



WASHINGTON COUNTY, MARYLAND

# FISCAL & ECONOMIC UPDATE

QUARTERLY REPORT

SEPTEMBER 2024



# Washington County

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OUTSTANDING JUNE 30, 2025

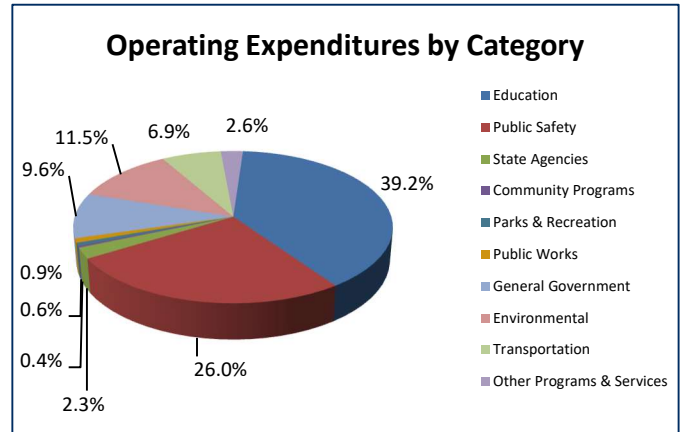
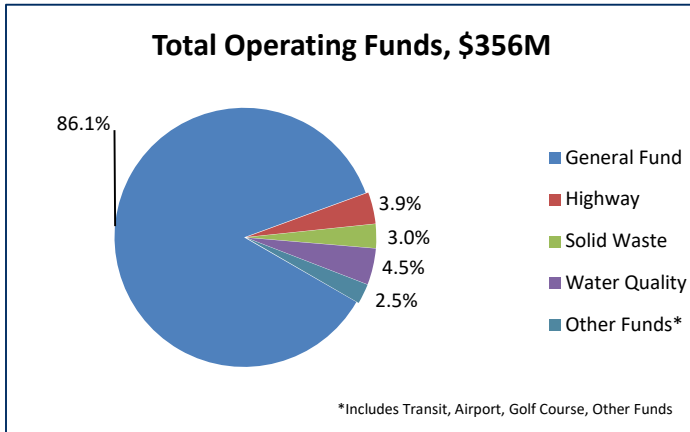
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Washington County is located in northwestern Maryland, bordered by Pennsylvania to the north and West Virginia to the south. It is bordered on the east by Frederick County, Maryland and on the west by Allegany County, Maryland. Washington County is 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 155,590 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 FY2022, the most recent available year.

Population Rank	11th
Property Tax per capita	20th
Per pupil local funding	20th
Expenditure per capita	24th
Revenue per capita	22nd

## FINANCIAL STATS

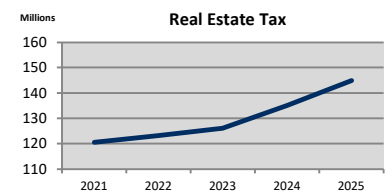


Washington County will spend approximately \$356 million on public services in FY2025. The General Fund budget represents the County's largest fund at \$306 million, or 86.1%. Major revenues that make up the General Fund budget are Property Tax, Local Income Tax, and Other Local Taxes including Recordation 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.

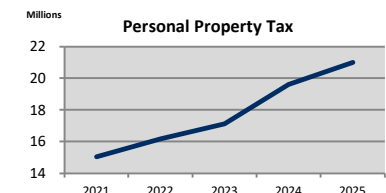
## MAJOR REVENUE TRENDS

The following information summarizes key revenue sources that affect the County's overall financial condition. External economic factors such as the unemployment rate, inflation and interest rates, and real property sales impact County revenues. Amounts reported 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.

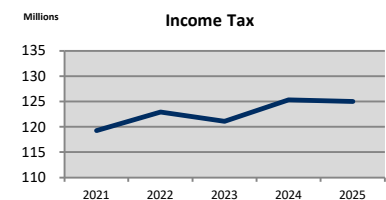
Real Estate Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
138,541,770	145,670,281	7,128,511	5.1%	9.4%



Personal Property Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
3,673,681	4,992,614	1,318,933	35.9%	(8.8%)

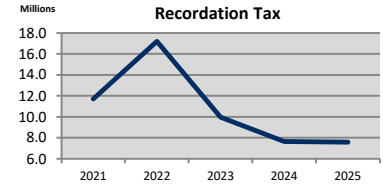


Income Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
591,913	591,913	0	0.0%	(20.8%)

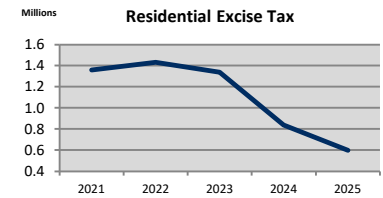


## MAJOR REVENUE TRENDS (CONTINUED)

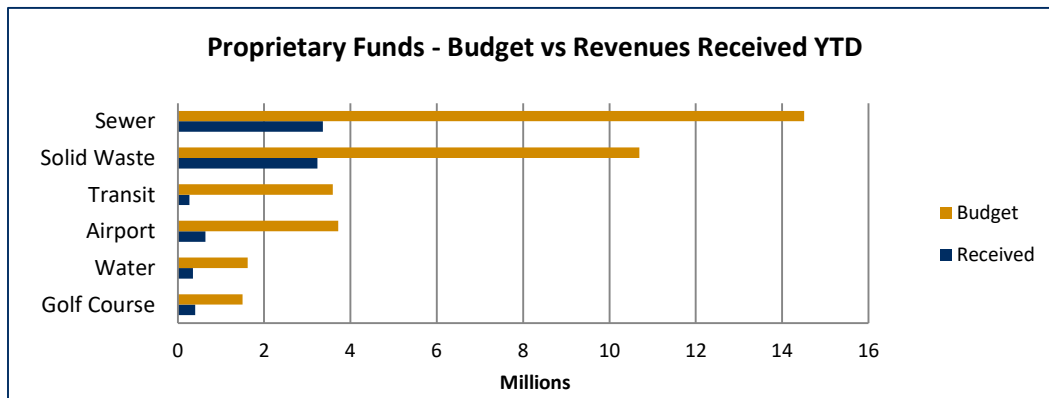
Recordation Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
2,016,982	2,516,914	499,932	24.8%	28.8%



Residential Excise Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
45,421	163,501	118,080	260.0%	(16.5%)



Transfer Tax				
Year-to-Date		Budget Variance		Actual Growth
Budget	Revenues	\$	%	PY vs. CY %
908,754	1,143,313	234,559	25.8%	25.2%



## SUMMARY OF MAJOR EXPENDITURE ACTIVITY

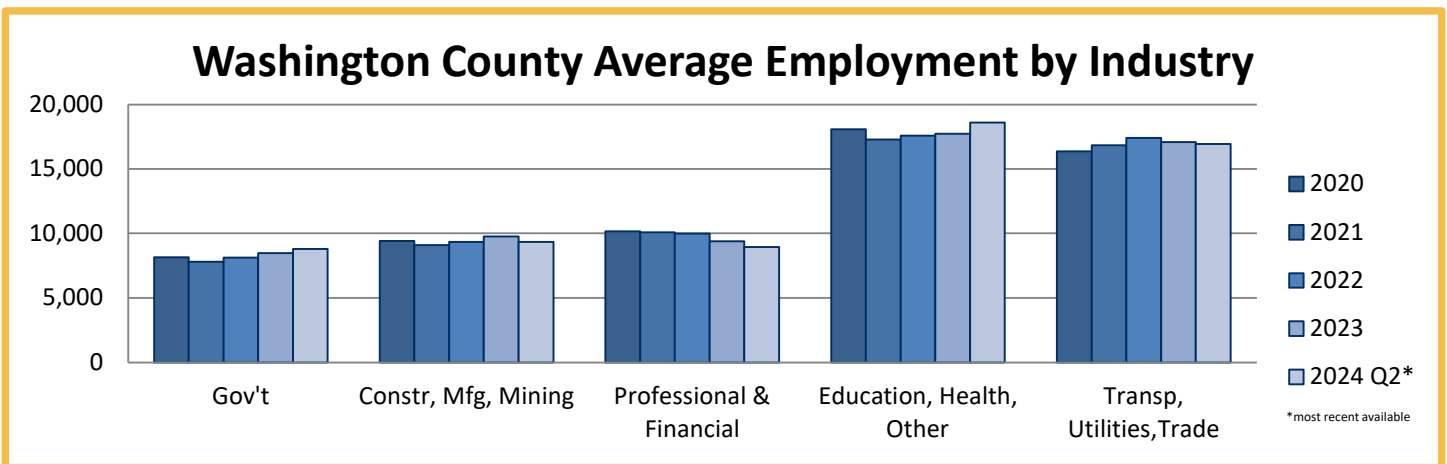
Fund	Budget	Spent	Encumbered	Unexpended	% Expended
General	306.4	77.8	8.5	220.1	25%
Highway	13.9	3.3	0.6	10.0	24%
Solid Waste	10.7	1.8	0.4	8.5	17%
Water	1.6	0.3	0.0	1.3	19%
Sewer	14.5	2.8	0.2	11.5	19%
Transit	3.6	0.9	0.2	2.5	25%
Airport	3.7	0.9	0.1	2.7	24%
Golf Course	1.5	0.5	0.0	1.0	33%
Total	355.9	88.3	10.0	257.6	25%

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 25% if not subject to seasonal fluctuation.

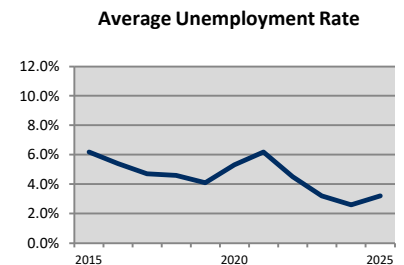
The first distribution of quarterly income tax withholdings for FY25 will not be received until late November. However, the first quarter (FY25) disparity grant was received totaling \$591,913, which is \$155,606 less than the prior year comparative distribution. Conversely, larger than expected delinquent income taxes were received in October of this year exceeding FY24 receipts by \$1.7 million. Personal Property tax receipts YTD are currently down 8.8% from the prior year, however budget expectations are still expected to be realized at this time. Real Estate tax receipts increased 9.4% year over year and are likely to exceed budget expectations for FY25.

The county unemployment rate for September 2024 was 2.8% compared to 2.0% for September 2023. Year to date, the county is trending below both the average national and state unemployment levels of 4.2% and 2.9%, respectively. Total county employment has fluctuated some, but overall, the trend has been upward, realizing average gains in the number of employed of 0.75% since this time last year. Permits issued for new residential homes have increased by 8.5% for the first quarter of the fiscal year compared to the same period last year. The total number of homes sold decreased by -3.4% (from 460 to 450) from the first quarter of FY24 while average housing prices have continued to increase averaging 5.2% annually. The number of homes sold will likely remain unchanged with active inventory remaining low and interest rates predicted to only marginally decrease in the mid-term, the incentive for people to move is currently low from a financial perspective. The median days a home was on the market in Washington County was 11 and 12 days for September of 2023 and 2024 respectively, representing virtually no further cooling of the market at this time.

## EMPLOYMENT DATA

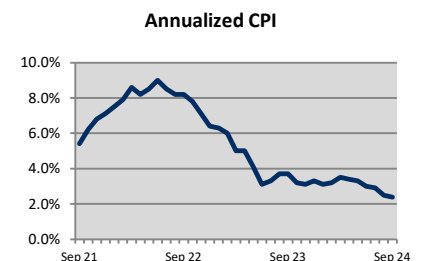


Employment Statistics - September					
County				State	National
Fiscal Year	Number of Employed	Number of Unemployed	Unemployment	Unemployment	Unemployment
2024	69,642	1,453	2.0%	2.2%	3.8%
2025	70,903	2,063	2.8%	2.9%	4.1%



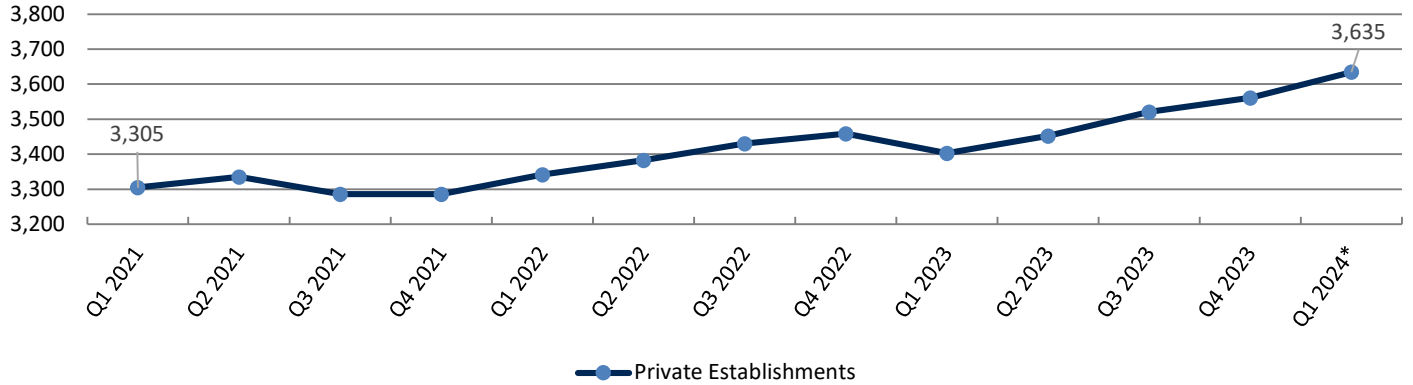
## SPENDING DATA

Consumer Price Index (CPI)			
Current Period		Prior Period	
Index	Annual Change	Index	Annual Change
315.3	-1.3%	307.5	-4.5%



### Number of Private Establishments - Washington County, MD

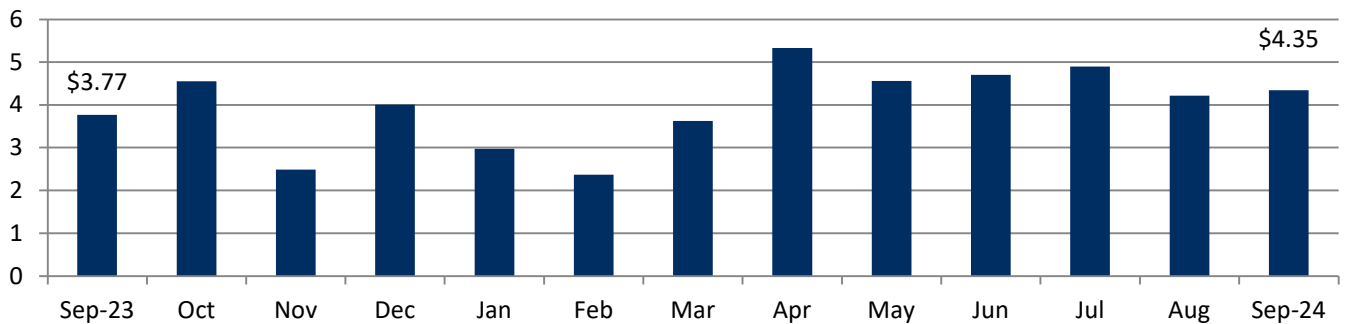
(Calendar Year)



\* Q1 2024 data most recently available

### Gross Lodging Revenues

Millions

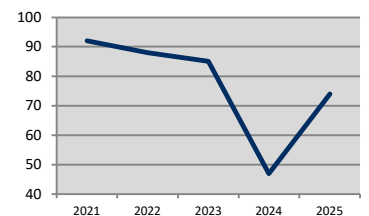


## HOUSING DATA

### New Residential Housing Permits Issued

Area	Prior YTD	Current YTD	Variance	
			# of Permits	% Change
Washington County	47	51	4	8.5%
City of Hagerstown	0	23	23	100.0%
Total	47	74	27	57.4%

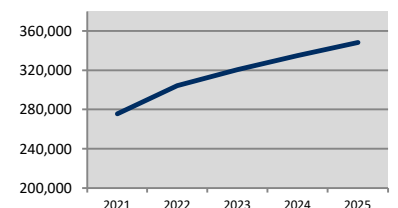
### New Housing Permit Activity



### Washington County Housing Statistics

Housing Activity:	2024 YTD	2025 YTD	% Change
Average Price Sold	331,148	348,290	5.2%
Total Units Sold	466	450	(3.4%)
Average Inventory	275	268	(2.5%)

### Average Price Sold



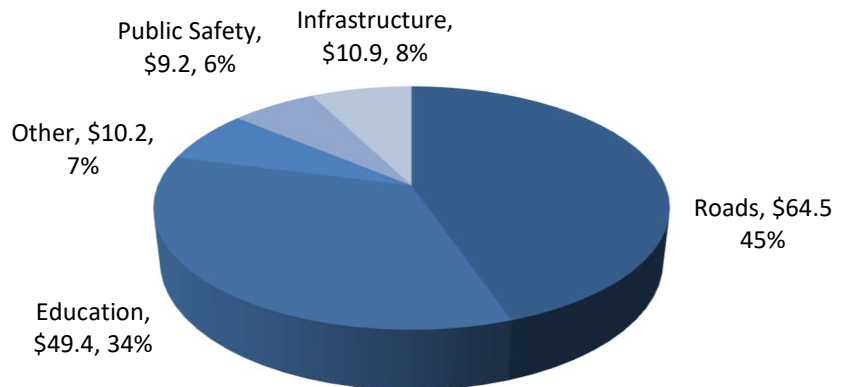
## PROJECTED OUTSTANDING DEBT JUNE 30, 2025

### Projected Outstanding Debt FY 2025 - All Funds - \$192.6M



The charts to the left represent current outstanding debt and anticipated borrowing for the current fiscal year ended 2025. Final determination of new bond issue amounts is typically made in the 4<sup>th</sup> quarter of the fiscal year barring any change in issuance patterns.

### Projected Outstanding Debt FY 2025 - General Fund - \$144.2 M



### Bond Ratings

Rating Agency	Fiscal Year 2024 Rating
Standard & Poor's	AA+
Moody's	Aa1
Fitch	AA+



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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.