



WASHINGTON COUNTY, MARYLAND

# FISCAL & ECONOMIC UPDATE

QUARTERLY REPORT

DECEMBER 2018

# WASHINGTON COUNTY, MARYLAND



## Washington County

M A R Y L A N D

### Inside this Report:

FINANCIAL STATISTICS 3

REVENUE TRENDS 3

SUMMARY OF MAJOR EXPENDITURE ACTIVITY 4

EMPLOYMENT DATA 5

SPENDING DATA 5

HOUSING DATA 6

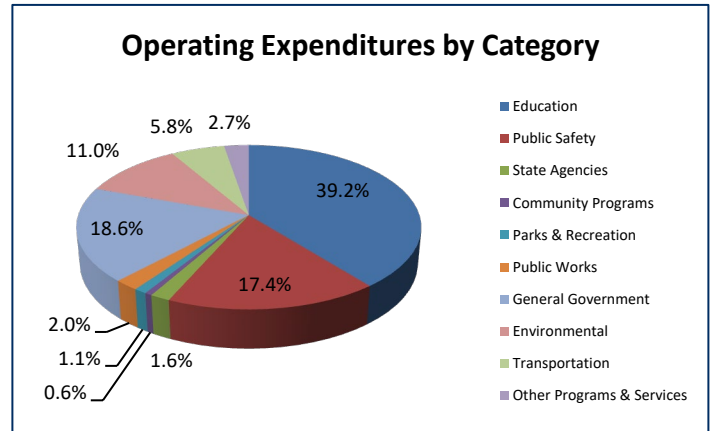
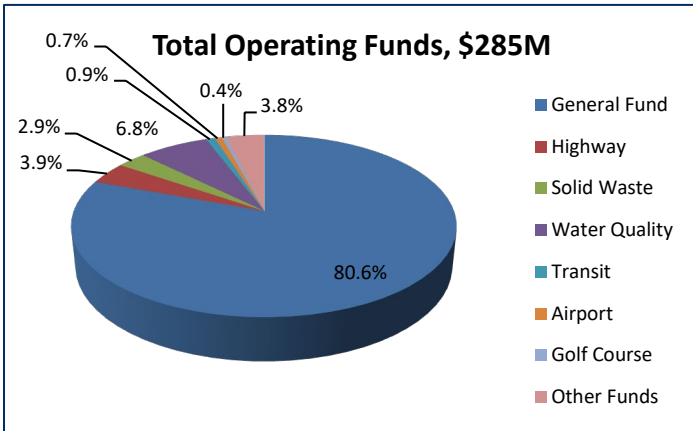
TOTAL FIXED ASSET BASE 7

Washington County is located in northwestern Maryland, bordered by Pennsylvania to the north and West Virginia to the south. It is bordered on the east by Frederick County, Maryland and on the west by Allegany County, Maryland. Washington County is approximately 70 miles from Washington, D.C. and Baltimore, Maryland. Two major highways, Interstate 81 – running north and south, and Interstate 70 – running east and west, cross within Washington County’s borders. The County is a body corporate and politic and is a mid-size, multi-service local government serving the needs of approximately 150,000 residents with nine incorporated municipalities. Under public local law both the executive and legislative functions of the County are vested in the elected, five member Board of County Commissioners of Washington County. The County Commissioners are elected on a county-wide basis and serve four-year terms. Other elected County funded positions include County Sheriff, Treasurer, and State’s Attorney.

Information provided below indicates where Washington County ranks within Maryland Counties for the services and statistics provided among 23 counties and Baltimore City for FY2017, the most recent available year.

Population Rank	11th
Property Tax per capita	20th
Per pupil local funding	18th
Expenditure per capita	23rd
Revenue per capita	23rd

## FINANCIAL STATS

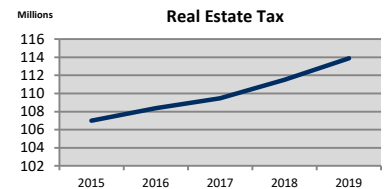


Washington County will spend approximately \$285 million annually on public services in FY2019. The General Fund budget represents the County's largest fund at \$230 million. Major revenues that make up the General Fund budget are Property Tax, Local Income Tax, Other Local Taxes including Recordation Tax, Service Fees, and Intergovernmental Grants. General Fund dollars are spent on Education, Public Safety, Debt Service, General Government, Courts, State Agencies, Community Programs, Public Works, Parks & Recreation, and sometimes support other funds through an intergovernmental transfer.

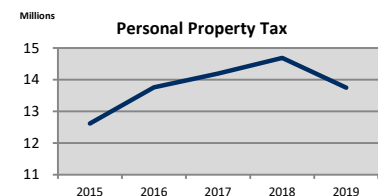
## MAJOR REVENUE TRENDS

The following information summarizes key revenue sources that affect the County's overall financial condition. Many of these revenues change with the economy. Amounts reflect distributions received as of the reported date. The revenue graphs to the right reflect total actual revenues collected for each of the prior fiscal years and the projected total annual revenue based on existing trends for the current year. The current year will change as the year progresses.

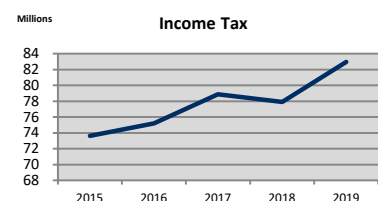
Real Estate Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
113,521,394	113,737,945	216,551	0.2%	2.0%



Personal Property Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
12,511,484	12,217,543	(293,941)	(2.3%)	(10.7%)

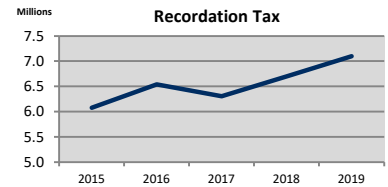


Income Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
22,859,895	23,822,737	962,842	4.2%	10.4%



## MAJOR REVENUE TRENDS (CONTINUED)

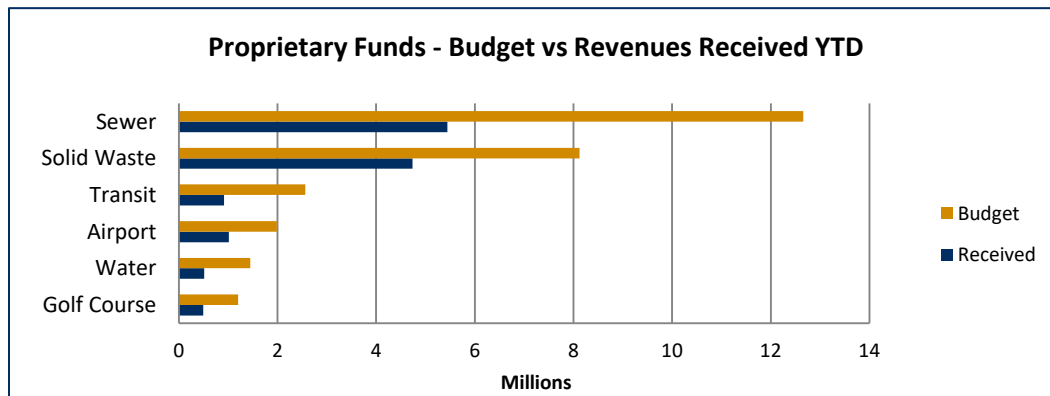
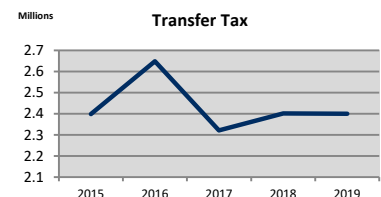
Recordation Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
3,210,517	3,823,459	612,942	19.1%	7.2%



Residential Excise Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
284,373	272,964	(11,409)	(4.0%)	(10.2%)



Transfer Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
1,172,356	1,486,828	314,472	26.8%	26.5%



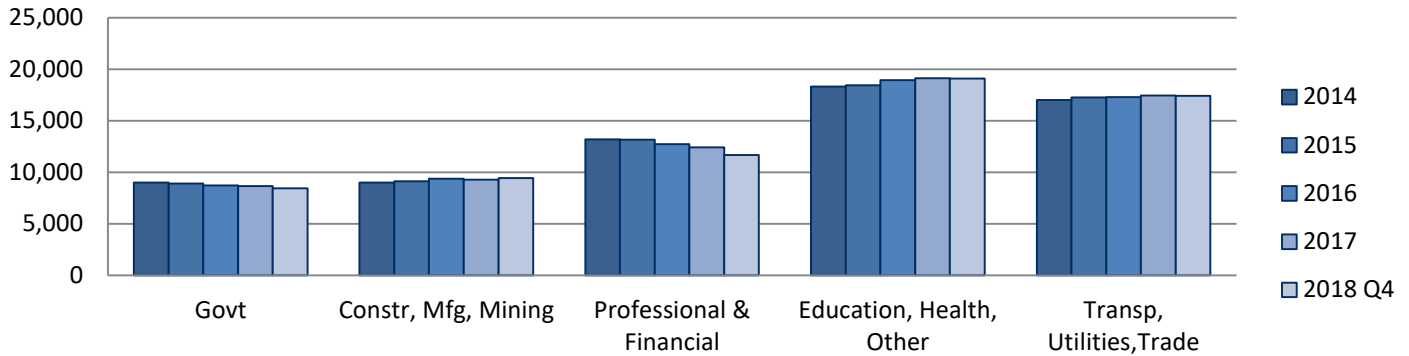
## SUMMARY OF MAJOR EXPENDITURE ACTIVITY

Expenditure Activity by Major Fund (in millions)					
Fund	Budget	Spent	Encumbered	Unexpended	% Expended
General	247.1	114.5	2.8	129.8	46%
Highway	11.2	5.1	0.6	5.5	46%
Solid Waste	8.1	3.9	1.5	2.7	48%
Water	1.5	0.6	0.1	0.8	40%
Sewer	12.7	6.0	0.1	6.6	47%
Transit	2.6	1.2	0.2	1.2	46%
Airport	2.0	0.9	0.1	1.0	45%
Golf Course	1.2	0.5	0.0	0.7	42%
Total	286.4	132.7	5.4	148.3	46%

The table to the left compares major year-to-date expenditure activity to budgeted funding. It incorporates the variance by dollar and percentage, along with total expenditure activity. Funds expended and encumbered should average around 50% if not subject to seasonal fluctuation.

## EMPLOYMENT DATA

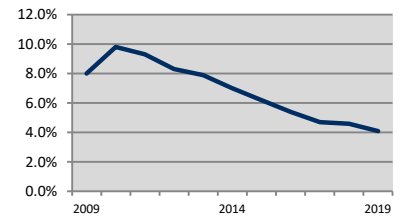
### Washington County Average Employment by Industry



### Employment Statistics - December

County			State	National
Fiscal Year	Number of Employed	Number of Unemployed	Unemployment	Unemployment
2018	73,614	3,241	4.2%	4.1%
2019	74,800	2,791	3.6%	3.9%

### Average Unemployment Rate

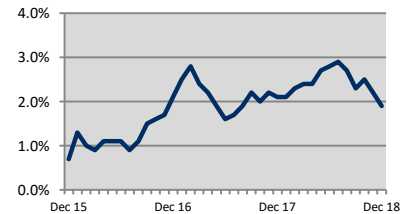


## SPENDING DATA

### Consumer Price Index (CPI)

Current Period		Prior Period	
Index	Annual Change	Index	Annual Change
252.7	1.9%	247.9	2.1%

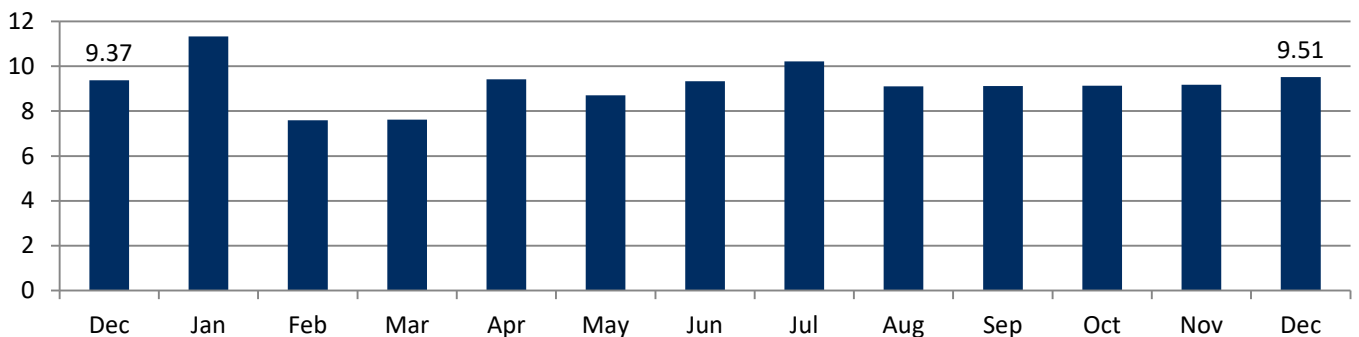
### Annualized CPI



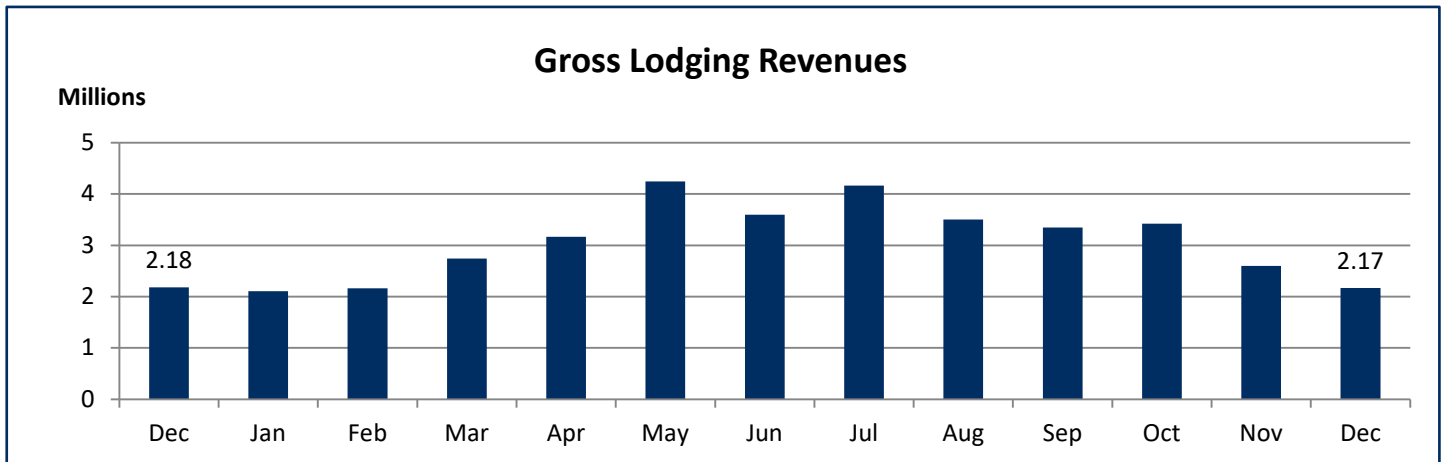
### Consumer Spending Patterns - Washington County

#### Sales & Use Tax Collections

Millions

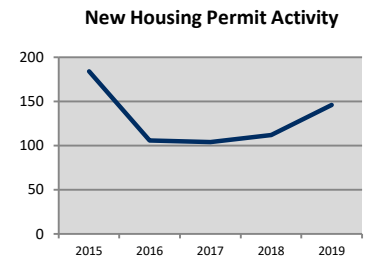


## SPENDING DATA (CONTINUED)

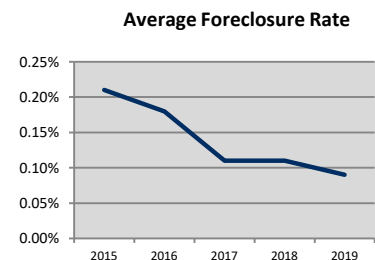
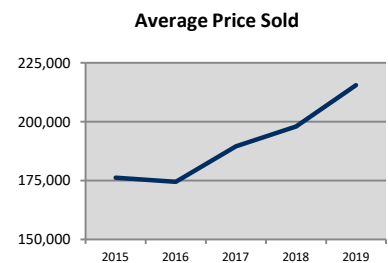


## HOUSING DATA

New Residential Housing Permits Issued				
Area	Prior YTD	Current YTD	Variance	
			# of Permits	% Change
Washington County	100	123	23	23.0%
City of Hagerstown	12	18	6	50.0%
<b>Total</b>	<b>112</b>	<b>141</b>	<b>29</b>	<b>25.9%</b>

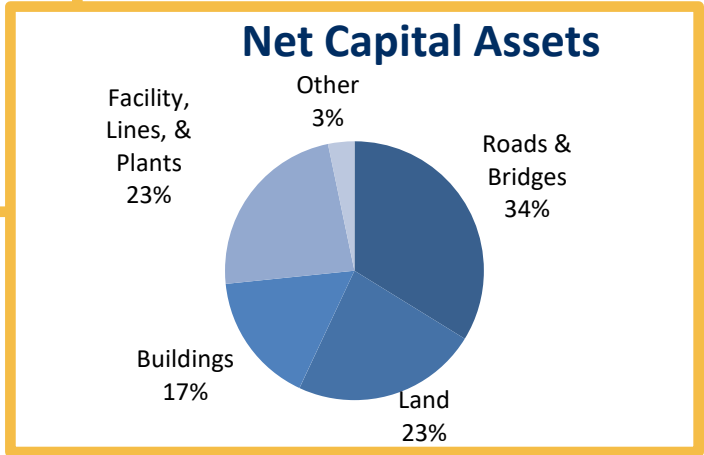
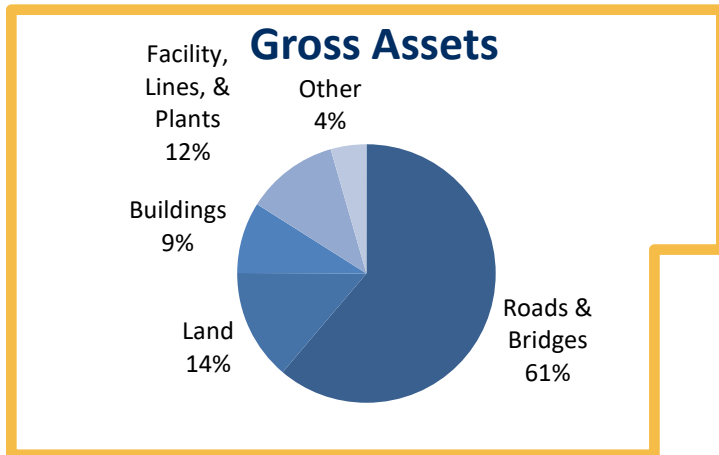


Washington County Housing Statistics			
Housing Activity:	2018	2019	% Change
Average Price Sold	197,914	215,457	8.9%
Total Units Sold	993	865	(12.9%)
Average Inventory	609	674	10.7%
<b>Foreclosure Activity:</b>			
Average Foreclosure Rate:			
Washington County	0.11%	0.09%	(18.2%)
State of Maryland	0.10%	0.10%	0.0%
National	0.05%	0.05%	0.0%



# TOTAL FIXED ASSET BASE AS OF JUNE 30, 2018

Washington County Total Fixed Asset Base as of June 30, 2018		
	Total Cost	Net Capital Asset
Land & Improvements	265,580,064	158,722,721
Buildings & Improvements	171,429,859	112,285,633
Facilities, Lines, & Mains	122,620,598	86,735,110
Treatment Plants	98,861,077	72,928,453
Roads & Bridges	1,173,642,076	231,340,961
Machinery & Equipment	22,638,079	7,069,879
Vehicles	24,318,264	6,074,252
Office Furniture	1,244,972	90,618
Computer Equipment	37,294,320	9,282,345
	<b>1,917,629,309</b>	<b>684,529,972</b>



# WASHINGTON COUNTY, MARYLAND



Jeffrey A. Cline  
County Commissioner, President  
jcline@washco-md.net

Terry L. Baker  
County Commissioner, Vice President  
tbaker@washco-md.net



Wayne K. Keefer  
County Commissioner  
wkefer@washco-md.net

Cort F. Meinel Schmidt  
County Commissioner  
cmeinel schmidt@washco-md.net



Randall E. Wagner  
County Commissioner  
rwagner@washco-md.net

Robert J. Slocum  
County Administrator  
rslocum@washco-md.net



100 West Washington Street



Hagerstown, Maryland 21740

## STATEMENT OF PURPOSE

This report is designed to communicate the County's major financial trends for the indicated period since the issuance of the prior audited financial statements. The report is interim in nature and abbreviated in that it does not include details for all the various funds maintained by the County. Additionally, this report omits many of the required note disclosures typically found in a fiscal year-end financial statement report. The information contained here is intended to allow management to make limited assessments of near-term trends

that may have an impact on operations and financial results. Management views this interim period as an integral part of the annual period. This report includes information regarding some of the more notable recent developments that may impact County finances, along with summarized information relating to various operations within the County. This report is general in nature. The reader is cautioned that it does not provide the level of detail nor the comprehensive scope found in a fiscal year-end financial statement. Those

desiring or needing such information should contact the Office of Budget and Finance. We hope that you find this report informative and meaningful. If you have any questions regarding this report, please contact the Office of Budget and Finance at 240-313-2300.

This report is provided for general information use only. The information contained in the document speaks only as of its report date.