

County Council of Howard County, Maryland

2020 Legislative Session

Legislative Day No. 9

Resolution No. 11-2020

Introduced by: Deb Jung

A RESOLUTION proposing to amend County Charter Section 212 "County Auditor" by requiring the County Auditor to accompany the County Executive and the Council Chair on all discussions with officials of credit rating agencies; and submitting this amendment to the voters of Howard County for their adoption or rejection in accordance with Article X of the Howard County Charter and Article XI-A of the Maryland Constitution.

Introduced and read first time on June 1, 2020.

By order Diane Schwartz Jones
Diane Schwartz Jones, Administrator to the County

Council

Read for a second time and a public hearing held on June 15, 2020.

By order Diane Schwartz Jones
Diane Schwartz Jones, Administrator to the County

Council

This Resolution was read the third time and was Adopted , Adopted with amendments , Failed , Withdrawn by the County Council on July 6, 2020.

Certified by Diane Schwartz Jones
Diane Schwartz Jones, Administrator to the County Council

NOTE: [[text in brackets]] indicates deletions from existing language; TEXT IN SMALL CAPITALS indicates additions to existing language. Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment.

1 conduct other financial or management audits. All records and files maintained by all
2 officers, agents and employees of the County and all offices, departments, institutions,
3 boards, commissions, courts and corporations and other agencies thereof, shall at all
4 times be open to the inspection of the County Auditor where necessary for the conduct of
5 his or her office. The County Auditor shall promptly call to the attention of the Council
6 and the County Executive any irregularity or improper procedure which he or she may,
7 from time to time, discover. THE COUNTY AUDITOR SHALL ACCOMPANY THE COUNTY
8 EXECUTIVE AND THE COUNCIL CHAIR ON ALL DISCUSSIONS WITH OFFICIALS OF CREDIT
9 RATING AGENCIES. The Council shall have the power to implement the provisions of this
10 section and to assign additional functions, duties and personnel to the County Auditor not
11 inconsistent with those provided herein. All actions of the Council pursuant to this
12 section shall be exempt from the executive veto.

13

14 **AND BE IT FURTHER RESOLVED** by the County Council of Howard
15 County, Maryland, that at the next general election to be held in Maryland, the proposed
16 amendment to the Howard County Charter shall be submitted to the voters of Howard County for
17 their adoption or rejection in accordance with the provisions of the Article X of the Howard
18 County Charter and Article XI-A of the Maryland Constitution, and if adopted by the majority of
19 the voters, shall stand adopted from and after the 30th day following the general election.

20

21 **AND BE IT FURTHER RESOLVED** by the County Council of Howard County,
22 Maryland, that this Resolution, having been approved by two-thirds of the members of the
23 Howard County Council, stands adopted this ___ day of _____, 2020 in accordance
24 with provisions of Article X of the Howard County Charter.

**Office of the County Auditor
Auditor's Analysis**

Council Resolution No. 97-2020

Introduced: June 1, 2020

Auditor: Rebecca Gold

Fiscal Impact:

There will be minimal fiscal impact of this legislation.

Historically, the County Auditor accompanied the Council Chair to the annual bond rating meetings with the three credit rating agencies. If the meetings are in New York City, the costs for the County Auditor to participate are approximately \$510.

According to the Baltimore Sun's Ad Options website, the cost¹ to publish the amendment announcement in the Howard County Times will be approximately \$340.

Purpose:

The purpose of Council Resolution 97-2020 is to amend Section 212 ("County Auditor") of the Howard County Charter to require that the County Auditor accompany the County Executive and Council Chair in discussions with bond rating agencies.

Other Comments:

Charter amendments must be approved by a two-thirds Council vote and are then submitted to the voters of Howard County for their adoption or rejection. Any amendment to the Charter must be published in at least one newspaper of general circulation within the County for five successive weeks prior to the election.

The next general election in Maryland is scheduled for Tuesday, November 3, 2020.

Detailed trip costs for one participant (total \$510):

Amtrak Accela round-trip ticket	\$250
Hotel	160
Meals	60
Ground transportation / Parking	40

¹ Source: <https://placeanad.baltimoresun.com/ad-options/?pub=howard-county-times&type=productpublication>
\$68 per publication x 5 weeks = \$340

6/15/2020

Testimony on CR-97

Hello again. I'm Carolan Stansky, a 30+ year resident of Ellicott City.

I was a member of the Charter Review Commission; these comments are my own.

I admit I am biased —because I am a CPA. My 1st job out of college was as an auditor for a "Big 8" firm.

So, in general, I support anything that improves the audit function. I fear, however, that this proposal comes from a pot that was simmering and is now starting to boil. "We the People" need more information!

Over the course of a year, the Charter Review Commission heard testimony from several persons who work for Howard County government, including County Auditor, Craig Glendenning.

Craig provided the CRC with a 2-page "wish list" of Charter change to enhance the operation of his department and, I believe, improve transparency of local government, based solely on the language in other "Big 8" Maryland counties' charters.

The CRC did not make a Charter change recommendation, although Craig's document was well received. Instead, we included an "advisory note" stating that these issues demand further study by the Council. It appears there are many operational and policy issues that were beyond the scope of the CRC's mission to "review the Charter" and, as the Office of Law counseled, "avoid policy—that's the Council's job." The CRC thought they were important issues, hence the note in our report.

The CRC learned that both the recent County Executive and the current CE have included an "auditor" on their staff. That's their prerogative—but why has this occurred? CR-97 seems to "force correction" of one result of this particular staffing addition. But why did the former practice change? Is there any harm to the "road show" if one county employee attends over the other? What is the benefit to the citizens? Aren't we all using the same numbers as we obligate future Howard County taxpayers with bond repayments? This former auditor's antennae is up.

Do I think every little thing should be audited? No, because materiality matters.

Do I think everything should be subject to audit? Yes, because transparency matters more.

If there are effective internal controls in all departments and if supervisors are effectively monitoring both employees and processes, then the results of an audit are akin to getting a good report card.

CR-97 really asks: Who should take the train to NYC? Well, those persons who will most effectively and honestly represent Howard County's long term financial picture should go. To me, sending the County Auditor sends a message of financial strength and transparency. I am disappointed that we are at this point. Both the Executive and Legislative branch (where the County Auditor budget falls) should be fairly represented. It's sad that we need a Charter amendment to define this.

Thank you.