



July 28, 2023

Winston Dunkley, Chairman of the Board
Oyster Harbor Citizen's Association, Inc.
P.O. Box 3174
Annapolis, MD 21403-0174

Re: Anne Arundel County Audit Department's Request for a Forensic Accounting of Oyster Harbor's Piers and Harbors Account at PNC Bank from Inception to June 30, 2022

Dear Mr. Dunkley,

Stout has been engaged by the Oyster Harbor Citizen's Association ("OHCA") Board of Directors to provide consulting services in connection with the above referenced matter. As part of our engagement, the OHCA Board of Directors has asked me to respond to Anne Arundel County's request for a forensic accounting of the historical activity in one of OHCA's bank accounts.

I previously issued a preliminary report dated June 30, 2023 summarizing the steps I had taken and the preliminary findings of my analysis. Subsequent to that initial report, I had discussions with many of the individuals on the OHCA Board of Directors regarding my preliminary findings. I have updated my findings to incorporate the additional information and input obtained during those discussions. My updated preliminary findings are attached as Revised Schedule B. Based on my revised figures, \$105,767 of expenditures are consistent with SCBD requirements, \$64,925 are consistent with community spending, and the remaining \$181,528 in expenditures are questionable expenses.

Information Required to Complete Work

Even after revising my preliminary figures, many outstanding documents are still required to complete the forensic accounting. Specifically, the following documents are still needed:

1. All vouchers that were submitted to OHCA for payment out of the P&H Account from October 11, 2016 to June 30, 2022 and how they were related to the SCBD or community purposes, including all receipts.
2. An explanation of each of the ACH payments, debit card purchases, and checks made out of the P&H Account - who they were to and what they were for during the period from October 11, 2016 to June 30, 2022 and how they were related to the SCBD or community purposes.
3. An explanation of each of the cash withdrawals made out of the P&H Account and how they were related to the SCBD or community purposes along with receipts documenting how the cash was spent from October 11, 2016 to June 30, 2022.
4. Copies of all of the deposited checks to the P&H Account from October 11, 2016 to June 30, 2022.
5. Statements detailing the historical transaction activity in any PayPal account that deposited money to the P&H Account from October 11, 2016 to June 30, 2022.
6. The log-in credentials, name, and shipping/billing address for any Amazon account that was being used for purchases and charges out of the P&H Account from October 11, 2016 to June 30, 2022.
7. The Comcast account name and the number of the account that was being paid for out of the P&H Account from October 11, 2016 to June 30, 2022 and what address the equipment was located at for the account.

Additional information is also still required to answer the following questions which have arisen from the



review of the expenditures:

1. Are there additional expenditures running through one or more PayPal accounts that also need to be examined?
2. Are the \$40,000 payment to Stewart Anderson and payments to other individuals referencing dock work related to maintenance of the community areas or to an unauthorized use, such as the “illegal mulch path”?¹
3. OHCA’s internet service has been paid out of the Truist accounts. What Comcast and Verizon bills were paid from the P&H Account and are these an authorized use of funds?
4. Many questionable expenditures relate to STEM programs (e.g., Hillsmere Elementary School PTA). Are payments for such programs an acceptable use of non-SCBD funds?
5. Are the \$11,828 and \$8,849 in payments to Mr. Epstein and Ms. Harrison, respectively, *bona fide* reimbursements for authorized expenses? What specific expenses are these payments reimbursements for?
6. What services did Ms. Catherine Hill provide and is the creation of a community song an authorized use of funds?
7. Are various payments to boat supply companies related to community boats and an authorized use of funds?
8. There are numerous payments for IT services or for specialized software solutions (e.g., DH Technology). Why were these services required and is spending on such services an authorized use of funds?
9. The P&H Account incurred 17 overdraft fees and continuous overdraft charges totaling \$647. Is the incurring of these fees consistent with proper management of OHCA’s bank accounts and an authorized use of funds?

The ultimate findings of my analysis are subject to change if additional documents and information relating to the foregoing become available for my review.

Sincerely,

Joseph S. Estabrook, CPA/ABV/CFF, ASA
Managing Director

¹ <https://www.oysterharbor.org/whats-going-on-with-mde-violation-notice-at-the-end-of-cross-road-in-oyster-harbor/>

Oyster Harbor Citizen's Association
Preliminary Grouping of Expenses

Revised Schedule B

	[a]	[b]	[c]	[d]	[e]
	Recipient	Preliminary Determination	Comments	Transaction Count	Total Expended
1	B&G Electric	SCBD Consistent	Payments for electric work for the beech and pier. Pump-outs.	13	\$ 33,988
2	George Watkins	SCBD Consistent	Payments for electric work and gate installation.	13	18,612
3	Baltimore Gas	SCBD Consistent	Utilities for community areas	169	8,923
4	Anne Arundel County	SCBD Consistent	Payments to Department of Public Works for permits, pump-outs, and other maintenance.	37	5,544
5	Marine Electric Systems	SCBD Consistent	Maintenance of community areas	1	4,202
6	Tom Deming	SCBD Consistent	Provided legal services relating to a variance.	2	3,976
7	BuildASign	SCBD Consistent	Maintenance and repair of street signs	19	3,017
8	William Jenkins	SCBD Consistent	Work done on docs.	2	2,876
9	Michael Matthews	SCBD Consistent	Water delivery charges for dog and foot wash.	15	2,860
10	Citrix Systems Inc	SCBD Consistent	Administrative expenses. Related to Podio license.	8	2,374
11	Memphis Net & Twine	SCBD Consistent	Jelly fish net for community.	1	2,054
12	Land Vision Inc	SCBD Consistent	Related to pier variance.	1	1,500
13	SR Marine	SCBD Consistent	Dock work	1	1,500
14	Bona Terra LLC	SCBD Consistent	Plant nursery. Maintenance of community areas.	1	1,435
15	Gate Depot	SCBD Consistent	Purchase of community gate	2	1,200
16	Poophappens, LLC	SCBD Consistent	Maintenance of community areas	4	1,040
17	K & B True Value	SCBD Consistent	Maintenance of community areas	15	968
18	Bank Fees	SCBD Consistent	Administrative expenses	81	847
19	Meraki Inc	SCBD Consistent	Router for cameras in fishing creek pier.	1	752
20	Lucas Duran	SCBD Consistent	Repair work. Maintenance of community areas.	1	750
21	Steve Uhtoff	SCBD Consistent	Repair work	1	695
22	Patty Jenkins	SCBD Consistent	Pier wood. Maintenance of community areas.	1	694
23	Bru-Mar Gardens Nursery	SCBD Consistent	Plant nursery. Maintenance of community areas.	2	691
24	Ring	SCBD Consistent	Security camera for community areas	2	545
25	StoreYourBoard	SCBD Consistent	Community paddle board.	1	540
26	Luciana Merry-Browd	SCBD Consistent	Mooring ball. Maintenance of community areas.	1	500
27	Home Depot	SCBD Consistent	Maintenance of community areas	3	478
28	Quantum Sail Design	SCBD Consistent	Community volleyball net.	1	368
29	Mosaic Data Services	SCBD Consistent	Web hosting. Administrative expenses.	2	360
30	Garrett Greenwell	SCBD Consistent	Repair work	1	324
31	Maverick Label	SCBD Consistent	Office supplies and mailings.	1	303
32	Squarespace Inc	SCBD Consistent	Website configuration. Administrative expenses.	1	293
33	Stratus Information Systems	SCBD Consistent	Related to camera for fishing shed.	1	264
34	Office Depot	SCBD Consistent	Administrative expenses.	2	241
35	Tariq Jamal	SCBD Consistent	Boat ramp and fishing pier repairs.	1	228
36	Harbor Diving & Salvage	SCBD Consistent	Maintenance of community areas	1	210
37	Rands Transport	SCBD Consistent	Water delivery for foot and dog wash.	1	180
38	Fedex	SCBD Consistent	Administrative expenses	1	147
39	Constant Contact	SCBD Consistent	Administrative expenses	1	128
40	FastSigns	SCBD Consistent	Maintenance and repair of street signs	1	115
41	American Meadows	SCBD Consistent	Seed supplier. Maintenance of community areas.	1	47
42	Subtotal - Expenditures Consistent with SCBD Requirements				105,767
43	Stanley Dukes Catering	Other Community Expenses	Community event food and beverage	9	37,957
44	Wine Cellar of Annapolis	Other Community Expenses	Community event food and beverage	19	12,770
45	Rick Lichty	Other Community Expenses	Music	4	2,300
46	Bay Ridge Wine & Spirits	Other Community Expenses	Community event food and beverage	4	1,344
47	Mark Nooney	Other Community Expenses	Music	1	1,100

Oyster Harbor Citizen's Association
Preliminary Grouping of Expenses

Revised Schedule B

[a]	[b]	[c]	[d]	[e]	
Recipient	Preliminary Determination	Comments	Transaction Count	Total Expended	
48	Giant	Other Community Expenses	Community event food and beverage	13	1,094
49	Little Free Library	Other Community Expenses	Community library	1	1,083
50	The Gateway Florist	Other Community Expenses	Community benevolence	9	838
51	Roccas Pizzeria	Other Community Expenses	Community event food and beverage	4	832
52	Calvin Kidd	Other Community Expenses	Reimbursement for crabs	1	805
53	Diskman Rich	Other Community Expenses	Music	1	700
54	Annapolis Performance Sailing	Other Community Expenses	Boat supply company	3	664
55	Sharon O'Neil	Other Community Expenses	Reimbursement to board member	2	564
56	Ann Rohrbach	Other Community Expenses	Purchase of a community Sunfish boat	1	450
57	Zu Coffee	Other Community Expenses	Drinks for board meetings.	12	447
58	Boat Threads	Other Community Expenses	Aprons for cookoff	1	424
59	Annapolis Seafood	Other Community Expenses	Community event food and beverage	1	390
60	Mike Wierzbicki	Other Community Expenses	Reimbursements	1	233
61	Orlando Phillips	Other Community Expenses	Music	1	225
62	Kathy Schaffer	Other Community Expenses	Reimbursements for community event	1	216
63	Bryan Darr	Other Community Expenses	Reimbursement for Ledo's Pizza	1	140
64	Kelley Gordon	Other Community Expenses	Dog wash	1	140
65	Nate Finn	Other Community Expenses	Music	1	80
66	From You Flowers, LLC	Other Community Expenses	Community benevolence.	1	78
67	Doug Henderson	Other Community Expenses	Music	1	50
68	Subtotal - Expenditures Consistent with Community Spending				64,925
69	Stewart Anderson	Questionable Expenditures	Dock work	1	40,000
70	ATM Withdrawal	Questionable Expenditures	Unknown recipient and purpose.	79	35,205
71	Comcast	Questionable Expenditures	OHCA's Comcast account is paid from Truist. It is unclear who's Comcast account is being paid.	65	17,422
72	Hillsmere Elementary School PTA	Questionable Expenditures	Payments relating to STEM program	4	12,268
73	Eric Epstein	Questionable Expenditures		9	11,828
74	Amazon	Questionable Expenditures	Sundry vendor; unclear what purchases were for.	88	10,901
75	Bonnie Harrison	Questionable Expenditures		6	8,849
76	Catherine Hill	Questionable Expenditures		3	6,000
77	Fire Fly Technical Services	Questionable Expenditures	Engineer	1	3,800
78	DH Technology	Questionable Expenditures	Advanced software company	1	3,176
79	McMaster-Carr	Questionable Expenditures	Boat supplies. No receipts available for purchases.	4	2,824
80	Campworld	Questionable Expenditures	Boat and RV retailer and supply company	4	2,542
81	Rob Elwood	Questionable Expenditures		1	2,200
82	Shelia Norris	Questionable Expenditures	Payments relate to a "Lego Club"	3	2,191
83	Best Buy	Questionable Expenditures		1	1,940
84	Missing / Illegible Check Image	Questionable Expenditures	Unknown recipient and purpose.	2	1,903
85	Lego	Questionable Expenditures		3	1,443
86	Verizon	Questionable Expenditures	OHCA's Comcast account is paid from Truist. It is unclear who's Verizon account is being paid.	12	1,200
87	Boat Threads	Questionable Expenditures		1	611
88	West Marine	Questionable Expenditures	Boat supply company	6	962
89	Veterinary House Call	Questionable Expenditures	Veterinary services	3	922
90	Rico Santiago	Questionable Expenditures		1	800
91	Georgia Baker	Questionable Expenditures	Payment relates to coding club	1	600
92	Jason Haynes	Questionable Expenditures	FRC Run Donation	1	600
93	Overtons, Inc	Questionable Expenditures	Boat supply company	1	583
94	Fawcett Boat Supplies	Questionable Expenditures	Boat supply company	5	564

Oyster Harbor Citizen's Association
Preliminary Grouping of Expenses

Revised Schedule B

[a]	[b]	[c]	[d]	[e]
Recipient	Preliminary Determination	Comments	Transaction Count	Total Expended
95 James Kawinski	Questionable Expenditures		1	550
96 Joseph Butcher	Questionable Expenditures	In memory of Naomi Perry	1	500
97 Lindsey Ells	Questionable Expenditures	Payment purports to relate to a grant	1	500
98 Neverware	Questionable Expenditures	Software for Chrome book conversion	1	450
99 The Baltimore Sun	Questionable Expenditures		38	393
100 Queensboro Industries	Questionable Expenditures	Custom clothing embroidery	2	390
101 Boat Pacifico	Questionable Expenditures		1	350
102 Smithsonian African American Museum	Questionable Expenditures		2	290
103 Engineer Supply LLC	Questionable Expenditures	Engineering supply company	1	285
104 AACPS	Questionable Expenditures	Anne Arundel County Public Schools; relates to Math, Engineering, Science Achievement ("MESA") program.	1	258
105 Citizen Science Association	Questionable Expenditures		2	200
106 FlyBlocks	Questionable Expenditures		1	180
107 Society for Science	Questionable Expenditures		1	150
108 Teds Vintage Art	Questionable Expenditures		1	140
109 Clean Water Action	Questionable Expenditures	Organizer of grassroots movement for environmental issues	1	120
110 Rita's	Questionable Expenditures		1	100
111 Science Spark	Questionable Expenditures		1	100
112 Themainguy	Questionable Expenditures		1	100
113 Tammy Jamar	Questionable Expenditures		1	90
114 Diy Lettering	Questionable Expenditures		1	90
115 MakeStickers	Questionable Expenditures		1	87
116 Google	Questionable Expenditures		4	81
117 Steve Spangler Science	Questionable Expenditures		1	74
118 Haven Harbour Marina	Questionable Expenditures		1	68
119 Vin99	Questionable Expenditures		1	62
120 Explore Scientific	Questionable Expenditures		1	61
121 CuttingBoards.net	Questionable Expenditures		1	60
122 Quiet Water	Questionable Expenditures		1	54
123 Noodles & Co	Questionable Expenditures		1	54
124 REI	Questionable Expenditures		1	53
125 Landfall Navigation	Questionable Expenditures		1	46
126 Rasoi Restaurant	Questionable Expenditures		1	42
127 Whole Foods	Questionable Expenditures		1	41
128 Starbucks	Questionable Expenditures		1	25
129 Oceansanct	Questionable Expenditures		1	20
130 Gott's Court	Questionable Expenditures		2	14
131 McDonald's	Questionable Expenditures		1	7
132 International POS Fee	Questionable Expenditures		1	5
133 Vistaprint	Questionable Expenditures		1	4
134 Atlantic Towers	Questionable Expenditures	Boat supply company	2	-
135 Mallableasc	Questionable Expenditures		2	-
136 Subtotal - Questionable Expenses				181,528
137 Total Expenditures				\$ 348,119