



February 8, 2023

The Honorable Members of the Senate Budget and Taxation Committee
The Honorable Members of the Senate Education, Health, and Environmental Affairs Committee
Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401 - 1991

The Honorable Members of Members of the House Appropriations Committee
The Honorable Members of the House Environment and Transportation Committee
House Office Building
6 Bladen Street
Annapolis, MD 21401

The Honorable County Executive Steuart Pittman
The Honorable Members of the County Council
Anne Arundel County
44 Calvert Street
Annapolis, MD 21401

The Honorable Mayor Gavin Buckley
The Honorable Members of the City Council
City of Annapolis
160 Duke of Gloucester Street
Annapolis, MD 21401

RE: The Resilience Authority of Annapolis and Anne Arundel County, Inc. - Annual Report

Dear Members of the Senate Budget and Taxation Committee; Members of the Senate Education, Health, and Environmental Affairs Committee; Members of the House Appropriations Committee; Members of the House Environment and Transportation Committee; County Executive Pittman, Members of the County Council, Mayor Buckley, and Members of the City Council:

Pursuant to the Code of Maryland, Local Government Article, § 22-113, the Anne Arundel County Code, § 3-8A-113(A), and the Annapolis, MD Code of Ordinances § 2.58.110, the Resilience Authority of Annapolis and Anne Arundel County, Inc. (the Resilience Authority) is required to

provide to you, by January 1 of each year, an annual report on the activities and financial position of the Resilience Authority during the prior calendar year. The annual report must include audited financial statements, a description of the resilience infrastructure projects funded, and the sources of revenue for the resilience infrastructure projects undertaken by the Resilience Authority.

This report is provided to you pursuant to those requirements.

Update on audited financial statements: The Resilience Authority has retained SB & Company to audit the Resilience Authority's Basic Financial Statements as of and for the year ended December 31, 2022, as required by § 3-8A-113(A) of the County Code and § 2.58.110 of the City Code.

It is not possible, however, to provide to you by January 1 an audit of the prior calendar year's activity that ended only the day before on December 31.

The Resilience Authority will provide the December 31, 2022 audited financial statements to you as soon as SB & Company has released their report and presented it to the Resilience Authority's Board of Directors. We anticipate you will receive this report no later than April 30, 2023.

Additionally, as the Resilience Authority's mandated December 31 year end is out of sync with the City's and County's June 30 fiscal year end, the Resilience Authority intends to ask the County and City government to amend their respective codes to require the Resilience Authority to submit by January 1 of each year audited financial statements for the preceding fiscal year ending June 30.

Description of the resilience infrastructure projects funded by the Authority and the sources of revenue for the resilience infrastructure projects undertaken by the Authority: The Resilience Authority did not fund or undertake any infrastructure projects in calendar year 2022.

Programmatic and operational update. Below is a summary of activities and accomplishments of the Resilience Authority for calendar year 2022. The summary of activities is organized around the core components of the Resilience Authority's administrative and programmatic processes: institutional and governance processes; project portfolio; revenue planning; and financing mechanisms.

Institutional and Governance Processes: The Resilience Authority of Annapolis and Anne Arundel County, Inc. was incorporated in the State of Maryland on June 30, 2022. Since incorporation, the organization has established the administrative, governance, and financial systems and processes necessary to achieve its mission. This includes seating a permanent board of directors appointed by the Anne Arundel County Executive and the Mayor of Annapolis; the County Executive appointing Matthew Fleming as the Authority's first Resilience Authority Director; adopting the organization's bylaws; establishing banking and accounting capacity and processes; and adopting standard operating procedures for procurement.

Create a resilience project portfolio: The Resilience Authority's management team worked in partnership with County and City staff to identify resilience infrastructure needs and opportunities across the region. This resulted in the development and implementation of a Request for Qualifications and Information (RFQ-I), setting the stage for more extensive and formal engagement with contractors in the near future.

Establish a revenue plan: The Resilience Authority's short-term priority has been to effectively position the organization to take advantage of federal funding programs, specifically those associated with the Bipartisan Infrastructure Law (BIL). To that end, we have created a thorough inventory of the funding opportunities included in the BIL and have begun prioritizing specific funding opportunities. We are in the process of implementing a similar process associated with the Inflation Reduction Act, focusing specifically on the green banking provisions and opportunities. Though grant funding represents the most immediate opportunity and component of the Resilience Authority's revenue plan, the management team has begun analyzing long-term revenue options that will serve as the foundation of infrastructure investments in the future.

Financing mechanisms: Finally, the management team has been setting the stage for establishing innovative and comprehensive financing processes and systems. This begins with ensuring appropriate oversight and management systems/processes. To that end, we engaged a financing consultant to develop standard operating procedures associated with debt financing and public/private partnerships, which will likely be two core components of the Resilience Authority's financing systems in the future.

We will provide you with the audited financial statements upon completion of the audit. In the interim, please do not hesitate to contact me with any questions at 443.370.6951 or by email at matthew.fleming@aacounty.org

Respectfully,



Matthew Fleming, Director

The Resilience Authority of Annapolis and Anne Arundel County

Attachments:

- [*The Resilience Authority of Annapolis and Anne Arundel County's Board of Directors*](#)

Resilience Authority Board of Directors (October 2022)

Anne Arundel	Occupation	Contact
Jamie Benoit	Chairman and CEO, Information Analysis, Inc	Jb@orientteerglobal.com 443-527-4782
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Chris Trumbauer	Senior Policy Advisor to the County Executive Budget Officer	extrum99@aacounty.org 410-222-1083
Staff	Occupation	Contact
Matthew Fleming	Director, Resilience Authority of Annapolis and Anne Arundel County	exflem23@aacounty.org 442-370-6951