



# Popular Annual Financial Report

For The Fiscal Year Ended June 30, 2025

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## City of Hagerstown

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Hagerstown, MD 21740  
301-739-8577  
[www.hagerstownmd.org](http://www.hagerstownmd.org)

-  City of Hagerstown – Municipal
-  [cityofhagerstown](https://www.instagram.com/cityofhagerstown)
-  [CityofHagerstown](https://www.youtube.com/CityofHagerstown)



To the Mayor, City Council, and citizens of Hagerstown:

I am pleased to present the Popular Annual Financial Report for Fiscal Year 2025 for the City of Hagerstown. This report highlights the City's financial position and capital investments at a glance. All of this information is presented in a more precise, user-friendly format than our Annual Comprehensive Financial Report.

The City ended FY 2025 with an overall net position of \$294.1 million. FY 2025 revenues remained strong as a result of increases in total property tax revenues as a result of new development, new annexations, and growth of assessed values related to existing properties. In addition, increases in other revenue sources, such as income taxes, resulted in higher revenues than the previous fiscal year. Citywide, expenditures increased over prior year levels across most areas, most notably in public safety and debt service. As a result, the General Fund fund balance increased by \$1.3 million. The City's General Fund reserve exceeded policy targets and is equal to 41.4% or 5.0 months of expenditures. Our bond rating is AA/Aa3, which means the City has been evaluated to have a very strong capacity to meet its financial commitments.

FY 2025 continued the City's strong infrastructure and economic development work not only in the downtown but in all areas of the City. The opening of the Hagerstown Field House was the seminal event of the year. Thousands have gone through its doors in the last 12 months and provided a significant economic boost to the East End that has struggled for several years. The downtown continues to expand with the opening of several new retail and restaurant establishments with more to come in FY 2026. The City has also continued to show its commitment to public safety and infrastructure through continued expenditures to modernize and improve the serviceability of each of these important responsibilities of government.

This easy-to-read document has evolved to further promote the transparency of the City's financial standing in a way that any citizen may understand. The coming years will find this to be the most important function of government, ensuring that our citizens understand where their tax dollars are going and the reasoning behind the expenditures. A big thank you to the Accounting and Finance Department for putting this document together and laying out a complex financial operation in an understandable and relatable way.



Sincerely,  
Scott Nicewarner  
City Administrator  
snicewarner@hagerstownmd.org

## What is the PAFR?

The Popular Annual Financial Report (PAFR) is a document that contains information from the Annual Comprehensive Financial Report. It provides the City of Hagerstown's financial and statistical information in a user-friendly format. The PAFR is intended to increase awareness throughout the community on the financial operations of the City.

Unlike the Annual Comprehensive Financial Report, the PAFR is not prepared in accordance with Generally Accepted Accounting Principles (GAAP). Residents who prefer to review a report that is GAAP compliant may review the audited financial statements on the City's website at [www.hagerstownmd.org/272/Annual-Reports](http://www.hagerstownmd.org/272/Annual-Reports).

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## Services Provided by the City:

- police protection
- fire protection
- electric, water, and waste water utilities
- economic development
- recycling and refuse collection
- snow removal
- stormwater management
- street maintenance
- public parks
- recreation programs
- public parking
- traffic control
- planning and zoning
- licensing, permitting, and inspections
- seasonal farmer’s market
- public pool, golf course, skatepark, and field house

Washington County provides the public education system.



## What is the form of government?

The City of Hagerstown operates under a council-manager form of municipal government. The City has a Mayor that serves as President of the five member Council who is elected on an at large basis for four-year terms. The Mayor may participate in all Council discussions with veto powers on all ordinances passed by the council and is also the ceremonial head of the City government. The City Administrator is appointed by the Mayor and Council to serve as the Chief Executive Officer of the City.

## Hagerstown’s Mayor & Council

November 2024 – November 2028



Top row: (l-r) Mayor William McIntire, Tiara Burnett, Kristin Aleshire  
Bottom row: (l-r) Caroline Anderson, Erika Bell, Sean Flaherty

## What makes up the community?

The City of Hagerstown is the county seat of Washington County, Maryland. The City is the ideal combination of city living and small-town charm. The community enjoys 22 parks and many attractions and recreation facilities such as the historic Maryland Theatre, the Hagerstown Cultural Trail, the Washington County Museum of Fine Arts, the Greens at Hamilton Run golf course, the Claude M. Potterfield pool, the Hagerstown Skatepark, the Meritus Park multi-purpose stadium, and the Hagerstown Field House.

## Where is Hagerstown located?

The City of Hagerstown is known as the “Hub City” because of its unique positioning at the hub of Interstate 81 and Interstate 70. The City is located approximately 70 miles northwest of Washington D.C., about 72 miles west of Baltimore, MD, and approximately 65 miles southwest of Harrisburg, PA. It occupies an area of 13.16 square miles and serves a population of 43,909.

## What is the American Rescue Plan Act of 2021?

The American Rescue Plan Act of 2021 (ARPA) provides \$350 billion for state, local, territorial, and Tribal governments to respond to the COVID-19 emergency and bring back jobs. The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), established by the U.S. Department of the Treasury, provides a substantial infusion of resources to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

## How is the City spending the funds?

The City of Hagerstown has been allocated a total of \$20.4 million which must be spent or appropriated by December 2024. The Mayor and City Council have developed a plan on how to spend the funding to best serve the City of Hagerstown and continue to have work session discussions with City staff to make adjustments to the plan as necessary. All projects funded with SLFRF funding must fall under one of the following federal expenditure categories:

- Support Public Health Response
- Address Negative Economic Impacts
- Services to Disproportionately Impacted Communities
- Premium Pay for Essential Workers
- Water, Sewer, and Broadband Infrastructure
- Replace Public Sector Revenue Loss
- Administrative Costs



### FY 2025 Project Highlights:

Project	Description	Federal Expenditure Category	Cost
HFD Vehicle Fire Training Prop and Portable Training Props	Falcon CX vehicle fire training used to train in realistic vehicle fire scenarios, improving firefighters skills in handling vehicle fires and enhancing overall public safety	Address Negative Economic Impacts in the Public Sector	\$80,188
HFD Paratech Equipment	Paratech Struts, Shoring, Lifting and Stabilization Devices	Address Negative Economic Impacts in the Public Sector	\$330,810
HPD Body-Worn Cameras	Purchase of Cameras/Taser/Virtual Training Program	Revenue Replacement	\$566,175
HPD Evidence Lockers	Space saver Evidence Lockers	Address Negative Economic Impacts in the Public Sector	\$39,537
Traffic Signal Upgrade	Funding to upgrade two traffic signals at Antietam Street & Summit Avenue and Salem Avenue & West Side Avenue	Revenue Replacement	\$913,604

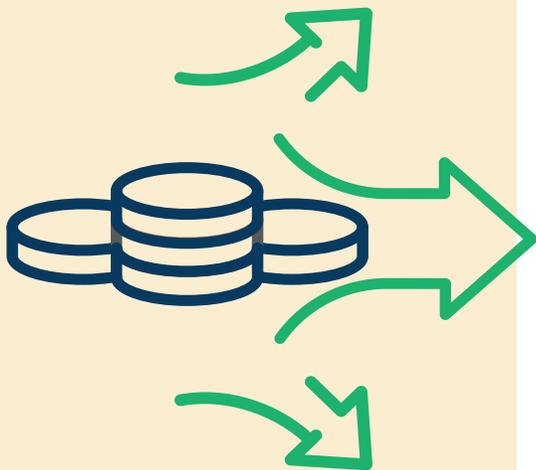


**FOR MORE INFORMATION ON SLFRF, VISIT [WWW.TREASURY.GOV/SLFRP](http://WWW.TREASURY.GOV/SLFRP)**

**TO VIEW A COMPLETE LISTING OF THE CITY'S ARPA PROJECTS, VISIT [WWW.HAGERSTOWNMD.ORG/1610/ARPA](http://WWW.HAGERSTOWNMD.ORG/1610/ARPA)**

## What is the City of Hagerstown's financial structure?

The City uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The funds can be divided into 3 categories: governmental, proprietary, and fiduciary. Governmental funds account for the City's basic operations. Proprietary funds are self-supporting, where costs are covered by charges and fees. Fiduciary funds account for resources held for the benefit of parties outside the government.



	Fund Name	Purpose
Governmental Funds	General Fund	Primary governmental fund that supports the City's programs and services
	Community Development Block Grant Fund	Promotes the rehabilitation and development of neighborhoods by providing loans, grants, and public facilities and services
	Economic Redevelopment Fund	Redevelopment of targeted properties across the City through incentives and grants
	Flexible Spending Fund	Employee Flexible Spending Account (FSA) program
	Business Revolving Loan Fund	Assists with recruitment, retention, and expansion of businesses within the City
	Excise Tax Fund	Administration of funds received from the excise tax that may only be used for specific purposes for the County
	Grant Revenue Fund	Accounts for operating grants received from various agencies - federal, state, and local
	Forest Conservation Fund	Developer option to pay for offsite forestation activities that the City uses to plant trees
	Capital Projects Fund	Capital Improvement Projects (CIP) include buildings, improvements, land, and equipment
	Proprietary Funds Enterprise Funds	Electric Fund
Water Fund		Provides water to customers
Wastewater Fund		Collection and treatment of wastewater and safe disposal of residuals for customers
Parking Fund		Parking enforcement, parking decks, and parking lots that are owned and managed by the City
Golf Fund		Activities related to the City's public golf course, The Greens At Hamilton Run
Property Management Fund		Activities related to rental properties owned and managed by the City
Stormwater Management Fund		Accounts for all aspects of storm drainage and stormwater management networks in the City that convey or treat runoff
Proprietary Funds Internal Service Funds	Workers' Compensation Fund	The City sets aside assets for claim settlement in order to manage its uncovered workers' compensation risks
	Health Insurance Fund	Manages the City's self-insurance health care program for employees, retirees, and dependents
	Dental Insurance Fund	Manages the City's dental insurance benefit for employees, retirees, and dependents
Fiduciary Funds	Pension Trust Fund	Accounts for the activities of the Public Safety Employees Pension System
	Other Post Employment Benefits (OPEB) Trust Fund	Accounts for the resources that provides health benefits to eligible retirees, and in certain instances, their eligible survivors and dependents

## Summary of Total Net Position:

Fiscal Year	Total Assets and Deferred Outflows of Resources	Total Liabilities and Deferred Inflows of Resources	Total Net Position
FY 2021	\$389,406,314	\$170,747,803	\$218,658,511
FY 2022	\$425,640,511	\$196,429,748	\$229,210,763
FY 2023	\$441,882,658	\$202,362,119	\$239,520,539
FY 2024	\$450,884,744	\$186,513,041	\$264,371,703
FY 2025	\$482,266,232	\$188,168,986	\$294,097,246

Source: City of Hagerstown FY 2025 Annual Comprehensive Financial Report, page 8.

## Changes in Net Position:

June 30, 2025 and 2024						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$10,324,320	\$10,727,573	\$72,637,099	\$57,567,148	\$82,961,419	\$68,294,621
Operating grants and contributions	3,026,046	3,884,768	-	-	3,026,046	3,884,768
Capital grants and contributions	9,561,417	6,284,401	9,590,809	10,115,909	19,152,226	16,400,310
General Revenues:						
Property taxes	41,445,640	38,291,769	-	-	41,445,640	38,291,769
Income and other taxes	10,532,135	9,784,489	-	-	10,532,135	9,784,489
Miscellaneous	2,652,381	3,238,844	1,684,271	2,226,500	4,336,652	5,465,444
<b>Total Revenues</b>	<b>77,541,939</b>	<b>72,211,944</b>	<b>83,912,179</b>	<b>69,909,457</b>	<b>161,454,118</b>	<b>142,121,401</b>
<b>Expenses:</b>						
Program Expenses:						
General government	11,835,983	12,536,270	-	-	11,835,983	12,536,270
Public safety	34,332,197	31,846,584	-	-	34,332,197	31,846,584
Highways and streets	3,251,877	2,659,293	-	-	3,251,877	2,659,293
Waste collection and disposal	4,556,010	4,484,442	-	-	4,556,010	4,484,442
Culture and recreation	4,033,258	3,690,290	-	-	4,033,258	3,690,290
Economic and community development	3,930,340	4,085,790	-	-	3,930,340	4,085,790
Interest on long-term debt	1,062,776	384,693	-	-	1,062,776	384,693
Utilities and other proprietary funds	-	-	68,726,134	57,582,875	68,726,134	57,582,875
<b>Total Expenses</b>	<b>63,002,441</b>	<b>59,687,362</b>	<b>68,726,134</b>	<b>57,582,875</b>	<b>131,728,575</b>	<b>117,270,237</b>
<b>Transfers:</b>						
Excess (deficiency) before transfers	<b>14,539,498</b>	<b>12,524,582</b>	<b>15,186,045</b>	<b>12,326,582</b>	<b>29,725,543</b>	<b>24,851,164</b>
Transfers	59,080	(720,712)	(59,080)	720,712	-	-
Transfers of long-term debt	-	-	-	-	-	-
<b>Change in net position</b>	<b>14,598,578</b>	<b>11,803,870</b>	<b>15,126,965</b>	<b>13,047,294</b>	<b>29,725,543</b>	<b>24,851,164</b>
Net position - beginning	54,553,405	42,749,535	209,818,298	196,771,004	264,371,703	239,520,539
<b>Net Position - Ending</b>	<b>\$69,151,983</b>	<b>\$54,553,405</b>	<b>\$224,945,263</b>	<b>\$209,818,298</b>	<b>\$294,097,246</b>	<b>\$264,371,703</b>

Source: City of Hagerstown FY 2025 Annual Comprehensive Financial Report, page 9.

## What is the City of Hagerstown's net position?

Net position, the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, serves over time as a useful indicator of a government's overall financial condition. Net position is divided into three categories: net investment in capital assets, restricted net position, and unrestricted net position.

The City of Hagerstown's overall net position was \$294.1 million in FY 2025.

This was a 11.2% increase of \$29.7 million from FY 2024. Approximately 67.6% of overall net position is attributable to the City's three utilities (Electric, Water, and Wastewater).

The City's net investment in capital assets was \$279.2 million, an increase of \$13.3 million from FY 2024. This was due to infrastructure investments.

Restricted net position, resources that are subject to external restrictions on how they may be used, represents \$4.8 million of the City's total net position.

Unrestricted net position, which is used to meet the City's ongoing obligations to citizens, creditors, and employee pension plans, represents \$10.1 million.

## What is the reserve policy?

The City's financial policy requires a minimum unassigned fund balance of 17% and 2.0 months of General Fund operating expenditures.

## When can reserves be used?

Reserves may be used in an emergency or disaster. If reserves exceed the policy target, they can be used to finance capital projects or other one-time needs.

## Why do we need reserves?

The purpose is to alleviate significant unanticipated expenditures or revenue shortfalls and to ensure the orderly provision of services to residents.

## What were some of the major financial result changes between FY 2024 and FY 2025?

Intergovernmental Grants revenue decreased by \$1.1M or 51.0% due largely to a decrease in utilization of Federal ARPA grant money for the purchase of Trash Totes for City residents and AED defibrillator machines for the Fire Department from FY 2024. Income and Other Taxes revenue increased by \$758K or 10.6% as a result primarily of an increase in revenue from Enterprise Zone Tax Credits of \$883K from FY 2024. General Fund expenditures increased by \$1.5M or 21.5% largely due to an increase in Information Technology expenditures in Software Support and Maintenance and Network Maintenance and in Engineering expenditures in Engineering Fees and Other Professional Services Highways and Streets expenditures increased by \$465K or 19.0% largely due to an increase in General Street Expenditures including salary and benefits of \$326K or 21.2%. Debt Service expenditures increased by \$784K or 50.0% due to the issuance cost and interest payments on the bond issuance for funding of the Hagerstown Field House.

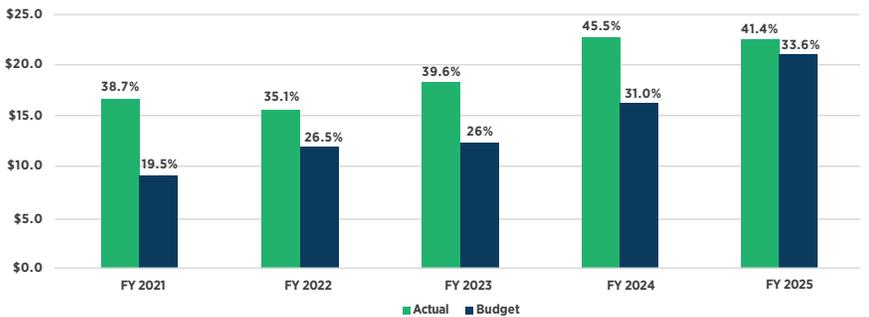
Revenue Category	FY 2023	FY 2024	FY 2025	Change
Property Taxes	36,004,233	38,291,769	41,445,640	8.2%
Income & Other Taxes	6,608,048	7,182,409	7,940,790	10.6%
Licenses & Permits	2,566,286	2,563,694	2,755,100	7.5%
Intergovernmental Grants	1,087,802	2,156,254	1,057,032	-51.0%
Charges for Services	3,888,705	5,159,232	4,857,414	-5.9%
Fines & Forfeitures	969,744	997,723	965,466	-3.2%
Other	3,323,793	4,137,780	4,106,869	-0.7%
Internal Transfers	684,375	43,180	22,655	-47.5%
<b>Total Revenues (\$)</b>	<b>55,132,986</b>	<b>60,532,041</b>	<b>63,150,966</b>	<b>4.3%</b>

Source: City of Hagerstown Annual Comprehensive Financial Report: FY 2023, FY 2024 and FY 2025, page 27.

Expenditure Category	FY 2023	FY 2024	FY 2025	Change
General Government	6,925,957	7,037,178	8,547,147	21.5%
Public Safety	27,336,020	29,125,074	31,320,154	7.2%
Highways & Streets	2,298,843	2,448,949	2,913,898	19.0%
Waste Collection & Disposal	3,232,599	4,484,707	4,555,590	1.6%
Parks & Recreation	2,801,935	2,971,315	3,121,377	5.1%
Community & Economic Development	647,562	725,296	786,020	8.4%
Debt Service	1,569,144	1,567,013	2,350,733	50.0%
Unallocated General Expenditures	1,647,864	1,762,087	1,871,756	6.2%
Transfers to Other Funds	5,346,163	6,523,434	6,453,875	-1.1%
<b>Total Expenditures (\$)</b>	<b>51,806,087</b>	<b>56,645,053</b>	<b>61,830,550</b>	<b>9.2%</b>

Source: City of Hagerstown Annual Comprehensive Financial Report: FY 2023, FY 2024 and FY 2025, page 27.

## Actual vs. Budget General Fund Reserve (millions) % of General Fund Operating Expenditures

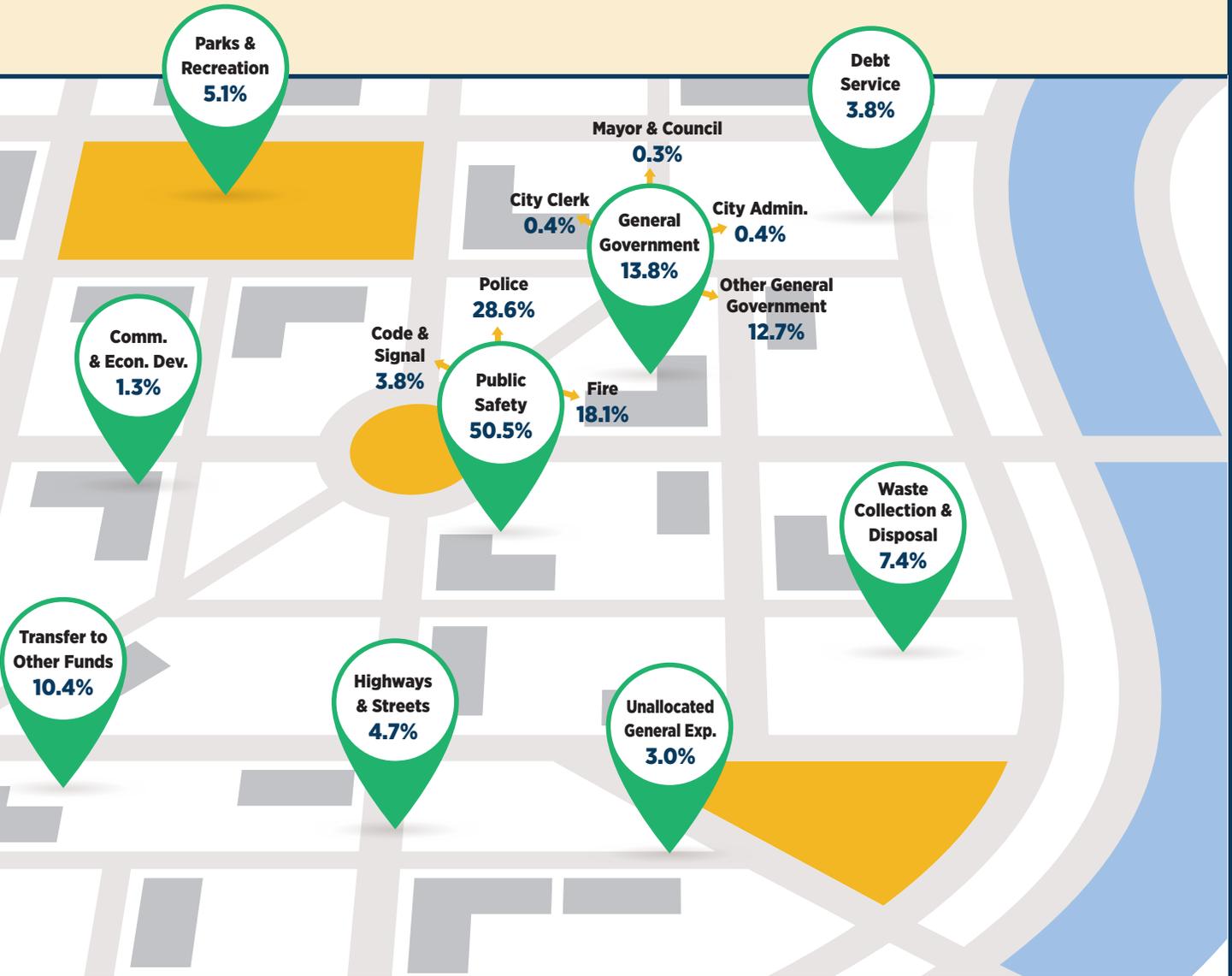


Source: City of Hagerstown FY 2021 - FY 2025 Annual Comprehensive Financial Report Balance Sheet - Governmental Funds; Adopted Budget



# Fiscal Year 2025 General Fund Expenditures

Where Does Your Money Go?



## General Government\*

\$8,547,147

## Highways & Streets

\$2,913,898

## Parks & Recreation

\$3,121,377

## Debt Service

\$2,350,733

## Transfers to Other Funds

\$6,453,875

## Public Safety\*\*

\$31,230,154

## Waste Collection & Disposal

\$4,555,590

## Community & Economic Development

\$786,020

## Unallocated General Expenditures

\$1,871,756

## Total Fiscal Year 2025 General Fund Expenditures

**\$61,830,550**

\*Includes: Mayor & Council, City Administrator, City Clerk, City Hall, Communications, Engineering, Finance, Human Resources, IT, Legal, Planning, Public Functions, and Support Services

\*\*Includes: Police, Fire, Code, and Signal departments

Source: City of Hagerstown FY 2025 Annual Comprehensive Financial Report, page 100-101.

## City of Hagerstown's Property Tax Rates

The City of Hagerstown charges residents a real property tax and charges businesses a real and personal property tax. The amounts charged are based on the City's tax rate and the value of the properties. There was no change in tax rates in FY 2025.

The real estate rate for all properties was \$1.002 per \$100 assessed value and the corporate personal property tax rate was \$2.505 per \$100 assessed value.

The State Department of Assessments and Taxation (SDAT) is responsible for determining the assessed values for all properties located in the City. Assessments occur every three years. If a property increases in value, it is phased in over three years. If a property decreases in value, the decrease is reflected in the first year levy after the assessment.

## Property Tax Revenues

In FY 2025, every \$0.01 charged in real estate property tax generates approximately \$339,000 in revenue. Total FY 2025 property tax revenues of \$41.4 million were above projections by \$1.2 million and higher than FY 2024 by \$3.2 million. The increase is a result of the growth in assessable base values, new development, and new annexations.

## Assessed Value and Estimated Actual Value of Taxable Property (in thousands)

Fiscal Year Ended	Real Property	Apartment Real Property
2016	2,521,123	-
2017	2,521,811	-
2018	2,538,466	-
2019	2,334,413	239,447
2020	2,400,047	240,820
2021	2,598,601	244,911
2022	2,789,166	245,397
2023	2,629,542	249,353
2024	3,043,039	-
2025	3,394,468	-

Source: City of Hagerstown FY 2025 Annual Comprehensive Financial Report, page 124.

## Principal Property Taxpayers

Top 10 City Taxpayers	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
MCB Hagerstown LLC	204,433,767	5.79%
NP Hagerstown Industrial 2 LLC	115,175,134	3.26%
Hagerstown Industrial Properties	103,960,233	2.94%
GVP Hagerstown LLC	43,872,734	1.24%
Lowes Home Centers, Inc.	30,165,000	0.85%
Bowman Railray LLC	27,746,500	0.79%
B33 Hagerstown LLC	26,960,200	0.76%
Tractor Supply Company	26,742,100	0.76%
TR Hagerstown MOB LLC	22,830,800	0.65%
South End Investory LLC	21,920,400	0.62%
<b>Totals</b>	<b>\$623,806,868</b>	<b>17.67%</b>

Source: City of Hagerstown FY 2025 Annual Comprehensive Financial Report, page 126.





# Real Estate Tax

For Fiscal Year July 2024 through June 2025 **1**

Parcel Number: 21-000000 **2**  
Assessment: \$164,900 **3**  
Tax Rate: \$ 0.010020 **4**

Bill Number: 2500000  
Print Date: 6/23/2024  
Class: R **5**  
Jurisdiction: R

Base Tax Due: \$1,652.30 **6**

Property Description: LOT 12 BLK C 61X116  
300 ANYWHERE ST

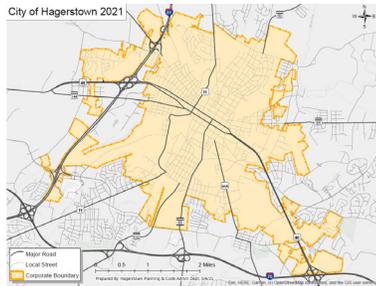
Interest applies after October 1 at a rate of 1% per month.

JOHN SMITH  
300 ANYWHERE ST  
HAGERSTOWN MD 21740

Payment Due (including interest)		
1st Semi-Annual		Annual
\$824.08	July	\$1,648.17 <b>7</b>
\$826.15	August	\$1,652.30
\$826.15	September	\$1,652.30
\$834.41	October	\$1,660.56
\$842.67	November	\$1,668.82
	December	\$1,687.82

1. Fiscal Year: Represents the time period the tax bill covers.
2. Parcel Number: A parcel number is assigned by the Maryland State Department of Assessments and Taxation (SDAT) and is used to help identify your property for tax, title, deed, and property line reasons.
3. Assessment: Assessment is determined by the Maryland State Department of Assessments and Taxation (SDAT). An assessment is based on an appraisal of the fair market value of the property.
4. Tax Rate: FY 2025 the real property tax rate is \$1.002 per \$100 assessed value. The personal property rate is \$2.505 per \$100 assessed value.
5. Class: Identifies the type of property.

Class Code	Description
A	AGRICULTURE
C	COMMERCIAL
CA	COUNTRY CLUB
CC	COMMERCIAL CONDO
CR	COMMERCIAL RESIDENTIAL
E	EXEMPT
EC	EXEMPT COMMERCIAL
I	INDUSTRIAL
M	APARTMENTS
R	RESIDENTIAL
RC	RESIDENTIAL COMMERCIAL
RE	REAL ESTATE - CONVERTED
TH	TOWN HOUSE
U	RESIDENTIAL CONDO



## Tax Credits Available

You may be eligible for a property tax reduction! The Maryland State Department of Assessments and Taxation has a variety of programs that may help homeowners with property taxes:

- The Homeowners' Property Tax Credit
- The Renters' Tax Credit
- The Homestead Property Tax Credit
- Service Connected Disabled American Veterans' and Surviving Spouses' Credit

For information on these and other programs, contact the Maryland State Department of Assessment and Taxation at 800-944-7403 or visit their website at <http://dat.maryland.gov/Pages/Tax-Credit-Programs.aspx>.

\*\*Credits are not included on the sample tax bill.

6. Base Tax Due: The annual amount that is due to the City for real property tax. This amount is calculated by multiplying the assessed value by the appropriate property tax rate.
7. Payment Due: Receive a .25% discount in paid in July. Annual tax payments or first semiannual payments not paid by October 1 are considered in arrears and are subject to interest at a rate of 1% per month.



## Pay Your Bill Online

ONLINE SERVICES *Pay Bill / Check Permit / Jobs*

[hagerstownmd.org](http://hagerstownmd.org)

## How does the City pay for Capital Investments?

Capital Investments are funded from various sources, including: transfers from the General or other funds, highway user revenues, federal and state grants, developer and community contributions, user charges and fees, and bond proceeds.

## Why does the City issue Bonds?

The City issues bonds to pay for large, expensive and long-lived capital projects. Although the City can and does pay for capital investments with current revenues, borrowing allows the spread of costs across multiple generations. General tax revenues pay for bonds used to support non-enterprise projects accounted for in the Capital Improvements Program Fund. Revenues from utility rates and charges pay for bonds used to support the projects funded through each enterprise fund.

## Is there a limit on the amount of Bonds the City can issue?

The Mayor & Council approve the issuance of all new debt. Neither Maryland law nor the City Charter set a limit on municipal debt. However, the City ensures that debt is being used responsibly from an established debt policy. In FY 2025, total taxpayer supported debt was \$27.63 million. This equates to 0.78% of assessed value or \$629 per citizen of the City.

*Source: City of Hagerstown FY 2025 Annual Comprehensive Financial Report, page 129.*

## City of Hagerstown’s Capital Budget

The City plans its capital improvement projects (CIP) over a five-year period. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 in the governmental funds or \$10,000 in the proprietary funds and an estimated useful life in excess of four years. The City’s capital budget focuses on projects that build upon the City’s Strategic Plan which outlines the City’s desire to be the location of choice for a diverse and dynamic citizenry, and to provide a proud and prosperous community. In FY 2025, the City spent \$28.0 million in additions for capital assets and improvements for the City’s governmental activities and \$13.8 million in additions for construction in progress of capital improvements and other capital assets for the City’s business/proprietary activities. Example CIP projects are given below that encompass the following categories of the Mayor & Council Goals and Priorities:

Goal	Amount	Examples
Neighborhoods Revitalization and Sustainability	\$150K	public art, downtown beautification programs, accessibility ramps
Public Safety	\$5.3M	purchase of fire vehicles and other fire equipment, burn building construction and training tower repairs, fire headquarters relocation, crime camera expansion, police radios, police vehicles, police crime lab software and equipment
Public Facilities and Infrastructure	\$19.9M	safe parking, bridge repair, new sidewalks, signal intersection upgrades, alley and street reconstructions and dedications, pavement preservation, various upgrades and renovations related to the electrical services provided to Hagerstown Light Division customers, water main replacements, improvements to water treatment plants to improve safe drinking water standards, various wastewater collection system rehabilitations, and stormwater management implementation and upgrades
Economic Development	\$0	multi-use trails, including the cultural trail and plaza, investments to emphasize business development in the City Center
Parks and Recreation for Active/Healthy Living	\$654K	providing parks and public gathering spaces and enhanced amenities and expanded programs in the Parks & Recreation division
Innovative/Progressive Government	\$759K	renovation of the former M and T bank building to provide enhancements for customer service, begin implementation of the Workday ERP system
Community Promotion/Pride	\$89K	improvements to the TV studio and video production systems
Economic Development through Sports and Tourism	\$14.6M	upgrades to Hager House Museum, Steam Engine Museum and design and construction work for the Hagerstown Field House
Citizen Based Government	\$366K	integration of technology throughout City Operations to enhance the Customer experience and increase citizen access to City services and information

### AA/Aa3

*The City has been evaluated for its overall debt burden, financial management, financial performance, and the City’s economic base and prospects. The City currently maintains an AA bond rating from Standard and Poor’s and an Aa3 rating by Moody’s Investor Services, which are obligations that are judged to be of high quality and are subject to very low credit risk. The City is rated as having a very strong capacity to meet its financial commitments.*



## Hagerstown Field House

**FY 2025 Expenditures: \$15,014,462**  
*(Total Project Expenditures \$26,380,241)*

**FY 2025 Budget: \$14,820,264**  
*(Total Project Budget \$26,381,407)*

The 2018 Victus Advisors study documented the need for such a facility in the community. The City, partnering with Eastern Sports Management, completed construction of the project in 2024, and opened the facility to the public on February 1, 2025. The 117,000 square foot facility consists of two artificial turf playing fields, four basketball courts (convertible to other hard court sports including volleyball, pickleball, etc.), a fitness center/gym space with group exercise rooms and full locker room/shower facilities, and a café/bar concession space. Eastern Sports Management has a long-term lease agreement with the City to operate the facility, and is actively engaged to promote the Field House as a sports tourism attraction.



## Fire Department Training Center

**FY 2025 Expenditures: \$1,400,114**  
*(Including \$199,817 with ARPA funds)*

**FY 2025 Budget: \$1,139,189**

The City completed construction of a new Class A Fire Training/Burn Building at the HFD's training complex on Bowman Avenue. This building allows firefighters to train in realistic conditions using permanent props designed to teach essential skills such as firefighter safety, survival and rescue. A flashover simulator was also added, built from specialized training containers. This simulator lets firefighters safely observe how heat, smoke, and fire behave inside a structure and provides opportunities for live-fire training in a controlled environment. In addition, the City installed a vehicle fire prop, which allows firefighters to practice extinguishing car fires under controlled, realistic conditions. Together, these training improvements help firefighters better understand how fires develop, recognize early warning signs, and make faster, safer decisions during real emergencies – improving safety for both firefighters and the community.



## Curb Replacement Program

**FY 2025 Expenditures: \$100,000**

**FY 2025 Budget: \$100,000**

Replacing the curbs around town has contributed to improving the City's drainage system with stormwater runoff. The Stormwater Protection Fund and its user fee are being allocated towards replacing the existing deteriorated curbs on planned street overlay streets and other locations. Property owners are no longer burdened with the task of curb maintenance. The City has taken over responsibility of curb maintenance and replacements as necessary. The Curb Replacement Program has replaced over 15 curbs in FY 2025, including the curbs on Security Road, S. Potomac Street, Noland Drive, Devonshire Road, Chestnut Street, and more.



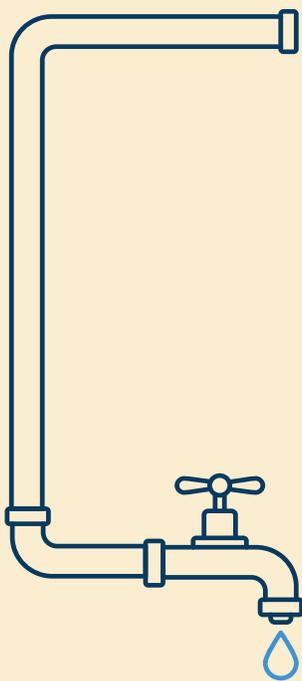
## City Street Tree Reforestation

**FY 2025 Expenditures: \$49,436**

**FY 2025 Budget: \$50,000**

The City's Stormwater Department is awarded a yearly credit for tree planting by the Chesapeake Bay Trust. Each year, in conjunction with the credit and Stormwater User Fees, new trees are planted throughout City owned properties including downtown or lands outside City limits that are owned or controlled by the City. The purpose of this project is to plant trees to reforest both existing pervious and impervious areas to earn credits that will help the City comply with the 20% restoration requirement in the NPDES permit. This is an ongoing project that is funded by the Stormwater User Fee and the Chesapeake Bay Trust and new trees are being planted yearly.

**UPCOMING PROJECTS IN FY 2026:** Hager House Visitor Center Improvements • Fire Department Training Center Replacement of Traffic Signals • Wheaton Park Phase II Improvements • Bridge Repair and Replacement • Police Firing Range Infrastructure Improvements Consolidation of Public Safety Assets • City Park, Burnap lot improvements • ERP Software System Replacement • Antietam Creek Waterway Trail Fairgrounds Park Improvements • Police Building Renovation of locker room and showers • Electric Telemetry Equipment • Kilpatrick Woods – Electric Electric Streetlight Replacement • Electric Substation Upgrades • Electric Meter Replacement • Wilson Treatment Plant Improvements Distribution Services – Water Meter Program • Pump Station Improvements • Golf Course Improvements • Stormwater Street Tree Planting Stormwater Protection Program Implementation • Wastewater Treatment Plant Laboratory Equipment Improvements Wastewater Pump Station Improvements



## HAGERSTOWN WATER & WASTEWATER DEPARTMENT

32 N Potomac Street Suite 100 Hagerstown MD 21740  
 301-790-4160 (Tel.), 301-739-4028 (Fax) Customerservice@hagerstownmd.org (Email)  
 Office Hours - 8:00 a.m. to 4:00 p.m., Monday to Friday; website - www.hagerstownmd.org

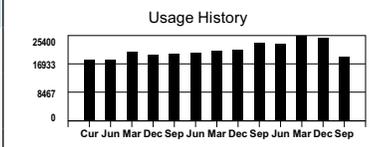
<b>Customer</b>	JOHN DOE	<b>Service Address</b>	10000 MAIN STREET		
<b>Account No.</b>	400000	<b>Customer No.</b>	80000	<b>Bill No.</b>	1000000
				<b>Statement Date</b>	10/02/25
				<b>Due Date</b>	10/23/25

Due Date applies only to Current Bill. Failure to pay the previous balance may result in an interruption of service. Failure to receive bill does not relieve the obligation to pay bill and late payment charge of 10%.

Meter Number/s	Read Code	Number Of Days	Meter Reads				Usage in Gallons
			Start Date	End Date	Start Read	End Read	
12345678	ACTUAL	1 91	06/26/25	09/25/25	539400	557500	2 18100

Current Water/Wastewater Charges			Account Summary	
3 Water Usage Fee Inside City	18,000 Gals at \$2.43/1,000 Gals 100 Gals at \$4.64/1,000 Gals		\$44.20	Previous Balance 348.86
4 Wastewater Usage Fee Inside City	18,100 Gals at \$7.83/1,000 Gals		\$141.72	Adjustments 0.00
5 Water Fixed Fee Inside City			\$10.50	Late Payment Charge 0.00
Wastewater Fixed Fee Inside City			\$32.19	Payments through 10/02/25 348.86
				Current Charges 345.11
				Deposits Applied 0.00
			<b>Total Amount Due</b>	<b>\$345.11</b>

Other Charges		
6 Bay Fee Residential on City Sewer	1.00 unit(s)	\$15.00
7 Trash Services	1.00 unit(s)	\$73.00
8 Storm Water Protection Fee	1.00 unit(s)	\$28.50
<b>Total Current Charges</b>		<b>\$345.11</b>



## New!

Customer & Support Services has moved to 32 N. Potomac St. New amenities include a walk-up kiosk to make payments and a drive-thru. Visit [www.hagerstownmd.org](http://www.hagerstownmd.org) for more details!

## Bay Restoration Fee Hardship Exemption

The Maryland Bay Restoration Fee is a statutory fee that the City of Hagerstown is the billing authority for on behalf of the State of Maryland for all City of Hagerstown residents. As the billing authority, the City of Hagerstown is required to establish a program for residents that qualify for a financial hardship exemption as determined by State defined criteria.

1. Number of Days: Represents the number of days in a billing period.
2. Usage in Gallons: Represents the usage in gallons for a billing period.
3. Water Usage Fee: Water Usage Fees are based on a two-tier structure for both Residential and Non-Residential accounts and for Inside City and Outside City accounts. Residential Inside City Accounts are billed \$2.13 per 1,000 gallons for the first 18,000 gallons and \$4.07 per 1,000 gallons for usage over 18,000 gallons.
4. Wastewater Usage Fee: Wastewater Usage Fees are a flat rate per 1,000 gallons. For Inside City accounts, the rate is \$6.89.
5. Water and Wastewater Fixed Fees: Water and Wastewater Fixed Fees are charges that cover a portion of the fixed costs of the Water and Wastewater operations. The amount of the charge is based on the meter size and location (Inside City, Outside City, or Joint).
6. Bay Fee: The Bay Fee is a fee mandated by the State of Maryland.
7. Trash Services Fee: The Trash Services Fee is for trash collection, recycling, and yard waste collection. It is available to Inside City accounts only.
8. Storm Water Protection Fee: The Storm Water Protection fee is an annual rate of \$36.00 per 1,000 square feet of impervious area. The total annual fee is divided by the number of billing cycles assigned to each property.

### Water and Wastewater Utility Rates

For a complete listing of Water and Wastewater rates (both Inside City and Outside City), please visit [www.hagerstownmd.org](http://www.hagerstownmd.org) and search for Rates and Fees.



## Pay Your Bill Online

ONLINE SERVICES  
 Pay Bill / Check Permit / Jobs  
[hagerstownmd.org](http://hagerstownmd.org)



FOR MORE INFORMATION AND TO DOWNLOAD AN APPLICATION, VISIT <https://www.hagerstownmd.org/1294/Online-Forms>.



Government Finance Officers Association

# Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

## City of Hagerstown Maryland

For its Annual Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

### Acknowledgements:

Michelle Hepburn, CFO  
Brooke Garver, Accounting & Budget Manager  
Jeffrey Lear, Senior Financial Accountant  
Heidi Herman, Senior Financial Accountant  
Karen Reese, Grant Coordinator

## Award for Outstanding Achievement in Popular Annual Financial Reporting

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Hagerstown for its Popular Annual Financial Report for the fiscal year ended June 30, 2024. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The City of Hagerstown has received a Popular Award for the last five consecutive years (fiscal years ended 2020-2024). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another Award.

