



WASHINGTON COUNTY, MARYLAND

# FISCAL & ECONOMIC UPDATE

QUARTERLY REPORT

QUARTER ENDING  
MARCH 2020

- Report represents information through March 2020 and does not reflect impact of COVID-19

# WASHINGTON COUNTY, MARYLAND



## Washington County

M A R Y L A N D

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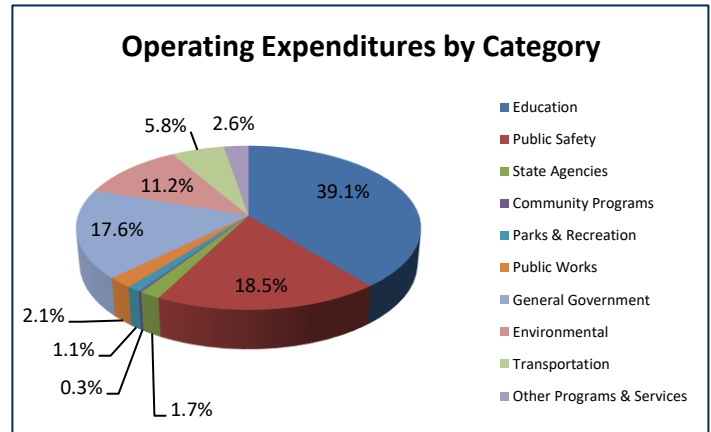
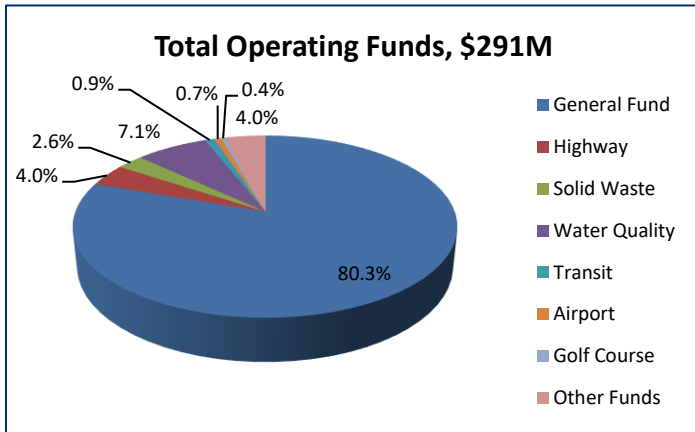
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Washington County is located in northwestern Maryland, bordered by Pennsylvania to the north and West Virginia to the south. It is bordered on the east by Frederick County, Maryland and on the west by Allegany County, Maryland. Washington County is 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 151,000 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

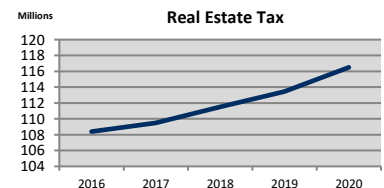


Washington County will spend approximately \$291 million annually on public services in FY2020. The General Fund budget represents the County's largest fund at \$234 million. Major revenues that make up the General Fund budget are Property Tax, Local Income Tax, Other Local Taxes including Recordation 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.

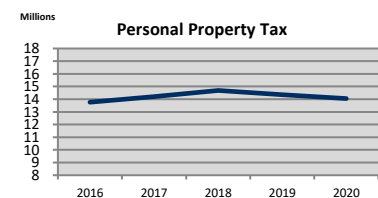
## MAJOR REVENUE TRENDS

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.

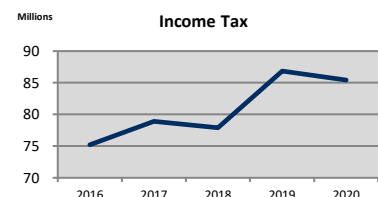
Real Estate Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
115,862,420	116,798,742	936,322	0.8%	2.6%



Personal Property Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
13,663,040	13,721,248	58,208	0.4%	0.3%

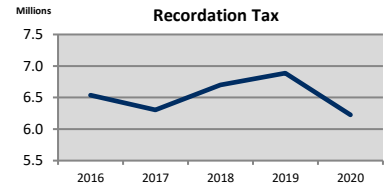


Income Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
47,233,091	48,271,197	1,038,106	2.2%	8.2%

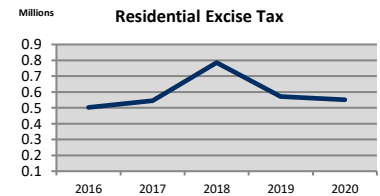


## MAJOR REVENUE TRENDS (CONTINUED)

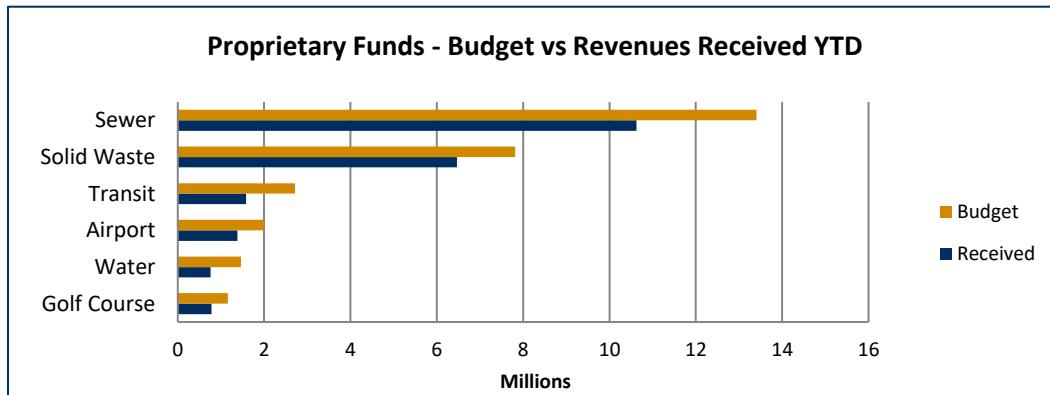
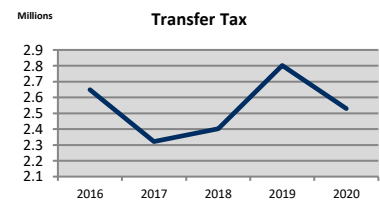
Recordation Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
4,657,012	5,627,187	970,175	20.8%	11.4%



Residential Excise Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
402,946	500,998	98,052	24.3%	31.6%



Transfer Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
1,692,411	2,283,108	590,697	34.9%	15.9%



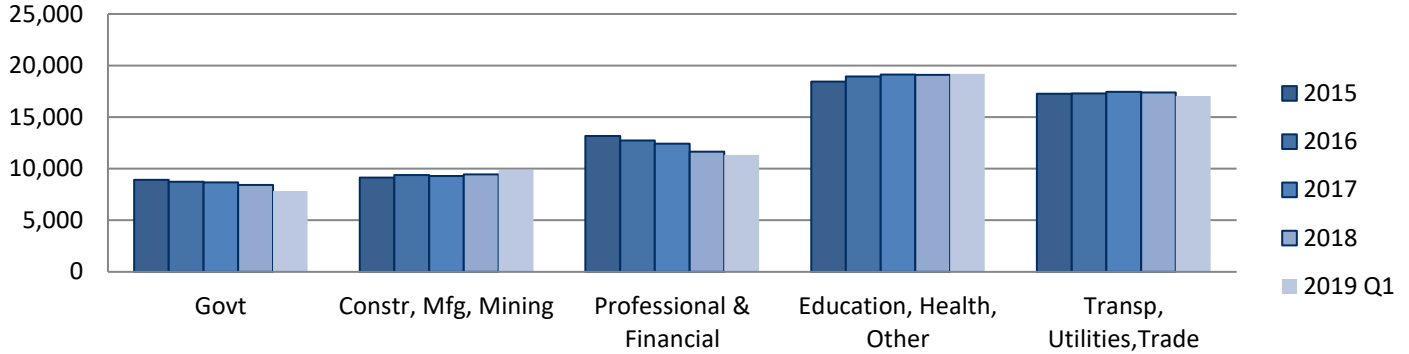
## SUMMARY OF MAJOR EXPENDITURE ACTIVITY

Expenditure Activity by Major Fund (in millions)					
Fund	Budget	Spent	Encumbered	Unexpended	% Expended
General	239.6	177.9	2.7	58.9	74%
Highway	11.5	7.7	0.6	3.2	67%
Solid Waste	7.8	5.2	1.7	1.0	66%
Water	1.5	1.0	0.0	0.4	69%
Sewer	13.4	9.3	0.1	4.0	69%
Transit	2.7	2.0	0.2	0.6	72%
Airport	2.0	1.5	0.0	0.5	73%
Golf Course	1.2	0.8	0.0	0.3	67%
Total	279.7	205.2	5.4	69.0	73%

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 75% if not subject to seasonal fluctuation.

## EMPLOYMENT DATA

### Washington County Average Employment by Industry

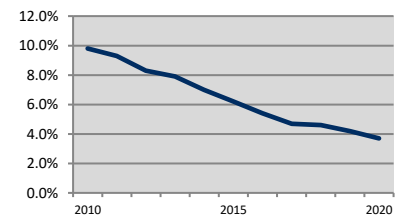


#### Employment Statistics - March

County				State	National
Fiscal Year	Number of Employed	Number of Unemployed	Unemployment	Unemployment	Unemployment
2019	71,910	3,341	4.4%	3.8%	3.8%
2020	71,872	2,974	4.0%	3.3%	4.4%

• National unemployment 14.7% as of April 2020

#### Average Unemployment Rate

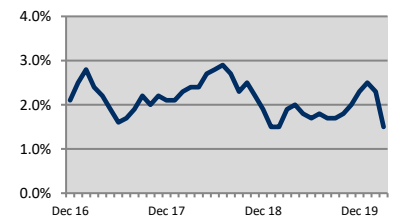


## SPENDING DATA

### Consumer Price Index (CPI)

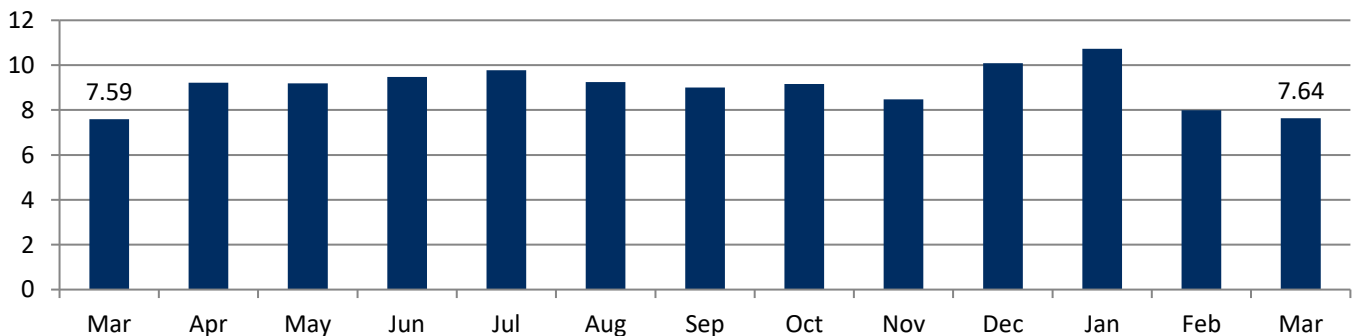
Current Period		Prior Period	
Index	Annual Change	Index	Annual Change
258	1.5%	254.1	1.9%

#### Annualized CPI

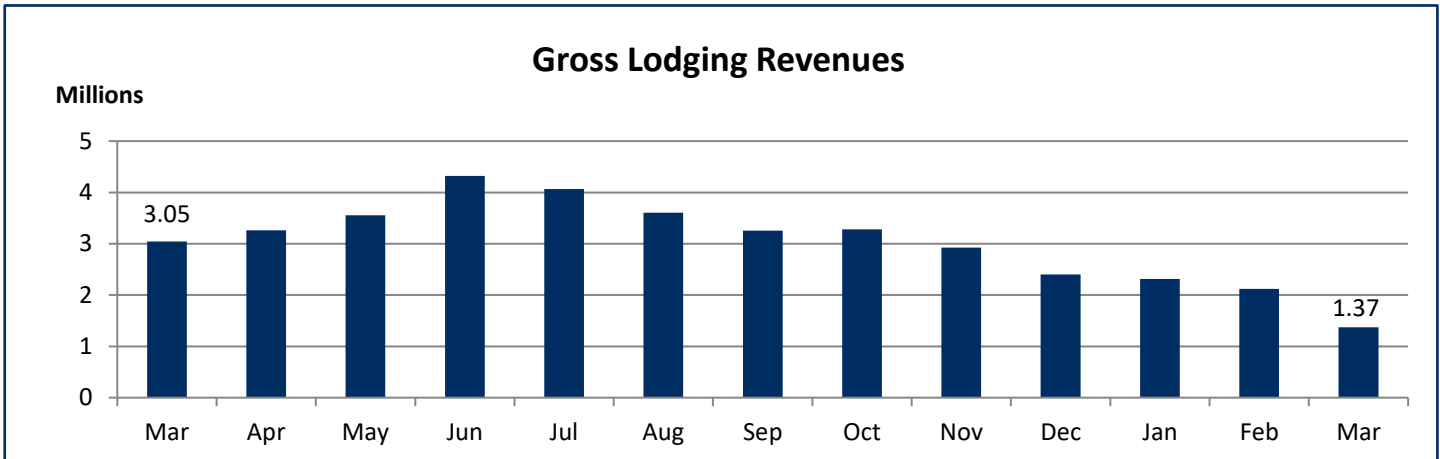


### Consumer Spending Patterns - Washington County Sales & Use Tax Collections

Millions

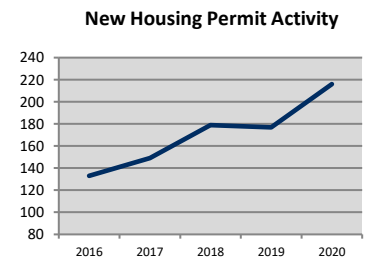


## SPENDING DATA (CONTINUED)

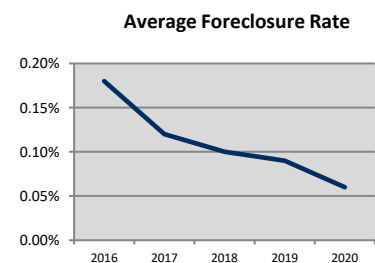
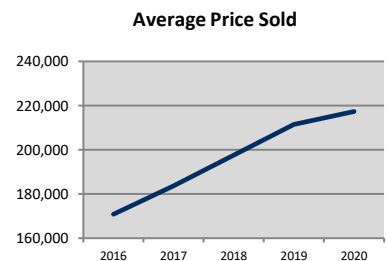


## HOUSING DATA

New Residential Housing Permits Issued				
Area	Prior YTD	Current YTD	Variance	
			# of Permits	% Change
Washington County	154	159	5	3.2%
City of Hagerstown	23	57	34	147.8%
<b>Total</b>	<b>177</b>	<b>216</b>	<b>39</b>	<b>22.0%</b>



Washington County Housing Statistics			
Housing Activity:	2019	2020	% Change
Average Price Sold	211,409	217,348	2.8%
Total Units Sold	1,243	1,380	11.0%
Average Inventory	727	538	(26.0%)
<b>Foreclosure Activity:</b>			
Average Foreclosure Rate:			
Washington County	0.09%	0.06%	(33.3%)
State of Maryland	0.09%	0.07%	(22.2%)
National	0.04%	0.04%	0.0%



## INVESTMENTS

Year-to-Date Investment Activity				
Investment Type	Settlement Date	Maturity Date	Yield	Cost
T Bills	6/13/2019	3/26/2020	2.050%	9,841,353
FHLB	8/7/2019	5/28/2020	1.780%	10,000,000
T Bills	8/7/2019	4/23/2020	1.809%	9,872,889
T Notes	12/3/2019	8/31/2020	1.571%	9,985,547
T Notes	12/3/2019	9/30/2020	1.599%	9,981,641
T Notes	12/18/2019	12/31/2020	1.599%	10,000,000
FHLMC	1/8/2020	9/28/2020	1.463%	9,895,531
T Notes	2/25/2020	11/30/2020	1.361%	10,000,000
T Notes	2/25/2020	1/15/2021	1.351%	10,000,000
FHLB	3/5/2020	8/4/2020	0.681%	9,971,711
FHLMC	3/6/2020	7/24/2020	0.416%	9,984,056
Worker's Comp	4/10/2019	3/31/2020	2.250%	179,951
			1.494%	\$109,712,677

# WASHINGTON COUNTY, MARYLAND



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## 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.