



WASHINGTON COUNTY, MARYLAND

FISCAL & ECONOMIC UPDATE

QUARTERLY REPORT

QUARTER ENDING
MARCH 2019

WASHINGTON COUNTY, MARYLAND



Washington County

M A R Y L A N D

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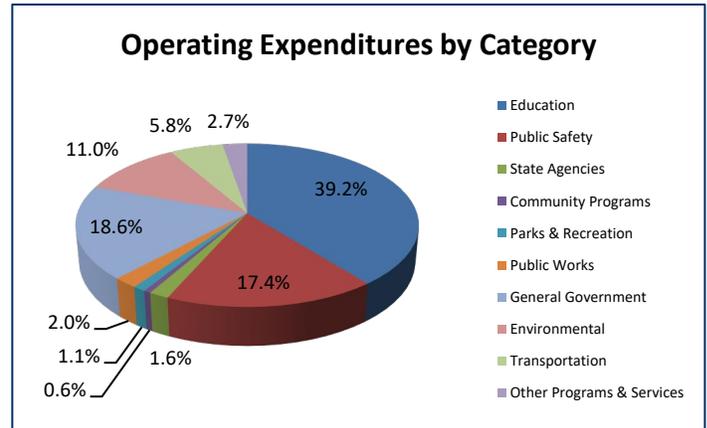
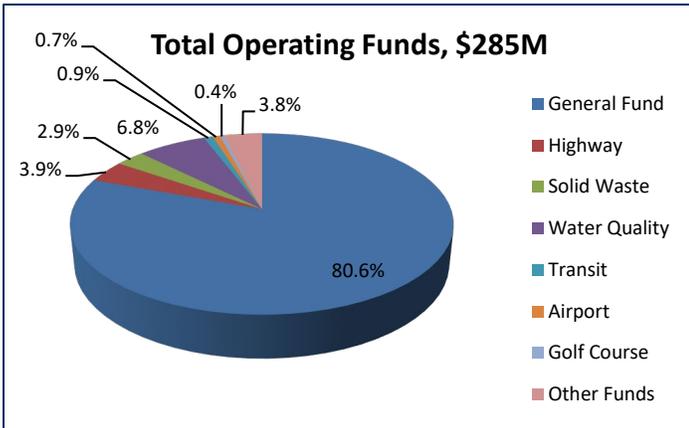
INVESTMENTS 7

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

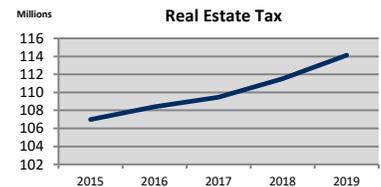


Washington County will spend approximately \$285 million annually on public services in FY2019. The General Fund budget represents the County's largest fund at \$230 million. Major revenues that make up the General Fund budget are Property Tax, Local Income Tax, Other Local Taxes including Recordation 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.

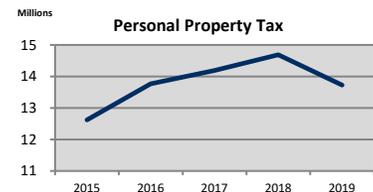
MAJOR REVENUE TRENDS

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.

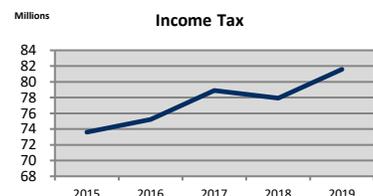
Real Estate Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
113,679,470	114,125,516	446,046	0.4%	2.2%



Personal Property Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
13,997,445	13,667,296	(330,149)	(2.4%)	(6.7%)

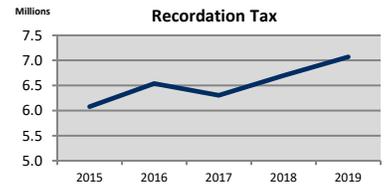


Income Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
45,203,110	44,623,536	(579,574)	(1.3%)	4.5%

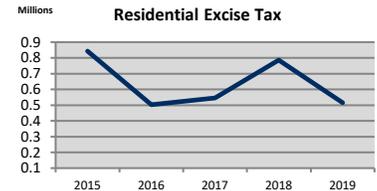


MAJOR REVENUE TRENDS (CONTINUED)

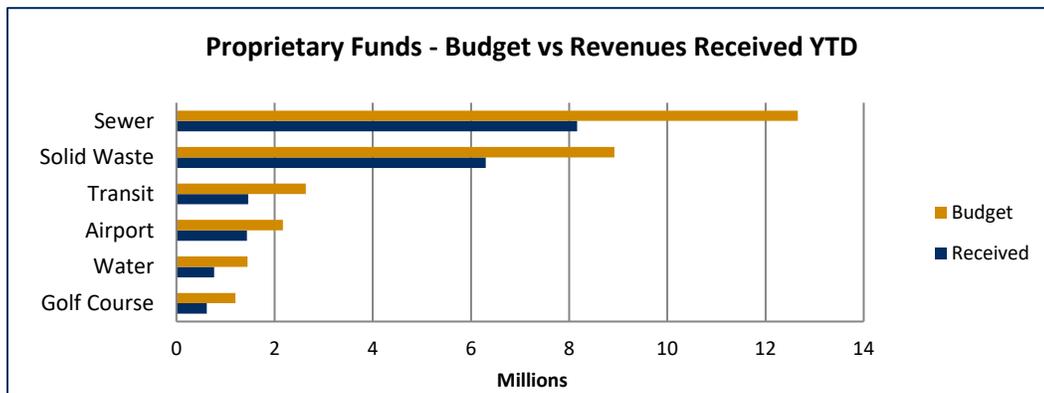
Recordation Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
4,642,802	5,050,040	407,238	8.8%	5.4%



Residential Excise Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
407,059	380,852	(26,207)	(6.4%)	(32.6%)



Transfer Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
1,709,466	1,969,798	260,332	15.2%	15.6%



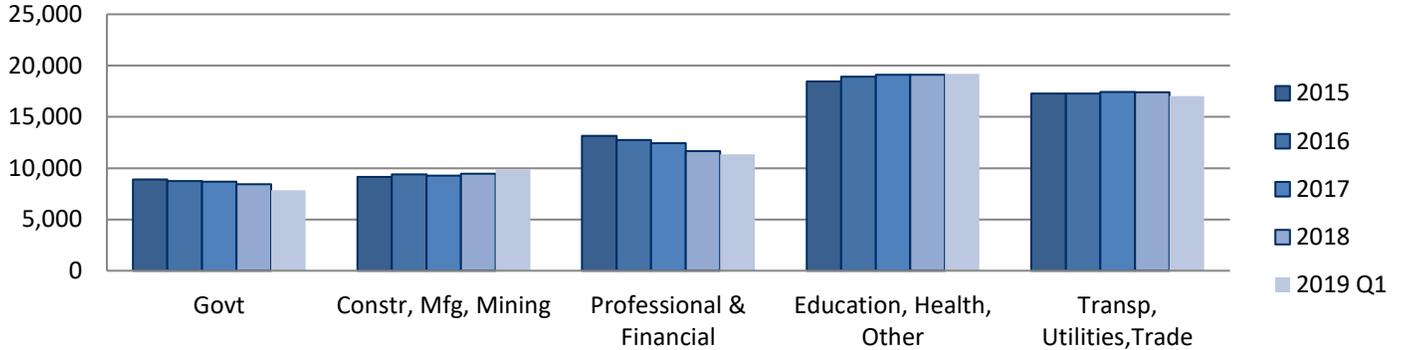
SUMMARY OF MAJOR EXPENDITURE ACTIVITY

Expenditure Activity by Major Fund (in millions)					
Fund	Budget	Spent	Encumbered	Unexpended	% Expended
General	232.4	172.6	2.0	57.8	74%
Highway	11.3	8.6	0.3	2.4	76%
Solid Waste	8.9	6.2	1.9	0.8	70%
Water	1.5	0.9	0.0	0.5	63%
Sewer	12.7	9.1	0.1	3.5	71%
Transit	2.6	1.8	0.2	0.6	68%
Airport	2.2	1.3	0.1	0.8	60%
Golf Course	1.2	0.7	0.0	0.4	61%
Total	272.8	201.2	4.6	66.9	74%

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

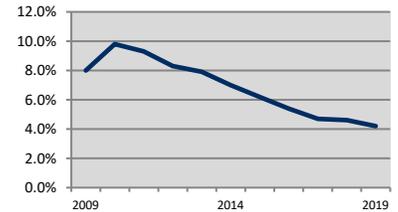
Washington County Average Employment by Industry



Employment Statistics - March

County				State	National
Fiscal Year	Number of Employed	Number of Unemployed	Unemployment	Unemployment	Unemployment
2018	71,873	4,003	5.3%	4.3%	4.1%
2019	71,943	3,323	4.4%	3.8%	3.8%

Average Unemployment Rate

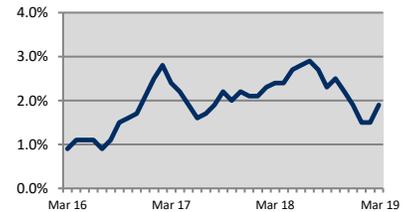


SPENDING DATA

Consumer Price Index (CPI)

Current Period		Prior Period	
Index	Annual Change	Index	Annual Change
254.1	1.9%	249.5	2.4%

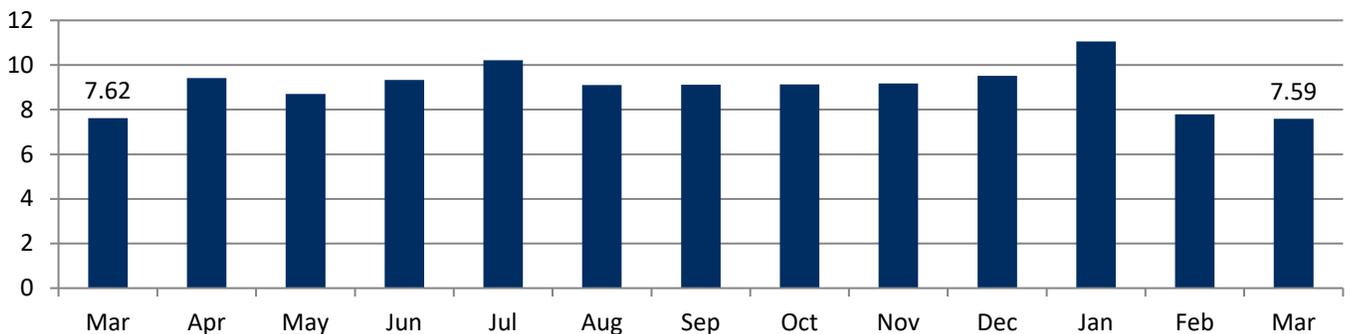
Annualized CPI



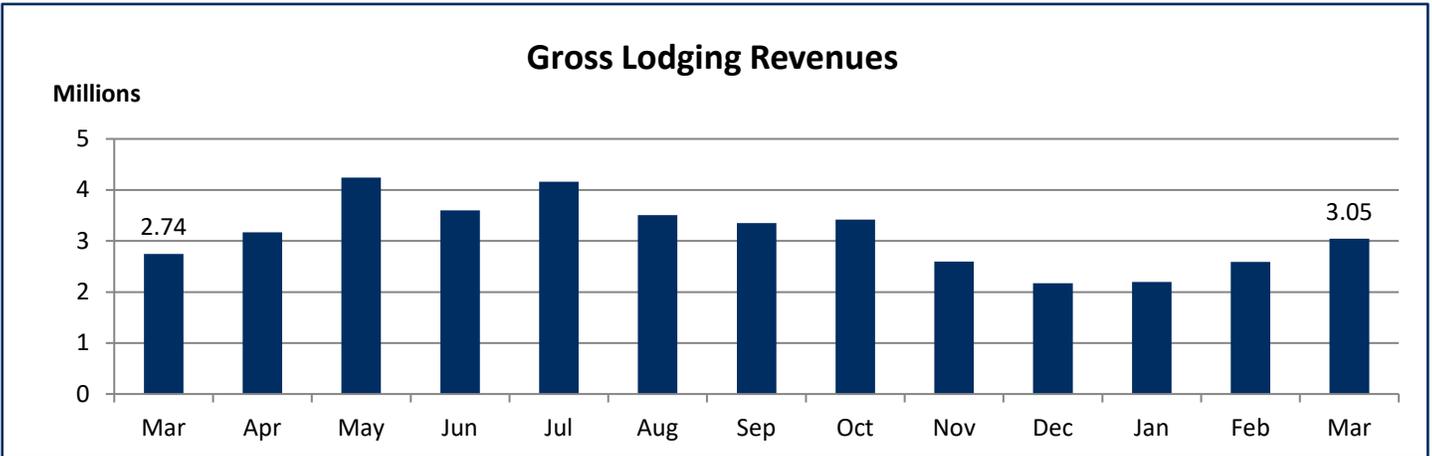
Consumer Spending Patterns - Washington County

Sales & Use Tax Collections

Millions

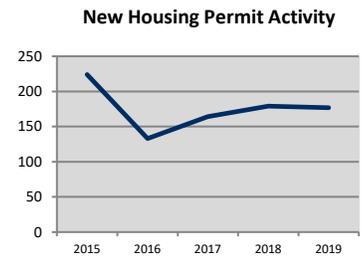


SPENDING DATA (CONTINUED)

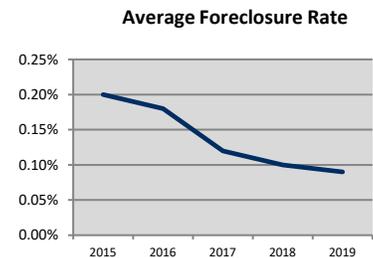
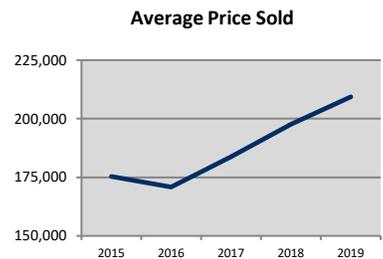


HOUSING DATA

New Residential Housing Permits Issued				
Area	Prior YTD	Current YTD	Variance	
			# of Permits	% Change
Washington County	156	154	(2)	(1.3%)
City of Hagerstown	23	23	0	0.0%
Total	179	177	(2)	(1.1%)



Washington County Housing Statistics			
Housing Activity:	2018	2019	% Change
Average Price Sold	197,631	209,333	5.9%
Total Units Sold	1,363	1,190	(12.7%)
Average Inventory	583	636	9.1%
Foreclosure Activity:			
Average Foreclosure Rate:			
Washington County	0.10%	0.09%	(10.0%)
State of Maryland	0.10%	0.09%	(10.0%)
National	0.05%	0.04%	(20.0%)



INVESTMENTS

Year-to-Date Investment Activity				
Investment Type	Settlement Date	Maturity Date	Yield	Cost
Treasury Note	10/5/2017	6/30/2019	1.421%	10,000,000
T Bills	10/5/2018	4/25/2019	2.278%	8,394,118
Treasury Note	11/15/2018	11/30/2019	2.700%	4,951,563
Treasury Note	11/15/2018	5/16/2019	2.442%	9,879,678
T Bills	12/10/2018	9/12/2019	2.523%	9,812,167
T Bills	12/10/2018	6/6/2019	2.452%	8,399,554
FHLB	1/17/2019	10/10/2019	2.437%	7,998,111
Treasury	1/18/2019	12/31/2019	2.478%	9,997,691
T Bills	2/26/2019	11/1/2019	2.467%	8,499,716
T Bills	2/26/2019	12/5/2019	2.462%	8,499,765
FHLB	3/27/2019	2/11/2020	2.400%	8,479,840
Treasury	3/27/2019	1/15/2020	2.371%	8,475,590
CD	5/27/2017	6/27/2019	0.500%	457,725
Worker's Comp	3/14/2018	3/31/2019	1.901%	179,487
			2.202%	\$104,025,004

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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.