

Office of the County Auditor
Auditor’s Analysis

Council Resolution No. 190-2022

Introduced: October 3, 2022

Auditor: Lori Buchman

Fiscal Impact:

The fiscal impact of the proposed resolution would be an increase in County revenues that would offset overtime costs incurred by the Police Department (Police), as more entities would be required to pay the fee for special event and concert permits.

Our Office is unable to determine the amount of additional revenue that would be generated, as it is dependent upon how many and what types of events would be scheduled in the future. However, the Police provided us with this summary of recent non-reimbursed Police overtime expenses.

| Event | Calendar Year 2021 | Calendar Year 2022 (Through 8/15/22) |
|---|---------------------------|---|
| Merriweather events | \$ 600,697 | \$ 759,879 |
| Non-profit events | 267,555 | 227,365 |
| School events | 77,588 | 71,781 |
| Any other events that are not included in the Council-approved fee schedule | 117,193 | 177,397 |
| Total | \$ 1,063,033 | \$ 1,236,422 |

Our Office has an open inquiry with Police to provide the number and type of events that generated the above referenced overtime amounts.

Police has indicated that the County has received special event fees in the amount of \$28,250 in Calendar Year 2021 and \$37,290 through August 15 of Calendar Year 2022. During the same period, a total of \$240,123 was incurred in overtime by Police for events which received permit fee waivers. The waivers were granted by the County Executive and are permitted according to Section 17.905 of the County Code. According to the County Executive’s Chief of Staff, no requests for waivers were denied during this period.

NOTE: As stated in our April 2021 Police Overtime Follow-up audit, we consider that by not requiring Merriweather to reimburse the County for Police overtime, the Administration is effectively providing Merriweather with a waiver. The Administration does not consider this a waiver because “concerts” are not specifically required to pay the fee.

Purpose:

The purpose of this resolution is to add Concert Promoters to the Special Event and Concert Permits fee schedule. Concert Promoters would be required to pay the same permit fees as other Event Promoters.

Concert Promoters would be required to pay the current fee, which is \$64.81 per estimated hour for each County employee providing services to support the event. Nonprofit Concert Promoters would pay 50 percent of the amount that exceeds \$1,500. No charge would be incurred to nonprofit Concert Promoters if the estimated fees were less than \$1,500.

Other Comments:

In addition to entities that incur special event fees, the following organizations have written agreements, approved by the County Executive, for uniformed police officer security functions:

- The Board of Education (BOE) (for sporting events from August to June, payment to the County is equal to the cost of the overtime plus associated FICA)
- The Washington Boulevard Marketplace (payment to the County is \$45/hour per officer on weekends)
- Grace Community Church (for major church services, payment to the County is \$40/hour for a crossing guard)
- Temple Isaiah (for High Holy Days, payment to the County is \$45/hour)

The Columbia Mall previously had an agreement for Police services; however, it has expired. Rather than renewing the agreement, the new mall management company has hired a private security company, including private K9 teams.