

Audit Report

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**Essex Revitalization Community Corporation**

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Office of the County Auditor  
Baltimore County, Maryland  
May 1999



**BALTIMORE COUNTY, MARYLAND  
OFFICE OF THE COUNTY AUDITOR**

**BRIAN J. ROWE, CPA**  
COUNTY AUDITOR

COURTHOUSE - ROOM 221  
TOWSON, MARYLAND 21204  
410-887-3193  
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**MARY P. ALLEN, CPA**  
DEPUTY COUNTY AUDITOR

**May 4, 1999**

**Honorable Members of the County Council  
Honorable C.A. Dutch Ruppertsberger, III, County Executive  
Baltimore County, Maryland**

**Gentlemen:**

**We have audited the Essex Revitalization Community Corporation (ERCCO), incorporated as the Essex Development Corporation, for the period July 1, 1997 through November 23, 1998.**

**ERCCO is a non-profit organization established to further community revitalization and economic development along the Eastern Boulevard corridor of Essex through involvement with businesses and community organizations. During the audit period, ERCCO was awarded County grants totaling \$25,400, of which it received \$17,900, or 70% of the grant funds awarded.**

**Our audit disclosed that documentation was not maintained or was inadequate to support disbursements of County grant funds. We also noted that changes in grant activities and budgets were not properly approved and that certain activities did not appear to be eligible or consistent with the purpose of the grant awards. Finally, we noted that documentation supporting the purpose of the community revitalization or economic development activity funded by the grant was not always maintained or provided to the grantor agency as required by the grant agreements.**

**ERCCO's response to our findings and recommendations is included as an appendix to this report.**

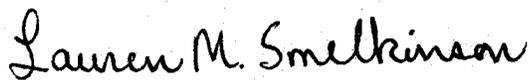
Our audit reports and responses thereto are available to the public and may be obtained by contacting the Office of the County Auditor, 400 Washington Avenue, Towson, Maryland, 21204.

We wish to express our appreciation to the officers and staff of ERCCO for the cooperation and assistance extended to us during our audit.

Respectfully submitted,



Brian J. Rowe, CPA  
County Auditor



Lauren M. Smelkinson, CPA  
Audit Manager

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## Background Information

The Essex Revitalization Community Corporation (ERCCO), incorporated as the Essex Development Corporation, is a non-profit organization which was established on May 23, 1979 to further community revitalization and economic development along the Eastern Boulevard corridor of Essex through involvement with businesses and communities. ERCCO is managed by an elected 13-member Board of Directors and operates in accordance with its articles of incorporation and by-laws.

During the period July 1, 1997 through November 23, 1998, ERCCO was awarded County grants totaling \$25,400 to further community revitalization and economic development along the Eastern Boulevard corridor of Essex. During the audit period, ERCCO received \$17,900 or 70% of the grant funds awarded. The County grants were awarded to ERCCO to conduct the following eligible activities:

	<u>Activity/ Project Budget</u>	
Community Conservation Grant (July 1997)		
Gateway Projects (e.g., community sign)	\$2,500	
Marketing	1,500	
Goodwill Ambassador (e.g., community liaison)	3,000	
Trash Can/liner Replacement	<u>3,000</u>	
Total Grant Award		\$10,000
Economic Development Grant (April 1998)		
Small Business Seminars	3,000	
Business to Business Monthly Newsletter	<u>1,000</u>	
Total Grant Award		4,000
Community Conservation Grant (August 1998)		
Organization Restructuring Seed Money	10,000	
Department of Health, Bureau of Substance Abuse Grant (September 1998)		
Essex Day '98 - Teen Drug Free Activity Area		<u>1,400</u>
Total County Grant Awards		<u>\$25,400</u>

In addition to County grant funds, ERCCO received funding from other sources (e.g., private donations) totaling \$12,944 during the period under review.

## Findings and Recommendations

### Disbursements

- 1. Documentation was not maintained or was inadequate to support disbursements totaling \$20,292. Additionally, certain disbursements were not properly approved.**

During the period July 1, 1997 through November 23, 1998, disbursements totaled \$35,414. Our tests of disbursements totaling \$31,248 or 88% disclosed that documentation was not maintained or was inadequate to support disbursements totaling \$20,292 or 65% of the disbursements tested. For example, we noted that payroll expenses totaling \$15,667 were not supported by adequate documentation (e.g., employee time sheets) to indicate the work performed. Additionally, we noted numerous disbursements that were not properly approved. Specifically, although the by-laws require disbursements of \$500 or more to have two authorizing signatures, we noted 13 such disbursements totaling \$11,344 which lacked two authorizing signatures. Consequently, there was a lack of assurance that grant funds were expended on costs related to eligible activities.

**We recommend that adequate documentation supporting all disbursements be maintained and retained for audit verification. We further recommend that all disbursements of \$500 or more be properly approved.**

### Eligible Activities

- 2. Prior written approval was not obtained from the County for changes in eligible grant activities or project budgets. Additionally, certain activities did not appear to be eligible or consistent with the purpose of the grant awards.**

The grant agreements require that prior written approval be obtained from the County for any changes to eligible activities or project budgets specified in the grant agreements. However, our review disclosed that changes in eligible activities and project budgets were not properly approved. Additionally, we noted that certain activities sponsored by ERCCO did not appear to be eligible activities or activities consistent with the purpose of the grant awards. For example, we noted that ERCCO sponsored a Christmas tree lighting ceremony at a total cost of \$9,800, including

approximately \$5,000 in County grant funds. We also noted that ERCCO held a Christmas dinner for Board members and their spouses at a cost of \$227, as well as other questionable activities for which a business agenda could not be provided.

**We recommend that prior written approval be obtained for any changes in eligible activities or project budgets and that funds be expended only on eligible activities.**

#### Requests for Grant Funds

**3. Requests for grant funds were not always supported by adequate documentation.**

As previously commented, the County awarded ERCCO \$25,400 in grant funds, of which ERCCO received \$17,900, to further community revitalization and economic development along the Eastern boulevard corridor of Essex. Certain grants were awarded on an installment basis and required that prior to the distribution of grant funds, documentation be provided evidencing that grant funds expended to date were for eligible activities. However, our review disclosed that adequate documentation was not always submitted to support the grant funds requested. For example, canceled checks were frequently submitted without the underlying supporting documentation (e.g., invoices). Additionally, documentation supporting the purpose of the community revitalization or economic development activity funded by the grant was not always maintained or provided to the grantor agency as required by the grant agreements.

**We recommend that documentation supporting the community revitalization or economic development activity funded by the grant be maintained and reported to the grantor agency as required by the grant agreements.**

#### Management Fees

**4. Documentation supporting certain management fees totaling \$5,000 was not maintained.**

On July 1, 1991, ERCCO contracted with the Essex Middle River Chamber of Commerce (the Chamber) to provide certain management services (e.g., accounting and record keeping services). During the period July 1, 1997 through January 31, 1998, ERCCO paid \$5,000 in management fees to the Chamber. However, our review

disclosed that documentation supporting the services provided by the Chamber to ERCCO was not maintained. For example, we noted that accounting records (e.g., check registers, bank reconciliations, general ledgers) were not maintained. Consequently, we were unable to determine the propriety of the disbursements to the Chamber.

**We recommend that documentation supporting the services provided under management agreements be maintained and retained for audit verification.**

## Telephone Charges

### **5. Documentation supporting the business purpose for all long distance telephone calls was not maintained.**

Our review of telephone expenditures, which totaled \$2,210 for the period under review, disclosed numerous long distance telephone charges for which documentation supporting the business purpose of the calls was not maintained. We were advised that many of these calls related to the business affairs of the Chamber. Although we noted reimbursements from the Chamber totaling \$284, documentation was not maintained to determine that all long distance telephone charges relating to the business affairs of the Chamber were properly reimbursed.

**We recommend that documentation supporting the business purpose of all long distance telephone calls be maintained. We further recommend that all long distance telephone calls unrelated to the business affairs of ERCCO be properly reimbursed.**

## **Audit Scope, Objectives and Methodology**

We audited the Essex Revitalization Community Corporation (ERCCO), a non-profit organization, for the period July 1, 1997 through November 23, 1998. The audit was conducted in accordance with generally accepted government auditing standards.

Pursuant to the authority contained in the Baltimore County Charter, Section 311, the objectives of this audit were to examine ERCCO's financial transactions, records and internal controls, and to evaluate its compliance with County grant requirements and applicable laws, rules and regulations. In planning and conducting our audit, we focused on the entity's financial operations.

Our audit procedures included inquiries of appropriate personnel, inspection of documents and records, and observations of ERCCO's operations. We also tested transactions and performed other auditing procedures as we considered necessary in the circumstances to achieve our objectives.

The management of ERCCO is responsible for establishing and maintaining an adequate internal control structure. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded and that transactions are processed in accordance with management's authorization and properly recorded. Because of inherent limitations in any internal control structure, errors or fraud may nevertheless occur and not be detected. Compliance with County grant requirements and applicable laws, rules and regulations is also the responsibility of ERCCO's management.

Our reports on fiscal compliance are designed to assist the Baltimore County Council in exercising its legislative oversight function and to provide constructive recommendations for improving auditee operations. As a result, our reports do not address activities we reviewed that may be functioning properly.

This report includes findings and recommendations relating to conditions that we consider to be significant deficiencies in the design or operation of the internal control structure that could adversely affect ERCCO's ability to safeguard its assets or properly record authorized transactions. This report also includes findings and recommendations relating to instances of noncompliance with County grant requirements or applicable laws, rules or regulations.

May 3, 1999

Mr. Brian J. Rowe, CPA  
County Auditor  
Office of the County Auditor  
Courthouse - Room 221  
Towson, Maryland 21204

Dear Mr. Rowe:

As requested in your letter dated April 16, 1999 we, the Board of Directors of the Essex Revitalization Community Corporation respectfully submit the attached response to be included as an appendix to the final report.

Essex Revitalization Community Corporation (ERCCO), formerly the Essex Development Corporation (EDCO), has been in existence since May 3, 1979. The role this organization has played over the past 20 years has changed slightly to accommodate the changing needs of the business, residential community and budget constraints. Funding from Governmental Agencies in the 1980's was in excess of \$32,000 per year allowing this organization to employ a degreed full-time Executive Director to manage our business affairs and promote revitalization. In 1989 or 1990, the then County Executive [REDACTED], asked our permission to convert our Executive Director, [REDACTED], to a county employee with the responsibility of overseeing all county revitalization organizations. As funding continued to dwindle, Mr. [REDACTED] took the position of Town Manager in Martinsburg, West Virginia.

In the early 1990's, faced with insufficient revenue to employ our own executive director, EDCO contracted with the Essex Middle River Chamber of Commerce to have their executive Director, [REDACTED], act in the capacity of business manager. The fee was \$10,000 per year paid monthly. This relationship continued until late 1997, when former Councilman [REDACTED] insisted we sever ties with the Chamber and proceed on our own. The decision to split from the Chamber required relocating our office, furnishings, files and telephones. Councilman [REDACTED] believed, as a result of his involvement in the Essex Community, that ERCCO was a very important part of it's revitalization process and should be independent of all other organizations.

In September, 1997, ERCCO decided it must breath new life into itself and the Essex Community and created a part time Community/Business Liaison position . The purpose of this position was to act as a "sparkplug" and ignite enthusiasm and work to reinvigorate our community. [REDACTED], a long-time resident and community activist was hired to work twenty hours per week.

In the early part of 1998, a re-newed sense of pride and excitement was beginning to spread in our community and Councilman [REDACTED] saw tangible evidence of improvement. He requested \$10,000 seed funding to help ERCCO continue in its worthy efforts and to help insure it would continue as an advocate for the ESSEX Community. The ERCCO Board of Directors and it's Community Business Liaison have hosted dozens of

1015A Old Eastern Avenue  
Essex, Maryland 21221

Phone: (410) 697-0090

business and community events since September 1997. They include summer-long clean-up of the 400 and 500 blocks of Eastern Boulevard, concerts at Cox' Point Park, Community meetings at the Essex Senior Center the third Thursday of each month as examples. This organization has been instrumental in the development of a new Royal Farm Store, the purchase of the vacant Flemming and Sheeley building, the purchase of a 100'x145' parking lot that will permit the rehabilitating of another building and much more. All in the Essex revitalization district. Our "sparkplug" has been very active and has given considerable assistance to the State Highway Administration's Beautification Project slated to begin July 7, 1999.

Much has been accomplished in the Essex community with the aid of the Baltimore County government, but much remains to be done. We are thankful for the funding we have received over the years and our Board of Directors are committed to insure maximum benefits are derived from all revenue received, no matter the source.

In our response to the Baltimore County compliance audit, we are submitting copies of grant requests, changes and other material for your review. As stated under the Audit Scope, Objective and Methodology section of the audit review, paragraph five, the auditors stated "reports do not address activities we reviewed that may be functioning properly". ERCCO has much to be proud of and the business and residential community of Essex will attest to this. We look forward to the opportunity to discuss any of the information submitted, as well as any other issues that would be beneficial to our organization and the Essex Community.

Sincerely,

The Board of Directors of the Essex Revitalization Community Corporation

**#1: Disbursements:**

**Payroll expenses totaling \$15,667:**

**Employee, [REDACTED], was contracted as a part time employee (20 hour per week) at a salary of \$300. Her daily duties are determined by the needs of Essex business, residential, and educational community and overseen by the ERCCO Board of Directors.**

- Daily contact is made with one or more of the ERCCO Executive Board Members**
- ERCCO activities are reported to both of the local newspapers each week by said employee.**
- Verbal report is given to all Board members and is reflected in meeting minutes each month.**
- A community meeting is held each month at the Essex Senior Center serving as an informational forum for the business and residential community. All ERCCO activities are discussed and future plans are announced.**

**The ERCCO Board feels the system that they have designed to monitor this employee, far exceeds normal business practice.**

**This employees' log book serves as a "time sheet" and was offered to the audit committee as evidence of work that she performs. Community situations arise and she extends her day to include the unexpected, often in excess of 60 hours per week. Her commitment to the Essex community is considered an asset to our Corporation and this community.**

**Disbursements of \$500 or more lacking two signatures:**

**This was an oversight on the part of the ERCCO Board of Directors. Monthly board meetings serve as the venue to pay bills. The two signatures required for these transactions could have been taken care of by passing the checkbook across the board room table, this was purely an oversight and will not happen again.**

**#2: Eligible Activities:**

**Christmas Tree Lighting Ceremony:**

**Grant funds being reassigned to other projects (Christmas Tree Lighting, Ombudsman position, trash can replacement, etc.) were confirmed in [REDACTED] presence, verbally between former ERCCO Executive Director, [REDACTED] and former Economic Development representative, [REDACTED],**

during a monthly CRAG (Community Revitalization Action Group) meeting held at Towson Business Association. This alteration of funds became an issue as we applied for the final installment of that particular grant. Please look over the attached memos sent to both [REDACTED] and [REDACTED], Balto. Co. Finance, which severed as written notice of the agreed to changes. Mr. [REDACTED] issuance of the final portion of this grant implied that ERCCO had indeed met county grant requirements. Since, no further information was requested, and the final check was in fact issued ERCCO felt as though it had met all requirements.

Christmas Dinner for Board Members and their spouses:

This dinner took place during our regularly scheduled board meeting. The location of this meeting was held at the home of then President, [REDACTED], due to our displacement of ERCCO from the Chamber office. All expenses and cooking for this dinner was done by employee, [REDACTED], on her own time not knowing if reimbursement would be forthcoming. This reimbursement was able to take place in April of the next year, not taken from county funds but from a board member's generous donation.

In the future, ERCCO will obtain prior written approval for any changes in eligible activities or project budgets. ERCCO plans to establish a separate checking account in which to deposit only Baltimore County Grant funds therefore avoiding any confusion in the future.

### # 3 Requests for grant funds not always supported by adequate documentation.

Councilman [REDACTED] requested this audit in fall of 1998 without any prior notification to ERCCO or it's board members. ERCCO was immersing from major organizational changes and yet another shift of office location (as recommended by [REDACTED], Councilman [REDACTED]). Because of limited notice and lack of communication between auditors and ERCCO staff, not all requested files were available at the auditors first visit. The office was still in transition and certain paperwork such as event files was kept in staff drawer for upcoming use. Once communication was established and specific documents were requested from ERCCO, eight out of ten items were provided to the auditors immediately.

In the future, ERCCO will maintain detailed documentation evidencing the eligible activities funded, and supporting the purpose for which the funds are awarded.

**#4 Management Fees:**

This preface to this inquiry is detailed in the cover letter.

A letter requesting invoices from [REDACTED] was sent to the Essex Middle River Chamber of Commerce directing them to forward the requested information. Mr. [REDACTED] retired some time ago and just buried his spouse of many years, his availability to respond to a request such as this may not be a priority at this time. Again, we must reiterate that the separation of Essex Revitalization Community Corporation and the Essex Middle River Chamber of Commerce was done at the request of then Councilman [REDACTED].

**#5 Telephone Charges:**

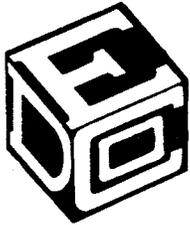
Documentation supporting the business purposes for all ong distance telephone calls was not maintained.

Please see the attached breakdown of 15 of the 17 months of telephone charges reviewed. Total telephone charges of \$1653.25 for the 15 months displayed indicated that less than 10% of the charges were long distance and this amount does not seem to warrant the term numerous. The Baltimore County audit team did ask for justification of one long distance call to Colorado - this call was in the amount of .38, it was place to inquire about skateboard facilities for the children of this community. The auditor seemed fine with this confirmation.

We, as a Board, hope that you take the time to thoroughly read this document and it's attachments. This audit has taken six months of precious time from our organization and energy that could have been channeled into business and community efforts. We, as a Board, have learned from this experience and will implement the above to insure internal consistency.

**ESSEX DEVELOPMENT CORPORATION**

439 Eastern Blvd. • Essex, Md. 21221 • 687-9080



**MEMORANDUM**

**TO:** [REDACTED]  
*Department of Community Conservation*

**FROM:** [REDACTED]  
*Business Manager*

**SUBJECT:** *Clarification of Grant Request*

**DATE:** *June 26, 1996*

.....

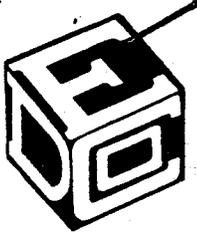
*The portion of the Essex Development Corporation Grant Request covering the "Good Will Ambassador" for fiscal year 1997 is clarified as follows:*

- The amount requested for this portion of the grant is \$3,000.00.*
- 20% of the Grant will be used to cover administrative expense.*
- The remaining \$2,400.00 will be used to compensate an individual whose sole responsibility will be to visit/call the businesses/property owners to deliver information to and determine questions and concerns of those business and property owners. Some administrative duties would be included in his/her responsibilities, supervision would be by the Business Manager in cooperation with the Board of Directors.*
- This individual would work part-time and could be an intern from local community colleges or someone from the Essex area.*
- The individual would be compensated at a rate of \$8.00 per hour. The individual would be expected to be available four hours per day for approximately thirty-seven weeks in twelve months.*

*I hope this is what you need. Questions?? Call me at 687-9080 or 686-2233.*

*Thank you for your cooperation and assistance.*





# ESSEX DEVELOPMENT CORPORATION

439 Eastern Blvd. • Essex, Md. 21221 • 687-9080

16

Ms. [REDACTED]  
Baltimore County  
Department of Economic Development  
400 Washington Avenue  
Towson, Maryland 21204

Good Morning [REDACTED]!

December 30, 1997

This is a request for reimbursement as provided under the terms of the project grant #M7352-7. The original amount of the grant package was \$10,000; \$5,000 was paid to the Essex Development Corporation on or about July 22, 1997. This request is for the final half of the grant:

\$5,000

This grant was broken down into four activities. I shall address these activities in no particular order.

The "GOOD WILL AMBASSADOR" to the business community has been very successful. A person has been hired and as a result, the Essex Revitalization Data Base is progressing well and should be completed within two months. This activity provided valuable awareness in the area of what Essex Revitalization Community Corporation (ERCCO), trade name of Essex Development Corporation is doing.

All of the \$3,000 for this activity has been disbursed:

Employee ([REDACTED])	\$2,400.00
Administrative Expenses (Essex-Middle River Chamber of Commerce)	<u>\$ 600.00</u>

Total \$3,000.00

(See attached salary information and invoice - Attachment A & B).

The "GATEWAY PROJECTS" have been accomplished by use of "in-kind" donations and purchases of product:

Labor	\$3,270.00
Material & Equipment	529.33
Supervision	500.00
Administrative Expenses	<u>300.00</u>

Total \$4,599.33

(See attached salary information, invoices, and "in-kind" summary sheets - Attachment A, B, & C).



The "MARKETING" of ongoing projects is an ongoing effort. The primary marketing project for both the Essex Revitalization area and the ERCCO organization itself is the Community Christmas Tree Lighting Ceremony. Much time and effort went into that activity. The amount in the grant is \$1,500. As you can see from the listed expenses, the cost is far more than that. This event is the best thing that has happened in and to the Essex business and residential community in over a decade.

The costs are:

<b>Material</b>	
-purchased	\$2,300.54
-donated	779.45
<b>Services</b>	5,000.00
<b>Supervision</b>	1,200.00
<b>Administrative Expenses</b>	500.00
<b><u>Total</u></b>	<b><u>\$9,797.99</u></b>

The Tree Lighting Ceremony drew between 800 and 1,000 people, the largest crowd in the event's twenty-two year history.

(See attached "in-kind" summary sheet, salary information, invoices, and receipts, etc. - Attachments A, B, D, & E).

The "TRASH CAN/LINER" activity has not yet been started. Baltimore County has indicated they will be stocking replacement liners for the trash cans in questions. The Board of ERCCO feels it best to wait with this activity for two reasons,

- 1.) The actual replacement needs to be coordinated with Baltimore County to insure the compatibility of any new cans with the available liners.
- 2.) The most important activities ERCCO has right now, are the business "Good Will Ambassador" and the marketing program, the Community Tree Lighting Ceremony.

In lieu of number two, the Board of Directors respectfully requests that the \$3,000 originally slated for the trash cans and liners be reallocated to cover the additional expenses incurred for the "Good Will Ambassador" and the Tree Lighting Ceremony, \$1200 to complete the Essex Data Base and \$1800 for the Tree Lighting Ceremony.

Page 3

*It is the intention of the ERCCO Board to continue both programs. By granting the requested reallocation, these two important programs would continue, allowing ERCCO the time needed to build on these programs and develop a revenue stream of donations and grant money needed to perpetuate both the "Good Will Ambassador" and the Tree Lighting Ceremony, allowing these two initiatives to become self-supporting.*

*The ERCCO Board would deeply appreciate your cooperation in this matter.  
Thank You!!*

*Sincerely,*

  
*Business Manager*

MEMO TO: [REDACTED]

FROM: [REDACTED]

Essex Development Corporation

DATE:

March 5, 1998

RE:

Justification of 1997 Economic Development Grant- 2nd portion

---

I hope the following will be of assistance, during the final decision process for the second portion of the 1997 grant (M7352-7) allocation.

Essex has, for some time, needed an individual to breathe life back into this tired community. I have made every attempt to do this with each and every project that I have pursued. **It is working!**

The Essex Christmas Tree Lighting Ceremony has normally drawn a crowd of 200-300 individuals. I decided to change the approach to this "Community" event, in December 1997. I recruited volunteers from every age group, which I believed would help the event to become more successful. **It worked!** The turn out was between 500 and 800, a far cry from years past. This increase in the crowd had only one drawback, funding. Myself and two other ERCCO board members solicited local businesses and brought in what we thought would cover the necessities. This was one of our most aggressive marketing attempts to date.

The Good Will Ambassador position that I have assumed is sorely needed in this area. For many years this community has had no inspiration, no "Pied Piper".

**During the past few months:**

1. I have given my time to work with a group of Outward Bound youth to replant the gardens and under all trees in the 400/500 block of Eastern Boulevard. I solicited plant donations from area businesses and the project was completed. Many of the daffodils are blooming as I write this memo.
2. The Christmas Tree Festival was an exhausting event, publicity, tree acquisition, set up, decoration, removal of decorations, repackaging and repairing ornaments, and providing a complete written inventory of all was done. The Essex Christmas Tree would have displayed only 28 cracked balls had this not become a community project. Elf costumes (19) were handmade at our local senior center by volunteers. Community residents came together in a positive way for the first time in many years. This was needed in this community. All decorations are the property of ERCCO and will be used in this community for many years to come.

1015 A. Old Eastern Avenue, Essex Maryland 21221  
410-687-9080

The cost of next years festival should be much less as a result of our extra effort this year.

The Redwood Trash receptacles are being scrutinized to see which ones will need repairs and which ones will need replacement liners. According to #1, page 2 of the 12/31/97 M7352-7 grant, the liner replacement effort must be coordinated with Baltimore County, who has stated that this item is out of stock.

Referring to #2, page 2 of 12/31/97 - M7352-7 grant, Mr. [REDACTED] made a request to utilize the Can/Liner portion of the grant to cover additional expenses incurred for the "Good Will Ambassador" and the "1997 Tree Lighting Ceremony".

The Good Will Ambassador position also requires the completion of the Essex Data Base. I have delivered surveys to 75% of all Essex businesses, and am currently in the process of setting up the database using Windows 95 based contact management software. Data captured from these surveys will be used to issue a Business to Business Newsletter, chart vacant buildings within the business district so that we might attempt to lure "appropriate" businesses to this area. We are in the process of creating a Master Plan to assist us with future planning for our community.

The question posed to me on the phone last week was:  
**How will this money be distributed?**

ERCCO has one outstanding bill from the Christmas Tree Lighting that must be paid. Database completion and the continuation of the Good Will Ambassador position is a must for this community.

I hope that the above provides you with enough information about ERCCO and it's current plans, to permit the release of the 1997 funds.

The 1998 Economic Development Grant was requested on behalf of ERCCO by me. I have already hosted ERCCO's first business seminar on Wednesday, February 25, 1998. It was a huge success, (see attached) [REDACTED] ([REDACTED] aide) was present. This seminar had to take place immediately, due to the zoning sweep that upset many of our local business owners. I am attaching a copy of the invitation so that you can see the topics covered.

I am committed to making this community the best that it can be. I have also successfully completed the first CRAG Fan Fare Tour. (see attached) This tour provided ERCCO with an outside opinion of our "town" and the opportunity to improve it in a way that this community can be proud.

Should you have any additional questions, please feel free to contact me at 410-687-9080 or at home [REDACTED]. Please note that ERCCO has recently moved it's office.

CHECK NO. 445561

PAYMENT VOUCHER

VENDOR INVOICE NO. 445561

AMOUNT 5,000.00

DP751912

TOTAL \*\*\*\*\*5,000.00

DISBURSEMENT ACCOUNT

CHECK NO. 445561

AMOUNT OF CHECK \*\*\*\*\*5,000.00

THIS IS NOT A CHECK

Baltimore County, Maryland  
Towson, MD. 21204

DATE 03-27-98  
FOR 30 DAYS FROM ABOVE DATE

PAY TO THE ORDER OF ESSEX DEVELOPMENT CORP  
FIVE THOUSAND 00/100 DOLLARS  
439 EASTERN BLVD  
BALTIMORE, MD 21221

TO THE ORDER OF  
FIRST NATIONAL BANK  
BALTIMORE, MARYLAND

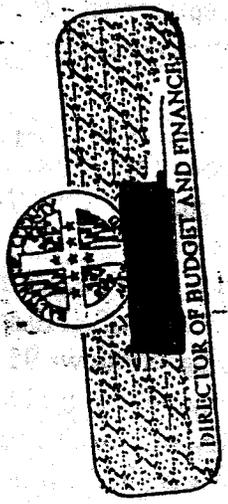
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520

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145561

Deposited -



Audit time span: July 1, 1997 thru November 23, 1998.

Telephone expenses:

Month	Total monthly fee	Long Distance Charges	Taxes/Misc. charges
July 97			
August 97			
September 97			
October 97	\$149.53	\$56.64	\$7.10
November 97	\$102.49	\$10.66	\$7.03
December 97	\$88.85	\$ 5.97	\$6.37
January 98	\$78.44	\$ 6.10	\$5.27
February 98	\$98.11	\$10.74	\$6.66
March 98	\$93.65	\$15.42	\$5.85
April 98	\$390.94	\$ .33	\$9.18
	<b><u>\$298.79 fee to relocate, wire and activate 687-9080/687-9044</u></b>		
May 98	\$97.39	\$ 0	\$9.45
June 98	\$96.53	\$ 8.81	\$8.20
July 98	\$102.36	\$5.45	\$ 9.12

August 98	\$100.62	\$4.55	\$ 8.36
	<b><u>\$4.97 -extended from last bill</u></b>		
September 98	\$108.17	\$12.32	\$ 9.16
October 98	\$111.35	\$12.38	\$ 9.43
November 98	\$124.92	\$ 8.77	\$11.36
	*****		
<b># of months:</b>	<b>Total bill:</b>	<b>Long Dist. Charges</b>	<b>Taxes/Misc. Expenses</b>
14	\$1653.25	\$158.14	\$112.54

**Percentage of long distance charges during this period - 10.45**