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BOARD OF COUNTY COMMISSIONERS
November 19, 2019
OPEN SESSION AGENDA

- 01:30 P.M. JOINT MEETING: WASHINGTON COUNTY BOARD OF EDUCATION
Location: Center for Education Services, 10435 Downsville Pike, Hagerstown, Maryland
- Presentation and Discussion of the 2020 Legislative Program for the Washington County Board of Education
 - State and Local FY2021 Capital Improvement Program (CIP) Plan
- 02:30 P.M. RECESS
- 02:35 P.M. DEPART FOR 100 WEST WASHINGTON STREET, ROOM 1113, HAGERSTOWN
- 04:00 P.M. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE
CALL TO ORDER, *President Jeffrey A. Cline*
APPROVAL OF MINUTES – November 12, 2019
- 04:05 P.M. CLOSED SESSION
- (To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; or any other personnel matter that affects one or more specific individuals; To consult with counsel to obtain legal advice on a legal matter; To discuss public security, if the public body determines that public discussion would constitute a risk to the public or to public security, including: (i) the development of fire and police services and staff; and (ii) the development and implementation of emergency plans.)*
- 06:00 P.M. RECONVENE IN OPEN SESSION
- 06:05 P.M. COMMISSIONERS' REPORTS AND COMMENTS
- 06:15 P.M. REPORTS FROM COUNTY STAFF
- 06:25 P.M. CITIZENS PARTICIPATION
- 06:30 P.M. REVISED DEMOLITION PERMIT REVIEW POLICY – *Stephen T. Goodrich, Director, Planning and Zoning*
- 06:45 P.M. HISTORICAL ADVISORY COMMITTEE UPDATE – *Ralph Young, Co-Chair, Tom Clemens, Member and Sandy Izer, Member, Historical Advisory Committee*

- 07:00 P.M. PRESENTATION OF THE JUNE 30, 2019 AUDITED FINANCIAL STATEMENTS – *Chris Lehman, Partner, SB&Company*
- 07:30 P.M. ADJOURNMENT



Open Session Item

SUBJECT: Presentation and Discussion of the 2020 Legislative Program for the Washington County Board of Education

PRESENTATION DATE: November 19, 2019

PRESENTATION BY: Mrs. Melissa Williams, Board President, Mr. Stan Stouffer, Board Vice President, Mr. Pieter Bickford, Board Member, Mrs. Jacqueline Fischer, Board Member, Mr. Michael Guessford, Board Member, Mrs. Linda Murray, Board Member, Mr. Wayne Ridenour, Board Member

RECOMMENDED MOTION: None

REPORT-IN-BRIEF: The Board of Education will present the Washington County Board of Education's 2020 Legislative Program for discussion with the Commissioners.

DISCUSSION: Board of Education Policy BJ provides that the Board of Education is to discuss its legislative program on an annual basis. The Board is also to establish its legislative priorities for state and federal legislation.

The Board of Education adopted its 2020 Legislative Program at its public business meeting on October 15, 2019. The Board's 2020 legislative priority includes:

- Supporting the Urban Improvement Project partnership, which is comprised of the Washington County Delegation, Board of County Commissioners of Washington County, City of Hagerstown, Washington County Board of Education, University System of Maryland at Hagerstown, and Maryland Theatre in their efforts to obtain state funding

FISCAL IMPACT: N/A

CONCURRENCES: N/A

ALTERNATIVES: N/A

ATTACHMENTS:

- 1) *Washington County Board of Education 2020 Legislative Program;*
- 2) *Washington County Board of Education 2020 Legislative Program Executive Summary;* and
- 3) *Washington County Board of Education 2020 Maryland Legislative Session Calendar*

AUDIO/VISUAL NEEDS: None



Washington County
**BOARD OF
EDUCATION**

2020 Legislative Program

The core values of Washington County Board of Education's 2020 legislative program are **adequate and equitable local and state funding; local control**; and that **mandates should be limited and fully funded by the State of Maryland**.

Core Values

A. **Adequate and Equitable Local and State Funding**

➤ **Equity in Funding:**

The Board of Education of Washington County supports restoring the inflation factor and adjusting funding formulae that take into account the percentage of students who qualify for Free and Reduced-Price Meals (FARMS), English language learners, the needs of special education students, transportation costs, the age of schools, and the wealth of the local county. If the inflation factor formula was still in place, it is projected that an additional \$240,048,415 in state funding would have been available to the students of Washington County over the last twelve (12) fiscal years.

➤ **Increased Funding for Prekindergarten Education:**

Currently, the State of Maryland does not provide funding based upon the number of students enrolled in prekindergarten programs. The Board of Education of Washington County supports a per pupil funding allocation for students attending full-day prekindergarten without any reduction in compensatory education funding. In the event a decision is made to mandate prekindergarten, adequate funding for the educational program and funds for capital improvement will be needed.

During the 2017-2018 school year, prekindergarten capacity was increased to accommodate 825 students. Full-day capacity was increased from 180 students served to 700 students served. Prekindergarten programming expanded from 15 schools in 2016-2017 to 20 schools during the 2017-2018 school year. In the 2018-2019 school year, full-day capacity was increased from serving 700 students to serving 910 full-day students. During the 2019-2020 school year, the full-day capacity was increased from serving 910 full-day students to a capacity of 1,265 full-day students at all 25 elementary schools.

According to a report released by the Maryland State Department of Education in January of 2019, more Washington County students are coming to school prepared for kindergarten. Washington County Public Schools' prekindergarten programs now rank 4th in the state for achieving kindergarten readiness in comparison to other public school prekindergarten programs.

Increased funding will allow for the further expansion and the enhancement of prekindergarten opportunities for the community and for our youngest learners.

- **Maintenance of Effort:**
The Board of Education of Washington County supports the current maintenance of effort law enacted in 2012. Any attempt to reduce the level of school funding should be opposed.
- **Adequate and Equitable State Funding to Improve School Buildings and to Create Capacity:**
Washington County Public Schools has forty-five (45) schools to serve the needs of almost 23,000 students. The need for new school construction and the repair and modernization of aging facilities is particularly acute in Washington County. Concurrent, adequate state funding, through equitable, effective formulae, will supplement the local contribution that is needed to address these needs. The Board of Education of Washington County supports an increase in state funding for school construction and the improvement of school facilities and a fair and equitable distribution of that funding.

B. Local Control

- **Continued Governance Authority for Local Boards of Education to Set Educational Policy and School Budgets:**
The Board of Education of Washington County supports continued autonomy for all local boards of education to adopt education policies that promote high standards for academic and fiscal accountability. Students are best served by having an independent local board of education that is engaged with its superintendent and the school community to discuss and to debate important issues that directly impact the quality of education. The widely recognized success of Maryland schools is a testament to the effectiveness of this governance model. The Washington County Board of Education opposes any legislation or regulatory initiatives that would have the effect of reducing local board governance or budgetary authority.
- **Charter Schools:**
Local boards of education must retain the sole authority to grant charters and to administer funding to charter schools.
- **Voucher Programs:**
Any expansion of the current voucher programs (textbooks, capital funding) should be opposed.

C. Legislative Mandates Should be Limited and Fully-Funded by the State

The Board of Education of Washington County opposes new mandates. We urge the legislature to carefully consider the financial and the policy implications of any new mandates. We recommend that any new legislative mandates be coupled with mandated full funding from the state.

Legislative Priorities – 2020 Legislative Session

Washington County Board of Education will pursue the following initiative during the 2020 legislative session:

Support the Urban Improvement Project partnership, which is comprised of the Washington County Delegation, Board of County Commissioners of Washington County, City of Hagerstown, Washington County Board of Education, University System of Maryland at Hagerstown, and Maryland Theatre in their efforts to obtain state funding.¹

¹ Urban Improvement Project, a Sustainable Community Project

2020 Legislative Watch List

- **Commission on Innovation and Excellence in Education (“Kirwan Commission”):**
 - Landmark legislation created a blue ribbon commission to study the adequacy of education funding and to offer legislative proposals.
 - The Kirwan Commission is in the process of finalizing its recommendations to the Maryland General Assembly concerning the costs and additional funding to be provided by the state and local jurisdictions to implement the Commission’s recommendations.
 - Legislation introduced during the 2020 legislative session must be studied to understand the implications for students, school staff, and the school community.

- **The Interagency Commission on School Construction’s Implementation of the Recommendations of the 21st Century School Facilities Commission (“Knott Commission”):**
 - The Knott Commission was charged to study existing educational specifications for school construction projects and to evaluate whether those specifications apply to the needs of 21st century schools.
 - Based upon certain recommendations, the 21st Century School Facilities Commission submitted to the Maryland Legislature House Bill 1783, entitled “21st Century School Facilities Act,” which was enacted during the 2018 legislative session. It is necessary to closely monitor the Interagency Commission on School Construction’s implementation of this new law.
 - State construction funds should be distributed on an equitable basis to local school systems. Legislation, such as House Bill 727 (2019 legislative session), which attempted to allocate 92% of new state construction funding to just seven (7) designated school systems with approximately only 75% of the student enrollment across the state, must be opposed.

- **Free and Appropriate Education – Burden of Proof:**

In 2017, House Bill 1240 was passed that requires the Maryland State Department of Education to retain a consultant to study the Individualized Education Plan process in the state. In due process hearings the burden of proof rests with the parent. In the event a decision is made to change this long-standing practice it will increase the cost of such hearings to the local boards of education. More importantly, teachers will be required to redirect valuable instructional time away from students and instead be focused on satisfying new legal mandates that the Supreme Court has already determined are not required.

A new law was enacted last year that authorizes a parent who disagrees with the educational evaluation regarding a child’s individualized family service plan, individualized education program,

The Board of County Commissioners of Washington County, in partnership with the City of Hagerstown, Washington County Board of Education, Maryland Theatre, and University System of Maryland at Hagerstown, is supporting several key projects that tie into the revitalization of the urban core. The components of the Urban Improvement Project are as follows:

- Expansion and renovation of the Maryland Theatre in the Downtown Arts & Entertainment District
- Urban educational complex expansion
 - Urban Educational Campus – BOE Component
 - Urban Educational Campus – USMH Component
 - Plaza improvements

or special education services to request an independent education evaluation at public expense in accordance with regulations adopted by the Maryland State Department of Education.

The current burden of proof standard should be retained and the shifting of any additional costs to local school systems should be opposed.

➤ **Contest Any Further Increases in the Transfer of Pension Costs:**

During the 2012 legislative session, a law was enacted which provided for the transfer of pension costs from the state government to the local governments. The 2012 law also requires local boards of education to absorb the “full normal cost” of the teachers’ pension system. The Washington County Board of Education’s full normal pension costs are now \$6,377,928. These new pension costs are being funded primarily from the general education fund budget and these costs will continue to increase in light of the Kirwan Commission’s recommendation to substantially increase the compensation of teachers.

Retirement burdens should be separate from the education budget.

➤ **Public School Labor Relations Board:**

Any effort to expand the authority or power of the Public School Labor Relations Board should be opposed.

Notations

It is the practice of the Superintendent of Schools and staff to monitor legislation introduced during the session and to alert members of the Board of Education and the Delegation of matters that require attention and action.

Some of the information and comments that appear in this report are based upon information provided by the Maryland Association of Boards of Education.

Questions? Please contact Washington County Public Schools’ Chief Legal Counsel Anthony J. Trotta at 301-766-2946, TrottAnt@wpcs.k12.md.us, or at 10435 Downsville Pike, Hagerstown, Maryland 21740.



Washington County BOARD OF EDUCATION

2020 Legislative Program

Executive Summary

Core Values

- Adequate and Equitable Local and State Funding
- Local Control
- Mandates Should be Limited and Fully Funded by the State

Legislative Priority

Support the Urban Improvement Project partnership, which is comprised of the Washington County Delegation, Board of County Commissioners of Washington County, City of Hagerstown, Washington County Board of Education, University System of Maryland at Hagerstown, and Maryland Theatre in their efforts to obtain state funding.¹

Legislative Watch List

- Commission on Innovation and Excellence in Education (“Kirwan Commission”)
- The Interagency Commission on School Construction’s Implementation of the Recommendations of the 21st Century School Facilities Commission (“Knott Commission”)
- Free and Appropriate Education – Burden of Proof
- Increases in the Transfer of Pension Costs
- Public School Labor Relations Board

Legislative Response Team²

- Mrs. Melissa Williams, Board President
- Mr. Stan Stouffer, Board Vice President
- Mr. Pieter Bickford, Board Member
- Dr. Boyd Michael, III, Superintendent
- Mr. Anthony Trotta, Chief Legal Counsel
- Mrs. Ardath Cade, Legislative Representative

¹ Urban Improvement Project, a Sustainable Community Project

The Board of County Commissioners of Washington County, in partnership with the City of Hagerstown, Washington County Board of Education, Maryland Theatre, and University System of Maryland at Hagerstown, is supporting several key projects that tie into the revitalization of the urban core. The components of the Urban Improvement Project are as follows:

- Expansion and renovation of the Maryland Theatre in the Downtown Arts & Entertainment District
- Urban educational complex expansion
 - Urban Educational Campus – BOE Component
 - Urban Educational Campus – USMH Component
 - Plaza improvements

² The composition of the Legislative Response Team will be reevaluated after the Board of Education’s reorganization meeting scheduled for December 10, 2019.

Legislative Representative

Mrs. Ardath Cade

Notations

It is the practice of the Superintendent of Schools and staff to monitor legislation introduced during the session and to alert members of the Board of Education and the Delegation of matters that require attention and action.

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Washington County Board of Education 2020 Maryland Legislative Session Calendar

Action Items	Schedule/Completion Date
Board of Education public Work Session on 2020 legislative priorities, core values, local initiatives, and the consideration of Legislative Response Team members and the Legislative Representative	October 1, 2019 2:00 p.m.
Board of Education’s adoption of 2020 legislative priorities, core values, local initiatives, and the establishment of the Legislative Response Team and the Legislative Representative at public Business Meeting	October 15, 2019
Meeting with Washington County Delegation to the Maryland General Assembly – 2020 Legislative Program	November 6, 2019 10:00 a.m., HCC Career Programs Bldg, Rm 214
Meeting with Board of County Commissioners – 2020 Legislative Program	November 19, 2019 1:30 p.m.
First day of 2020 Legislative Session	January 8, 2020
Final date for Governor to introduce budget bill	January 15, 2020
Final date for governor to introduce capital budget bill	January 15, 2020
Legislative report provided by the Legislative Representative at Board of Education public Business Meeting, and, if necessary, report on positions taken on legislative proposals per Policy BJ	February 4, 2020; March 3, 2020; April 7, 2020
Legislative report by Legislative Response Team at Board of Education public Business Meeting, if necessary, to report on positions taken on legislative proposals per Policy BJ	February 18, 2020; March 17, 2020; April 21, 2020
Washington County Lobbying Coalition’s Day in Annapolis	January 29, 2020
Governor’s State of the State Address	January TBD, 2020
Washington County Board of Education’s Day in Annapolis	TBD
MABE’s Annual Legislative Day Luncheon	February 13, 2020 Miller Conference Center West, Miller Senate Building 10:00-11:00 Legislative Committee meeting; 11:00-1:00 luncheon
Washington County Delegation Meetings	TBD
Final Date for Introduction of Bills Without Suspension of Rules	March 2, 2020

Opposite Chamber Bill Crossover Date	March 16, 2020
Budget bill to be passed by both Chambers	March 30, 2020
Last day of 2020 Legislative Session	April 6, 2020
Final legislative report provided by Legislative Representative and Legislative Response Team at Board of Education public Business Meeting	May 5, 2020

MABE's Legislative Committee meeting schedule: October 3 & 21, 2019; November 18, 2019; December 16, 2019; January 6 & 27, 2020; February 10, 2020; March 2, 16 & 30, 2020; April 27, 2020



Agenda Report Form

Open Session Item

SUBJECT: State and Local FY2021 Capital Improvement Program (CIP) Plan

PRESENTATION DATE: November 19, 2019

PRESENTATION BY: Dr. Boyd Michael, Superintendent and Washington County Public School Staff

RECOMMENDED MOTION: None

REPORT-IN-BRIEF: WCPS staff will review the State and Local FY2021 Capital Improvement (CIP) Plan. The plan is an annual request to the State of Maryland and Washington County Government to approve specific planning requests, and to fund construction, renovation, addition, and systemic projects which qualify for State funding in FY2021. The plan also includes expected funding requests for the next five fiscal years beyond FY2021, and concurs with the Educational Facilities Master Plan.

FISCAL IMPACT: The Local funding request for FY 2021 is \$8,048,000

CONCURRENCES: Approved by the Board of Education on September 3, 2019

ALTERNATIVES: N/A

ATTACHMENTS: Presentation document

AUDIO/VISUAL NEEDS: A Power Point presentation will be provided

State and Local FY2021 Capital Improvement Program (CIP) Plan

Jeff Proulx, Chief Operating Officer

Robert Rollins, Director of Facilities Planning and Development

Washington County Board of Education Joint Meeting with
Washington County Board of County Commissioners
November 19, 2019

Capital Improvement Program (CIP) Goals

- Develop a fiscally responsible, prioritized, long-range plan that:
 - Addresses renovation/modernization needs.
 - Identifies and resolves seat capacity issues.
 - Addresses systemic needs.
 - Minimizes local costs through strategic State funding requests.
 - Reduces the building replacement cycle and operational costs.

CIP Assumptions and Guidelines

- Aligns with the approved 2019 Educational Facilities Master Plan (EFMP).
- Reflects State cost per square foot at \$329 for building construction plus 19% (\$62/square foot) for site work.
- Assumes 79% State Public School Construction Program funding of eligible construction costs for new projects submitted in FY2021.
- Follows the currently approved “Instructions for Submission of FY2021 Capital Improvement Program” from the Public School Construction Program.

FY2021 State and Local CIP Funding Requests

- Sharpsburg Elementary - \$7,029,000



FY2021 State and Local CIP Funding Requests

- Sharpsburg Elementary - \$7,029,000
 - Third CIP Requests
 - \$3,105,000 State CIP process
 - \$3,924,000 Local CIP process
 - Total project cost - \$26,728,000
 - State funding to date - \$12,184,000
 - Local funding to date - \$ 7,515,000
 - Opens - August 2020



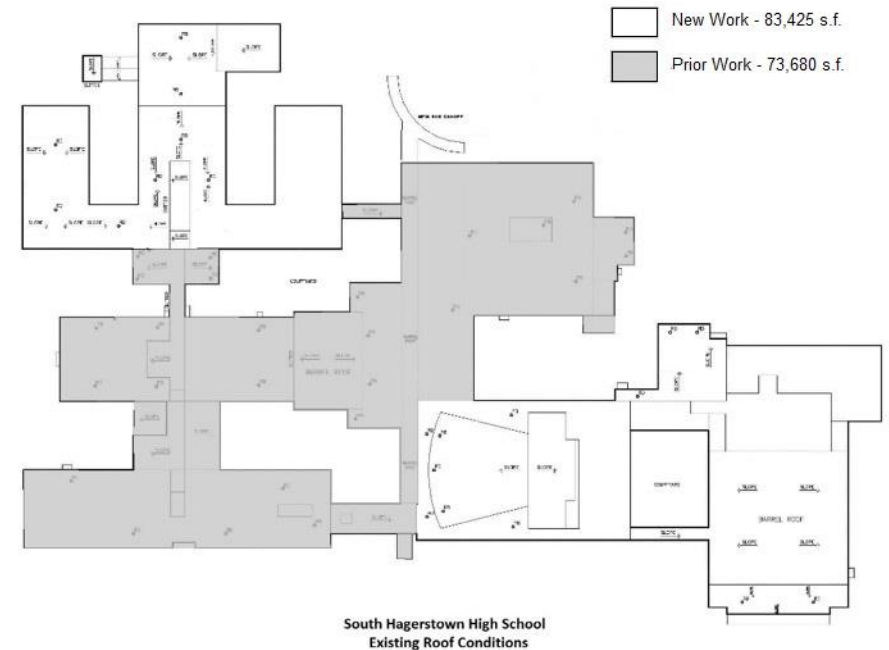
FY2021 State and Local CIP Funding Requests

- South Hagerstown High School
Roof Replacement (Phase II) - \$2,304,000



FY2021 State and Local CIP Funding Requests

- South Hagerstown High School
Roof Replacement (Phase II) - \$2,304,000
 - Systemic Project Funding Requests
 - \$1,509,000 State CIP process
 - \$ 795,000 Local CIP process
 - State funding to date - \$294,000
 - Local funding to date - \$ 0



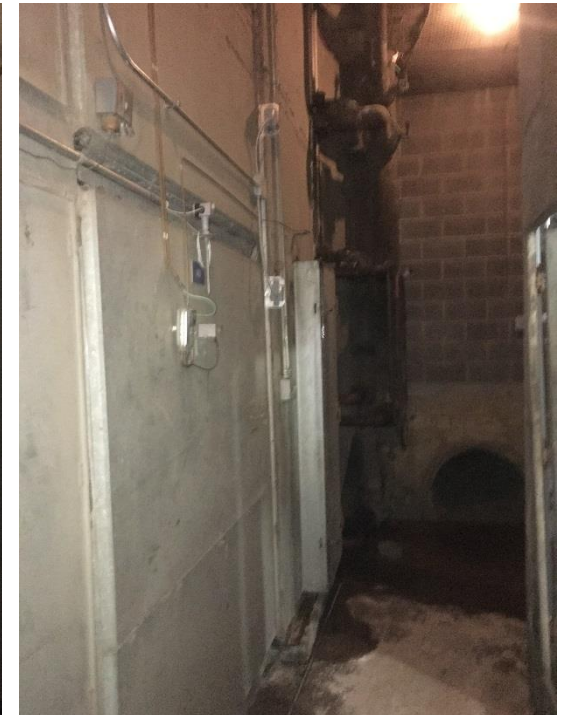
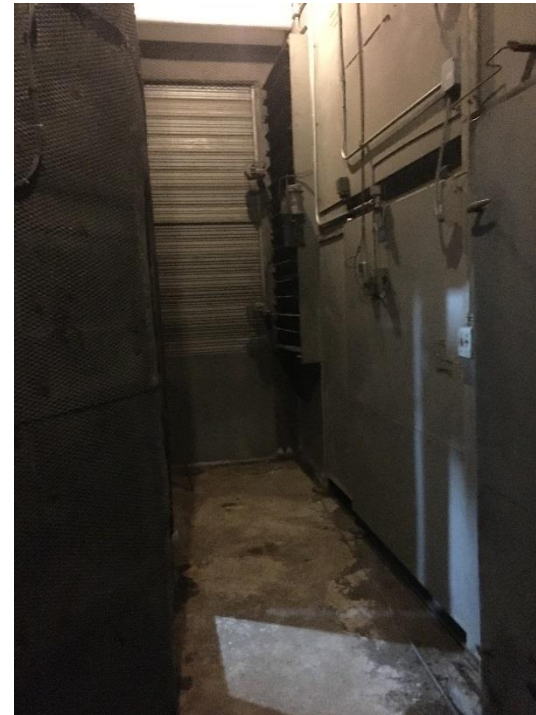
FY2021 State and Local CIP Funding Requests

- Smithsburg High School
HVAC Replacement - \$5,958,000



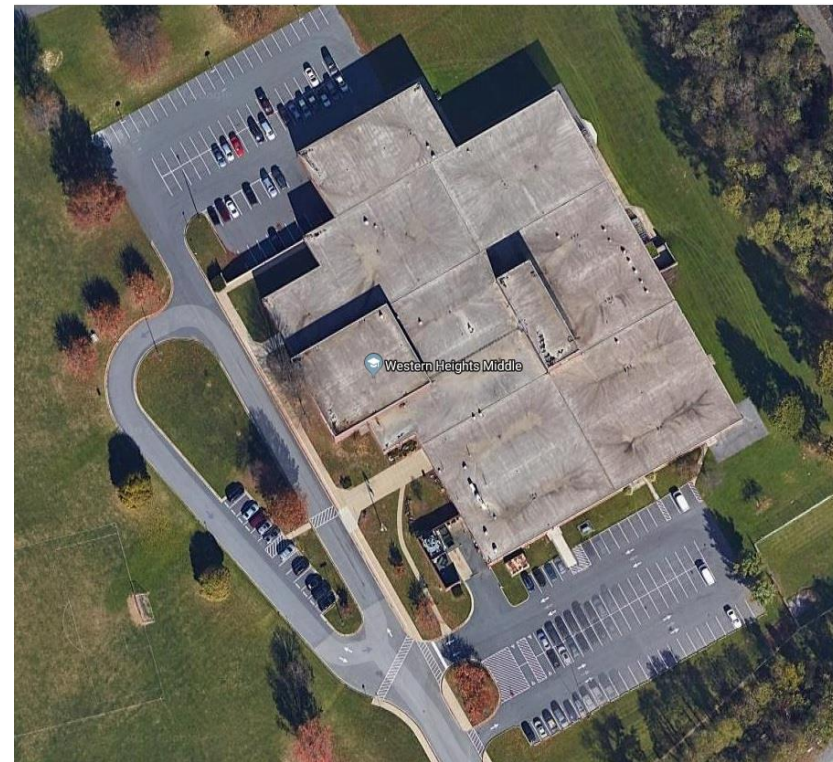
FY2021 State and Local CIP Funding Requests

- Smithsburg High School
HVAC Replacement - \$5,958,000
 - Systemic Project Funding Requests
 - \$4,203,000 State CIP process
 - \$1,755,000 Local CIP process



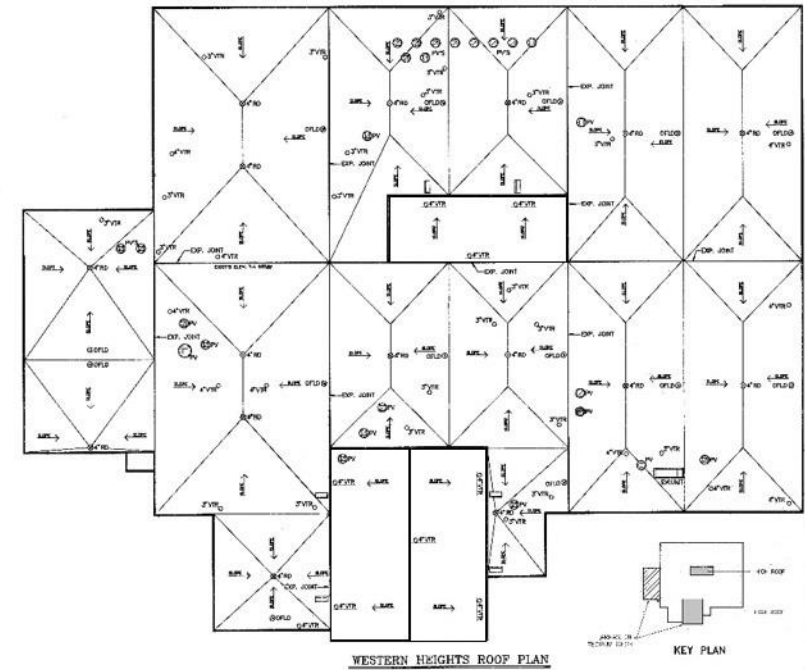
FY2021 State and Local CIP Funding Requests

- Western Heights Middle School
Roof Replacement - \$2,632,000



FY2021 State and Local CIP Funding Requests

- Western Heights Middle School Roof Replacement - \$2,632,000
 - Systemic Project Funding Requests
 - \$1,873,000 State CIP process
 - \$ 759,000 Local CIP process



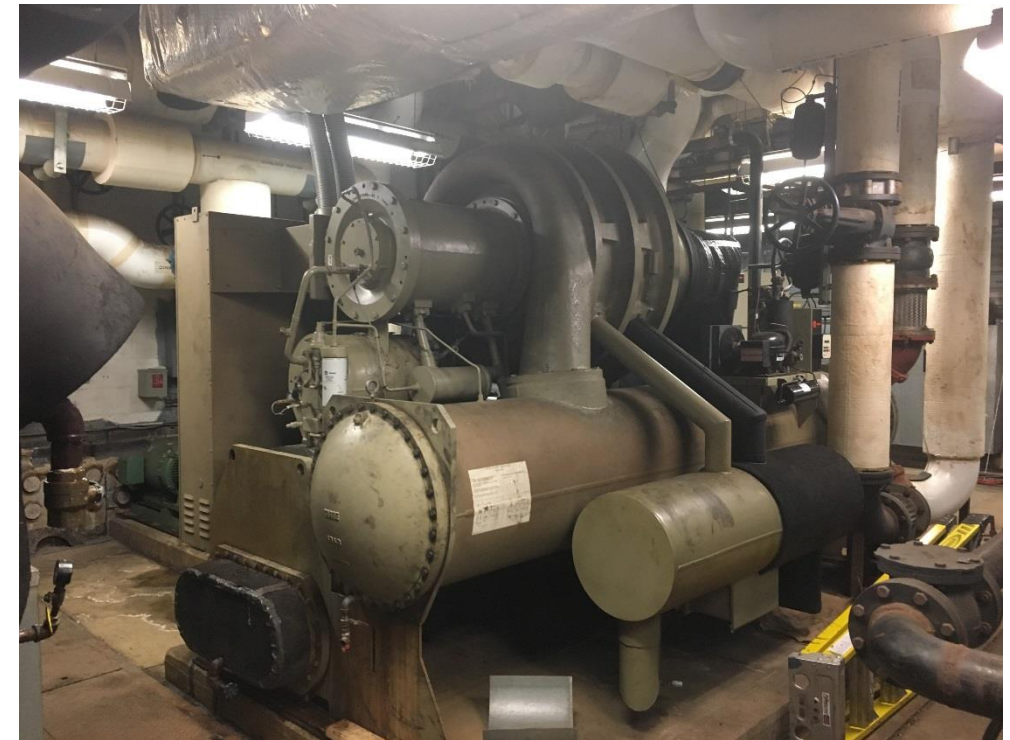
FY2021 State and Local CIP Funding Requests

- North Hagerstown High School
Chiller Replacement - \$1,026,000



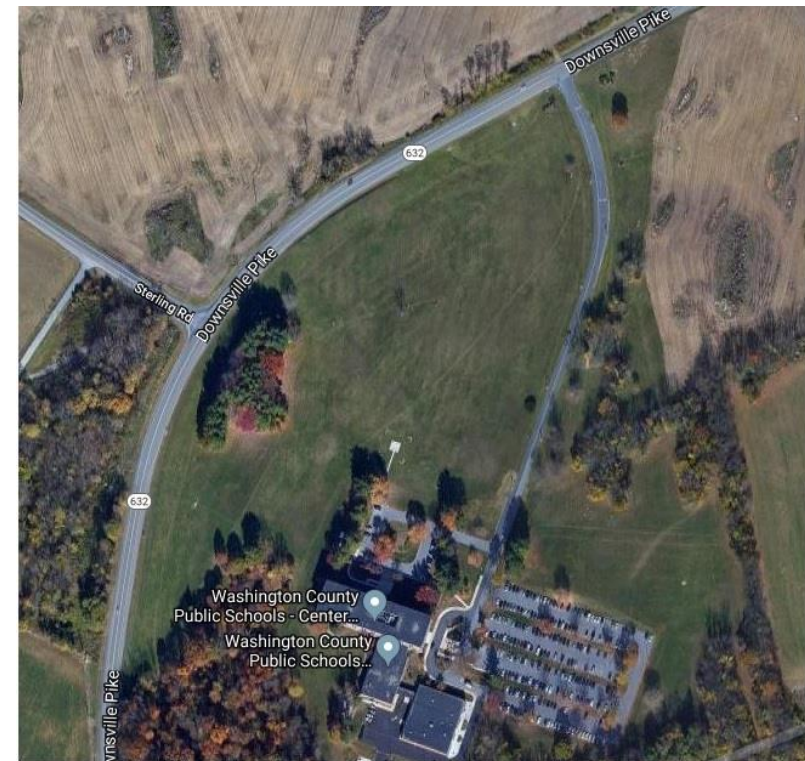
FY2021 State and Local CIP Funding Requests

- North Hagerstown High School Chiller Replacement - \$1,026,000
 - Systemic Project Funding Requests
 - \$711,000 State CIP process
 - \$315,000 Local CIP process



FY2021 State and Local CIP Funding Requests

- School #1 - Hickory ES/Fountain Rock ES Replacement Preliminary Process - \$500,000



FY2021 State and Local CIP Funding Requests

- School #1 - Hickory ES/Fountain Rock ES Replacement Preliminary Process - \$500,000
 - Project Funding Requests
 - \$ 0 State CIP process*
 - \$500,000 Local CIP process

*Preliminary Process required before State Local Planning or funding can be requested.



FY2021 State and Local CIP Funding Requests

Projects
Sharpsburg Elementary
South Hagerstown HS Roof Replacement*
Smithsburg HS - HVAC Replacement
Western Heights MS - Roof Replacement
North Hagerstown HS - Chiller Replacement
School "1" Hickory ES/Fountain Rock ES Closure
FY2022 Systemic Projects
FY2023 Systemic Projects
School "2" Old Forge ES/Greenbrier ES/Cascade ES Closure
FY2024 Systemic Projects
FY2025 Systemic Projects
School "3" Fountaindale ES/Potomac Heights ES Closure
FY2026 Systemic Projects
Sub-Totals
Grand Total

FY2021	
State	Local
\$ 3,105,000	\$ 3,924,000
\$ 1,215,000*	\$ 795,000
\$ 4,203,000	\$ 1,755,000
\$ 1,873,000	\$ 759,000
\$ 711,000	\$ 315,000
\$	\$ 500,000
\$ 11,107,000	\$ 8,048,000
\$ 19,155,000	

* Received partial funding (\$294,000) from State in FY 2020. \$1,215,000 represents balance of State funding request

FY2022 State and Local CIP Funding Requests

Projects
Sharpsburg Elementary
South Hagerstown HS Roof Replacement
Smithsburg HS - HVAC Replacement
Western Heights MS - Roof Replacement
North Hagerstown HS - Chiller Replacement
School "1" Hickory ES/Fountain Rock ES Closure
FY2022 Systemic Projects
FY2023 Systemic Projects
School "2" Old Forge ES/Greenbrier ES/Cascade ES Closure
FY2024 Systemic Projects
FY2025 Systemic Projects
School "3" Fountaindale ES/Potomac Heights ES Closure
FY2026 Systemic Projects
Sub-Totals
Grand Total

FY2022	
State	Local
Local Planning	\$ 2,000,000
\$ 9,066,000	\$ 3,786,000
\$ 9,066,000	\$ 5,786,000
\$ 14,852,000	

FY2023 State and Local CIP Funding Requests

Projects
Sharpsburg Elementary
South Hagerstown HS Roof Replacement
Smithsburg HS - HVAC Replacement
Western Heights MS - Roof Replacement
North Hagerstown HS - Chiller Replacement
School "1" Hickory ES/Fountain Rock ES Closure
FY2022 Systemic Projects
FY2023 Systemic Projects
School "2" Old Forge ES/Greenbrier ES/Cascade ES Closure
FY2024 Systemic Projects
FY2025 Systemic Projects
School "3" Fountaindale ES/Potomac Heights ES Closure
FY2026 Systemic Projects
Sub-Totals
Grand Total

FY2023	
State	Local
\$ 13,000,000	\$ 6,806,000
\$ 5,925,000	\$ 2,475,000
\$	\$ 500,000
\$ 18,925,000	\$ 9,781,000
\$ 28,706,000	

FY2024 State and Local CIP Funding Requests

Projects
Sharpsburg Elementary
South Hagerstown HS Roof Replacement*
Smithsburg HS - HVAC Replacement
Western Heights MS - Roof Replacement
North Hagerstown HS - Chiller Replacement
School "1" Hickory ES/Fountain Rock ES Closure
FY2022 Systemic Projects
FY2023 Systemic Projects
School "2" Old Forge ES/Greenbrier ES/Cascade ES Closure
FY2024 Systemic Projects
FY2025 Systemic Projects
School "3" Fountaindale ES/Potomac Heights ES Closure
FY2026 Systemic Projects
Sub-Totals
Grand Total

FY2024	
State	Local
\$ 13,000,000	\$ 6,500,000
Local Planning	\$ 2,000,000
\$ 9,579,000	\$ 4,001,000
\$ 22,579,000	\$ 12,501,000
\$ 35,080,000	

FY2025 State and Local CIP Funding Requests

Projects
Sharpsburg Elementary
South Hagerstown HS Roof Replacement*
Smithsburg HS - HVAC Replacement
Western Heights MS - Roof Replacement
North Hagerstown HS - Chiller Replacement
School "1" Hickory ES/Fountain Rock ES Closure
FY2022 Systemic Projects
FY2023 Systemic Projects
School "2" Old Forge ES/Greenbrier ES/Cascade ES Closure
FY2024 Systemic Projects
FY2025 Systemic Projects
School "3" Fountaindale ES/Potomac Heights ES Closure
FY2026 Systemic Projects
Sub-Totals
Grand Total

FY2025	
State	Local
\$ 1,569,000	\$ 431,000
\$ 13,000,000	\$ 6,768,000
\$ 7,742,000	\$ 3,934,000
\$	\$ 500,000
\$ 22,311,000	\$ 11,633,000
\$ 33,944,000	

FY2026 State and Local CIP Funding Requests

Projects
Sharpsburg Elementary
South Hagerstown HS Roof Replacement*
Smithsburg HS - HVAC Replacement
Western Heights MS - Roof Replacement
North Hagerstown HS - Chiller Replacement
School "1" Hickory ES/Fountain Rock ES Closure
FY2022 Systemic Projects
FY2023 Systemic Projects
School "2" Old Forge ES/Greenbrier ES/Cascade ES Closure
FY2024 Systemic Projects
FY2025 Systemic Projects
School "3" Fountaindale ES/Potomac Heights ES Closure
FY2026 Systemic Projects
Sub-Totals
Grand Total

FY2026	
State	Local
\$ 13,000,000	\$ 6,400,000
Local Planning	\$ 2,000,000
\$ 8,019,000	\$ 3,349,000
\$ 21,019,000	\$ 11,749,000
\$ 32,768,000	

Total CIP Funding Requests

Fiscal Year	FY2021 – FY2026	
	State	Local
2021	\$ 11,107,000	\$ 8,048,000
2022	\$ 9,066,000	\$ 5,786,000
2023	\$ 18,925,000	\$ 9,781,000
2024	\$ 22,579,000	\$ 12,501,000
2025	\$ 22,311,000	\$ 11,633,000
2026	\$ 21,019,000	\$ 11,749,000
Sub-Totals	\$ 105,007,000	\$ 59,498,000
Grand Total	\$ 164,505,000	



Agenda Report Form

Open Session Item

SUBJECT: Revised Demolition Permit Review Policy

PRESENTATION DATE: November 19, 2019

PRESENTATION BY: Stephen T. Goodrich, Director, Planning and Zoning

RECOMMENDED MOTION: Move to approved revised Demolition Permit Review Policy as recommended by the Historic District Commission and/or with additional revisions resulting from discussion.

REPORT-IN-BRIEF: The existing policy regarding demolition permit review by the Historic District Commission (HDC) was adopted by the Board of County Commissioners in January 1989. Since then it is the Historic District Commission's opinion that the policy has often been ineffective in preventing or delaying demolition of significant historic structures to allow an opportunity to find alternatives to demolition. The proposed revisions to the policy are recommended by the HDC to create those opportunities to discover and employ alternatives which will allow retention and rehabilitation of structures that are important to the representation and interpretation of Washington County's rich cultural heritage.

DISCUSSION: The changes in the policy are designed to create additional opportunity (time) to work with property owners to find alternatives to demolition and to allow public comment on the proposal which may also bring to light otherwise unknown options and offers. The revised policy will not prevent demolition.

FISCAL IMPACT: N/A

CONCURRENCES: N/A

ALTERNATIVES: Retain current policy

ATTACHMENTS: Current policy with proposed revisions, procedures

AUDIO/VISUAL NEEDS: None

REVISED REVIEW PROCEDURES - DEMOLITION PERMITS

Adopted by Board of County Commissioners -

Revisions adopted – November 19, 2019

At the regular meeting on, the Board of County Commissioners adopted revisions to the, policy that, provides that applications for a demolition permit for any structure which is identified in the Washington County Historical Sites Inventory be transmitted to the Historic District Commission and the Planning Commission for review and comment.

It is the Commissioners' intention that both the Planning Commission and the Historic District Commission would have the opportunity to review these applications and provide any comments within a maximum of 60 days from the date of application except if either body would recommend that the demolition permit not be issued there would be an additional 90-day waiting period. During the 90-day waiting period the HDC would utilize the additional time to consult with and advise the applicant of alternatives to demolition. This policy does not provide for approval or disapproval of the demolition permit by either the Planning Commission or the Historic District Commission. Demolition permits will still be issued solely on the basis of meeting the technical requirements of applicable codes. The Board does feel, however, that proposed demolition of a structure with historical significance should be brought to the attention of all affected or interested parties so that appropriate measures through other existing programs or actions may be taken as necessary.

It is the Board's desire that the review be completed promptly and, as previously stated, within no more than a 60-day period unless there is opposition by the Historic District Commission that would initiate the 90-day waiting period. The demolition permit is not to be issued until the Planning Commission review is complete within the prescribed time frame.

AMENDMENT - July 17, 1990

It is not the intent of this policy to negate or in any way change the existing authority granted to the Historic District Commission by Article 20 of the Zoning Ordinance regarding review, approval or disapproval of demolition permits in the Historic Preservation (HP) Zone.

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DEMOPOLICY¶

PROCEDURES FOR REVISED DEMOLITION PERMIT REVIEW

(This is a step by step guide to process the demolition permit application if the structure is listed in the Maryland Inventory of Historic Properties (MIHP.)

Review of demolition permit applications for any structure which is identified in the Maryland Inventory of Historic Properties (MIHP) shall adhere to the following review steps.

Demolition permits shall be transmitted to the staff liaison for the Historic District Commission by the Permits Department for determination and confirmation that an MIHP listed structure is proposed for demolition. *(Permits subject to this policy are those that intend demolition of the entire building. Partial demolitions such as for only a roof, porch, previous addition, etc., are not subject to this review policy. This policy shall apply only to those structures on the site that are described in the inventory form or are referenced as contemporary with the primary structure or contributing to the historical significance of the site.)*

Staff liaison shall confirm that the structure is or is not listed in the inventory. Review time frames shall begin upon the P&Z Department received date.

HDC liaison shall confirm to the Permits Department that the application was received and the applicable action from the choices below:

The structure that is proposed to be demolished is not identified in the MIHP and no further review per this policy is required.

The structure that is proposed to be demolished is identified in the MIHP as site # WA-XX-XXXX and will be scheduled for review and comment by the HDC on the next available meeting date (provide the date).

Staff liaison shall contact the applicant and advise of the HDC meeting and the purpose of the review, invite the applicant's attendance and advise the applicant of information that may be helpful to present to the HDC to support the demolition. (Applicant will be advised at this time of the 60-day review period for HDC and PC comment and the additional 90-day wait period if demolition is opposed) Applicant should be prepared to explain the need for demolition. Photographs are highly recommended. This would be the first opportunity for staff to advise the applicant of alternatives to demolition.

Staff will attempt to make arrangements with the owner for the HDC walk-thru of the property prior to the meeting.

As an alternative to an HDC walk thru Staff will visit the site and take video if accessible.

The property will be posted with a sign indicating the proposed demolition and date of the HDC meeting at least 5 days before the HDC meeting. (Decisions to oppose/not oppose demolition should be based on building significance and condition, not on public opinion. Public opinion may reveal options to demolition. The HDC chairman will determine if public comment is appropriate on a case by case basis.)

The demolition permit application, the MIHP inventory information and a location map will be sent to HDC members with agenda.

During the meeting, Staff will present the application, inventory information, video or pictures and any information that accompanied the demolition application.

The applicant will have the opportunity to present any information desired to support his /her need/desire to demolish the structure.

The HDC Chairman will determine on a case by case basis if public comment is appropriate.

There will be an opportunity for the exchange of information between the HDC and applicant until the HDC is able to reach a consensus on its desired action on the application.

The Commission will vote to:

Not oppose

Not oppose subject to conditions

Oppose

Oppose with recommended options

If the action is to oppose the demolition permit, a 90-day waiting period will begin during which the Commission and/or applicant may explore options to demolition.

Within the 90-day waiting period the application, the HDC recommendation and an HDC representative will be available to the Planning Commission for review and comments. Any Planning Commission recommendation will not override the HDC recommendation or waive or shorten the 90-day waiting period.

Prior to demolition, the site should be recorded with interior and exterior photographs and measured drawings by the applicant. (Specs for drawings should be developed. Photos and drawings should be forwarded to MHT for inclusion in MIHP file.)



Board of County Commissioners of Washington County, Maryland

Agenda Report Form

Open Session Item

SUBJECT: Historical Advisory Committee Update

PRESENTATION DATE: November 19, 2019

PRESENTATION BY: Ralph Young, Co-Chair, Tom Clemens, Member and Sandy Izer, Member, Historical Advisory Committee

RECOMMENDED MOTION: For Informational Purposes

REPORT-IN-BRIEF: N/A

DISCUSSION: To discuss updated demolition permit process, tax brochure and consideration of budget for our committee

FISCAL IMPACT: Undetermined

CONCURRENCES: N/A

ALTERNATIVES: N/A

ATTACHMENTS: None

AUDIO/VISUAL NEEDS: None



Open Session Item

SUBJECT: Presentation of the June 30, 2019 audited financial statements

PRESENTATION DATE: November 19, 2019

PRESENTATION BY: Chris Lehman, Partner, SB&Company

RECOMMENDED MOTION: The presentation is for informational purposes.

REPORT-IN-BRIEF: The external independent auditors will review the scope of services, the audit process, and required communications. They will also report the results of the audit.

DISCUSSION: General discussion by external auditor on various funds of Washington County.

FISCAL IMPACT: The audit report updates the fiscal condition of the County as of the fiscal year ending June 30, 2019.

CONCURRENCES: N/A

ALTERNATIVES: N/A

ATTACHMENTS: Financial statements (www.washco-md.net); Power point

AUDIO/VISUAL NEEDS: The auditors have a slide presentation.



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Presentation to the Board of County Commissioners

November 19, 2019



AGENDA

- 1 Introductions
- 2 Executive Summary
- 3 Audit Approach
- 4 Required Communications
- 5 Meeting Your Expectations

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Introductions





INTRODUCTIONS

SB & Company, LLC

- ❖ William Seymour, Client Service Partner
- ❖ Chris Lehman, Engagement Partner



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Executive Summary





EXECUTIVE SUMMARY

- Audit of the June 30, 2019, financial statements
- Performance of the Uniform Guidance Single Audit
- Preparation of Form 990's for the Golf Course and Agriculture Center
- Compilation of the County's Agriculture Land Transfer Tax Revenues and Expenditures
- Agreed upon procedures report for the landfill report
- Schedule of Fire and Rescue Expenditures
- Audit of 9-1-1 trust fund
- Detention Center agreed upon procedures
- State Charitable Registration
- Prepared Uniform Financial Report
- Preparation of Data Collection Form





SUMMARY OF THE RESULTS

- Issued an unmodified opinion on the financial statements
- We did not discover any instances of fraud
- Discovered no material weaknesses in internal controls
- Received full cooperation from management
- Audit journal entries
 - No audit journal entries noted





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Audit Approach





FORCAM Audit Approach

Focus on Risk, Controls, and Account Misstatement

Agree on Expectations and Deliverables



Goals:

- Detect Financial Statement Misstatement Risk
- Detect Error
 - Accounting Principle
 - Estimate
 - Information Processing
 - Account Balances
- Fraud
- Business Failure
- Business Improvement Opportunities
- Client Expectations

Communicate Value Delivered and Measure Satisfaction





ASSESSMENT OF CONTROL ENVIRONMENT

Area	Points to Consider	Our Assessment
Control Environment	<ul style="list-style-type: none"> ▪ Key executive integrity, ethical, and behavior ▪ Control consciousness and operating style ▪ Commitment to competence ▪ Board's participation in governance and oversight ▪ Organizational structure, responsibility, and authority ▪ HR policies and procedures 	Effective
Risk Assessment	<ul style="list-style-type: none"> ▪ Mechanisms to anticipate, identify, and react to significant events ▪ Processes and procedures to identify changes in GAAP, business practices, and internal control 	Effective
Information & Communication	<ul style="list-style-type: none"> ▪ Adequate performance reports produced from information systems ▪ Information systems are connected with business strategy ▪ Commitment of HR and finance to develop, test, and monitor IT systems and programs ▪ Business continuity and disaster plan for IT ▪ Established communication channels for employees to fulfill responsibilities ▪ Adequate communication across organization 	Effective
Control Activities	<ul style="list-style-type: none"> ▪ Existence of necessary policies and procedures ▪ Clear financial objectives with active monitoring ▪ Logical segregation of duties ▪ Periodic comparisons of book-to-actual and physical count-to-books ▪ Adequate safeguards of documents, records, and assets ▪ Assess controls in place 	Effective
Monitoring	<ul style="list-style-type: none"> ▪ Periodic evaluations of internal controls ▪ Implementation of improvement recommendations 	Effective





EVALUATION OF KEY PROCESSES

Process	Function	A	B	C	D	Our Assessment
Treasury	<ul style="list-style-type: none"> Cash Management Investment Monitoring Investment Policy <ul style="list-style-type: none"> Investment Accounting Investment Valuation Reconciliation 	✓	✓	✓	✓	Effective
Estimation	<ul style="list-style-type: none"> Methodology Information Calculation 	✓	✓	✓		Effective
Financial Reporting	<ul style="list-style-type: none"> Accounting Principles and Disclosure Closing the Books Report Preparation <ul style="list-style-type: none"> General Ledger and Journal Entry Processing Verification and Review of Results 	✓	✓	✓		Effective
Expenditures	<ul style="list-style-type: none"> Purchasing Receiving Accounts Payable and Cash Disbursement 	✓	✓	✓	✓	Effective

A	Understand the Process
C	Walk-through

B	What Can Go Wrong?
D	Test of Controls





EVALUATION OF KEY PROCESSES

(CONTINUED)

Process	Function	A	B	C	D	Our Assessment
Payroll	<ul style="list-style-type: none"> • Attendance Reporting • Payroll Accounting and Processing • Payroll Disbursements 	✓	✓	✓	✓	Effective
Revenue	<ul style="list-style-type: none"> • Billing • Cash Receipts • Revenue Recognition • Cutoff 	✓	✓	✓	✓	Effective
Fixed Assets	<ul style="list-style-type: none"> • Physical Custody • Asset and Construction in Process Accounting • Report Preparation 	✓	✓	✓		Effective
Grant Compliance	<ul style="list-style-type: none"> • Acceptance • Grant Oversight • Compliance • Reporting • Monitoring • Accounting • Billing and Collection 	✓	✓	✓	✓	Effective

A	Understand the Process
C	Walk-through

B	What Can Go Wrong?
D	Test of Controls

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Required Communications





REQUIRED COMMUNICATIONS

Auditor's Responsibilities Under Generally Accepted Auditing Standards (GAAS)	The financial statements are the responsibility of management. Our audit was designed in accordance with auditing standards generally accepted in the United States of America, and provide for reasonable, rather than absolute, assurance that the financial statements are free of material misstatement. We were engaged to perform our audit in accordance with the standards of the accounting principles generally accepted in the United States of America.	
Significant Accounting Policies	Management has the responsibility for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by management are described in the notes to the financial statements.	
Auditor's Judgments About the Quality of Accounting Principles	We discuss our judgments about the quality, not just the acceptability, of accounting principles selected by management, the consistency of their application, and the clarity and completeness of the financial statements, which include related disclosures.	<i>We have reviewed the significant accounting policies adopted by the County and have determined that these policies are acceptable accounting policies.</i>
Audit Adjustments	We are required to inform the County's oversight body about adjustments arising from the audit (whether recorded or not) that could in our judgment either individually or in the aggregate have a significant effect on the entity's financial reporting process. We also are required to inform the County's oversight body about unadjusted audit differences that were determined by management to be individually and in the aggregate, immaterial.	<i>There were no recorded or unadjusted audit adjustments for the County's audit.</i>





REQUIRED COMMUNICATIONS

(CONTINUED)

Fraud and Illegal Acts	We are required to report to the County's oversight body any fraud and illegal acts involving senior management and fraud and illegal acts (whether caused by senior management or other employees) that cause a material misstatement of the financial statements.	<i>Our procedures identified no instances of fraud or illegal acts.</i>
Material Weaknesses in Internal Control	We are required to communicate all significant deficiencies in the County's system of internal controls, whether or not they are also material weaknesses.	
Other Information in Documents Containing Audited Financial Statements	None.	
Disagreements with Management on Financial Accounting and Reporting Matters	None.	





REQUIRED COMMUNICATIONS

(CONTINUED)

Serious Difficulties Encountered in Performing the Audit	None.
Major Issues Discussed with Management Prior to Acceptance	None.
Management Representations	We received certain written representations from management as part of the completion of the audit.
Consultation with Other Accountants	To our knowledge, there were no consultations with other accountants since our appointment as the County's independent public accountants.
Independence	As part of our client acceptance process, we go through a process to ensure we are independent of the County. We are independent of the County.
Non-attest Services	We assist with the drafting of the financial statements. All information needed for the financial statements is provided by management.





REQUIRED COMMUNICATIONS

(CONTINUED)

Our Responsibility Related to Fraud

- Plan and perform the audit to obtain reasonable assurance that there is no material misstatement caused by error or fraud;
- Comply with GAAS AU-C 240 “Consideration of Fraud in a Financial Statement Audit”;
- Approach all audits with an understanding that fraud could occur in any entity, at any time, by anyone; and
- Perform mandatory procedures required by GAAS and our firm policies.

Examples of Procedures Performed

- Discuss thoughts and ideas in areas where the financial statements might be susceptible to material misstatement due to fraud;
- Understand pressures on the financial statement results;
- Understand the tone and culture of the organization;
- Look for unusual or unexpected transactions, relationships, or procedures;
- Discussions with individuals outside of finance;
- Evaluate key processes and controls; and
- Consider information gathered throughout the audit.





RESPONSIBILITY FOR MITIGATING FRAUD



External Auditor:

- ⦿ Evaluate management programs and controls to deter and detect fraud for identified risks
- ⦿ Reasonable assurance that financial statements are free of material misstatement due to fraudulent financial reporting or misappropriation of assets
- ⦿ Compliance with fraud standard (SAS 99)
 - Conversations with finance and operations personnel
 - Disaggregated analytics
 - Surprise audit procedures
 - Journal entry testing

Management:

- ⦿ CFO/Controller: controls to deter and detect fraud
- ⦿ General Counsel/Compliance: monitoring

Audit Committee:

- ⦿ Evaluate management identification of fraud risk
- ⦿ Evaluate implementation of fraud controls
- ⦿ Reinforce “tone at the top”
- ⦿ Conduct special investigations





REQUIRED COMMUNICATIONS – FRAUD



Opportunity

- Generally provided through weaknesses in internal control
- Tone at the top is important
- We assess controls and tone at the top

Pressure

- Pressure can be imposed due to economic troubles, personal vices and unrealistic deadlines and performance goals
- There are increased pressures due to economy and minimal salary increases

Rationalization

- Individuals develop a justification for their fraudulent activities
- Increased rationalization due to minimal salary increases and less personnel





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Meeting Your Expectations

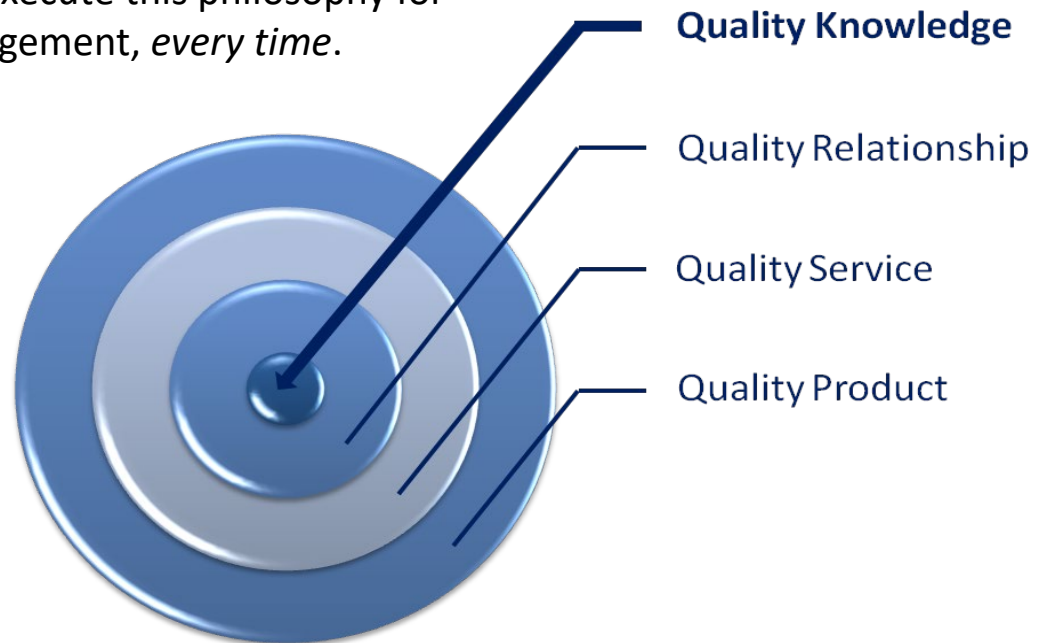




SBC'S SERVICE PLEDGE TO YOU

We will consistently deliver a **Quality Product** and **Quality Service** so that we have the opportunity to establish a **Quality Relationship** with you, allowing us to provide you with **Quality Knowledge** for your continual success. Only after we have provided you with the knowledge that enables your business to grow and prosper, we have ***hit the bullseye!***

Our commitment to you is the execution of our **Bullseye Philosophy**. We execute this philosophy for every client, on every engagement, *every time*.



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