses and Registrations  
– Special Events –  
Permitting (As Amended)**

**Summary of Legislation**

This bill establishes a uniform permitting process for special events, defines certain terms, requires certain persons to obtain a permit to hold special events, requires the permit application to contain certain information, establishes the basis for granting or denying the permit application, establishes fees and fee waivers for special event permit applications, requires reimbursement of costs incurred by the County and allows for the waiver of such reimbursement, requires certain inspections to be performed, and allows for the termination of permits in certain circumstances.

We commented on this bill in our letters dated March 15, 2023, March 29, 2023, and April 12, 2023. At the April 17, 2023 Council meeting, this bill was amended to exempt a special event held on property managed by or conducted along with the Department of Recreation and Parks from the requirement to obtain a special event permit when certain traffic impacts included as a part of the definition of special event will occur; require the County to make available to the public any best management practices and public safety standards used to determine the required staffing for special events and to require an annual evaluation of the practices and standards; exclude an activity at a private marina from the definition of special events; and exclude the Anne Arundel County Fair from the definition of special events and to require the organizer of the Anne Arundel County Fair to pay a special service charge. We have no further comments on this bill.

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**Bill 19-23:  
Public Safety – Ban the  
Bag Act of Anne Arundel  
County (As Amended)**

**Summary of Legislation**

This bill prohibits the retail distribution of plastic bags in Anne Arundel County, defines certain terms, establishes the duties of retail establishments, makes a violation a Class C civil offense, provides for the enforcement of the prohibition on plastic bags, and provides for a delayed effective date. A Class C civil offense is \$500 for the first violation and \$1,000 for each subsequent violation.

We commented on this bill in our letters dated March 29, 2023 and April 12, 2023. At the April 17, 2023 Council meeting, this bill was amended to exclude food service facilities from the requirement to charge at least 10 cents for each paper carryout bag and reusable bag that it provides to a customer. This bill was also amended to require a retail establishment to post notices at the public entrance to the establishment or at each point of sale that advises customers to bring or purchase a carryout bag; require the notices to be in English and Spanish; and require the County to post an example of the notice to be used by retail establishments on the County’s website. We have no further comments on this bill.

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**Bill 22-23:  
Zoning – General  
Provisions – Digital  
Zoning Layer**

**Summary of Legislation**

This bill establishes guidelines for construing the location of zoning district lines shown on the digital zoning layer and authorizes the County Council or the Planning and Zoning Officer to certify administrative corrections to zoning district lines in certain situations. The bill also removes the notice requirement for certain administrative changes.

**Review of Fiscal Impact**

While this bill removes the notice requirement for certain administrative changes, the current frequency of these notices is less than 10 per year, so any impact to the removal of this requirement is likely to be minimal. This bill has no direct fiscal impact.

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**Bill 23-23:  
Boards, Commissions, and  
Similar Bodies – Resilience  
Authority of Annapolis  
and Anne Arundel County**

**Summary of Legislation**

This bill adds a non-voting member to the Resilience Authority; staggers the initial terms of members to end in 2025 through 2027 and establishes a limit of three consecutive terms for members; provides that the Executive Director shall be a County employee in the exempt service; establishes a process for nominating a chief financial officer (CFO), revises the process for appointing a CFO, and establishes qualifications for a CFO; and modifies annual reporting requirements.

**Review of Fiscal Impact**

We agree with the information presented in the Administration’s fiscal note that the Executive Director of the Resilience Authority is currently a County employee in the exempt service budgeted as an E7 position.

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**Bill 24-23:  
Pensions – County  
Councilmember – Vesting**

**Summary of Legislation**

The purpose of this bill is to increase the number of service years required to complete in order to vest from 10 to 14 years for County Councilmembers who are participants in the Employees’ Retirement Plan (Plan).

**Review of Fiscal Impact**

This bill requires 14 years of total service for the payment of pension benefits to Councilmembers. The current estimated cost to the County for vesting at 10 years with three consecutive terms, depending on the tier elected at the date of hire, for those who select the Plan is between approximately \$150,000 and \$300,000.

Councilmembers currently have the option of selecting either the Plan or the Employee’s Retirement Savings Plan (ESRP) upon employment with the County. The fiscal impact of the estimated cost for vesting in the Plan for Councilmembers would be offset by the decrease in cost of the ESRP. The County cost for the ESRP benefits for three consecutive terms is approximately \$45,000. The net impact of increasing the time required to vest in the Plan is a reduction to potential pension costs of approximately \$105,000 to \$255,000.

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**Resolution 9-23:  
Approving the Terms and  
Conditions of the  
Acquisition of Real  
Property in Lothian from  
Perdue AgriBusiness, LLC**

**Summary of Legislation**

This resolution approves the purchase of real property, consisting of approximately 15.745 acres known and designated as 6272 Southernmost Road in Lothian, from Perdue AgriBusiness, LLC, utilizing funds from the Advance Land Acquisition capital project C106700 (ALA). Anne Arundel County Code § 8-3-101(d)(2) requires agreements for purchases of real property utilizing funds from the ALA to be contingent on the approval of the County Council. Additionally, an independent appraisal, environmental study, and feasibility study are required to be submitted to the County Council for the property being purchased.

The total purchase price for the property is \$1,250,000. The Maryland Department of Assessments and Taxation’s assessed value for the property is \$1,350,100, as of January 1, 2023. An independent appraisal noted the estimated market value of the property at \$1,270,000, as of March 8, 2023.

An environmental study dated March 16, 2023, revealed one recognized environmental condition associated with heavy nuisance dumping and one de-minimus environmental condition associated with stained surfaces near a hydraulic pump.

Upon request of a feasibility study, the Administration provided a memorandum on April 25, 2023; however, that memorandum outlined two potential composting/recycling operation scenarios for an

alternative use of the property but did not address the current purpose of the property as an operational grain elevator.

### **Review of Fiscal Impact**

We agree with the Administration's fiscal note that this real property acquisition will cost the County \$1,250,000 and that there is sufficient appropriation in the ALA for this purchase. However, \$250,000 in additional funding is required to immediately repair and replace existing agricultural equipment at the site. The Office of Central Services advises that an assessment will be conducted after the acquisition to determine the extent of the maintenance and capital improvement needs.

The state's fiscal year 2024 (FY24) operating budget provides a total of \$1,500,000 to the County for the grain elevator project. The Administration advises that this state reimbursement will be reflected in the County's Proposed FY24 Capital Budget and Program.

The Administration's fiscal note and the memorandum provided as a feasibility study did not address the potential impact of the County owning an operational grain elevator. This property is being purchased to keep the existing grain elevator facility operational. The Administration intends to keep the grain elevator operational by contracting with an operator. The Administration is currently working on a procurement or real estate agreement to identify an operator to handle all operations and maintenance. The Administration expects the resulting agreement to be revenue neutral, but they could not provide revenue estimates.

The Environmental Protection Agency defines grain elevators as "facilities at which grains are received, stored, weighed, and then distributed for direct use, process manufacturing, or export." The process at this facility, when it was operating, was the grain was brought in by farmers and the farmers were paid based on current market price; less the amount set by the managing company to account for drying, storage, and transport. The grain was then sold by the managing company on the open market. The Administration expects this operating model to be used by the contractor once an operator has been identified and the facility is reopened. The Administration has indicated that they have no intention of buying and hedging grain.

The facility has a capacity of approximately 995,000 bushels, and the load out capacity is 2,500 bushels per hour. The facility currently accepts corn, soybeans, wheat, and sometimes barley and services five southern Maryland counties. An American Farm Publication said that there is an estimated \$1,000,000 in expenses per year to operate this facility. The Administration agreed with this estimate. The Administration indicated that the facility will likely need maintenance and repair work completed, but they do not have estimates for the potential costs at this time, and they are hopeful that the contracted operator will take on these costs and responsibilities. The County will

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**Resolution 9-23  
(continued)**

obtain third party insurance for this facility; however, the amount of the insurance will depend on the operation and an estimate is unknown at this time.

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**Resolution 12-23:  
Confirming a Nomination  
to the Board of Trustees of  
The Public Library  
Association of Annapolis  
and Anne Arundel  
County, Incorporated**

**Summary of Legislation**

This resolution confirms the nomination of Noah Comet to the Board of Trustees of The Public Library Association of Annapolis and Anne Arundel County, Incorporated for the remainder of the three-year term expiring June 19, 2025.

**Review of Fiscal Impact**

This resolution has no fiscal impact.

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**Resolution 13-23:  
Approving the Submission  
of a Name for the Property  
Tax Assessment Appeal  
Board**

**Summary of Legislation**

This resolution approves the submission of Jeffrey L. Jefferson for the Property Tax Assessment Appeal Board to serve the term ending June 1, 2028.

**Review of Fiscal Impact**

This resolution has no fiscal impact.

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**Resolution 14-23:  
Confirming the  
Appointments of Members  
to Serve on the Personnel  
Board for Anne Arundel  
County**

**Summary of Legislation**

This resolution confirms the appointments of Beverly Swaim-Staley and Jonathan Martin to serve on the Personnel Board for Anne Arundel County to terms that expire on December 6, 2026.

**Review of Fiscal Impact**

This resolution has no fiscal impact.

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**Resolution 15-23:  
Reappointing a Member to  
the Anne Arundel County  
Ethics Commission**

**Summary of Legislation**

This resolution reappoints Dale P. Kelberman to the Anne Arundel County Ethics Commission to serve a term that expires on April 30, 2027.

**Review of Fiscal Impact**

This resolution has no fiscal impact.

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**Resolution 16-23:  
Confirming the  
Appointment of the  
Executive Director of the  
Policy Accountability  
Board**

**Summary of Legislation**

This resolution confirms the appointment of Moyah Panda as the Executive Director of the Police Accountability Board.

**Review of Fiscal Impact**

This position was included in the Fiscal Year 2023 Approved Budget as an E7 exempt service position (salary range \$109,500 to \$192,400).

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