

Proposed Allegany County Utility Budget Fiscal Year 2026

County Commissioners Meeting May 1, 2025

1. The proposed FY26 Utilities Division budget is separated into the Sanitary (\$7.4 mil excluding debt service) and Water (\$1.9 mil) budgets. Currently, the Sanitary budget operates in a deficit and the Water budget offsets the deficit. The proposed budget includes the Sanitary budget to be neutral (without an allotment for capital) and the Water budget \$705,000 in the positive.
2. The \$705,000 available for capital spending will be used to purchase a replacement truck for the Utilities Division and materials to upgrade water meters. A reserve of \$200,000 will be kept for emergency repairs for either the Water or Sanitary system.
3. The proposed budget was discussed with the Allegany County Sanitary Commission on April 14, 2025. The Sanitary Commission recommended the budget that is presented this evening.
4. Our utility rates are affected by the costs for operating the system, including:
 - a. Maintaining aged infrastructure
 - b. Utility costs, electric, gas, internet
 - c. Manpower and equipment
 - d. Water loss
 - e. Extended periods of wet weather (treatment, Cumberland surcharge)
5. County purchases water from Frostburg, Cumberland, Keyser, and Westernport. We anticipate a water rate increase of 20% from Cumberland and 3% from Keyser. We anticipate the Frostburg and Westernport water rates to remain unchanged.
6. Nearly half of all County sewer customers are treated by Cumberland WWTP.
7. Sewer customers in the Bowling Green, Cresaptown, Oldtown Road, and McCoole districts will see a decrease in their ad valorem due to the debt from past projects being paid off.
8. Proposed rate increases for water will provide \$94,000 to the operating budget.
9. Proposed rate increases for sewer will provide \$317,000 to the operating budget.
10. The water rate increase will continue to fund a County-wide water meter upgrade initiative.
11. Average bill for County customers would be: \$740 annually/\$62 monthly (Water) and \$747 annually/\$62 monthly (Sewer.)
12. The average annual utility bill increase for County residents is \$60, which is 5.1%.
13. Current **commercial sewer** rates are \$5.75 per thousand in Mexico Farms District and \$4.84 per thousand in all other Districts. Proposed increase is 10% for commercial sewer. For comparison purposes, an annual residential bill at \$5.00 per thousand would be estimated at \$200 (40,000-gallon water usage) versus our average proposed residential bill of \$748.
14. Proposed rate increases for commercial sewer will increase the operating budget \$72,000.
15. Consideration: median household income is \$49,000 (based on the average of the median from 2016 to 2020). Funding agencies consider a 2% cost for each utility a reasonable rate. Based on 2% of \$49,000, our rates would be \$980 each.
16. A tap fee increase from \$750 to \$1,000 each for both water and sewer is proposed.
17. Allegany County customers have similar or lower rates compared to municipalities and private companies within the County.

FY26 Annual Customer Cost - Water

1. Water usage rate increased for districts served with Cumberland water based on an assumed 20% increase from Cumberland. See chart below.
2. Universal water rates were applied to districts served with Cumberland water for large districts (>300 minimums) and small districts (<300 minimums.)
3. All districts served with Frostburg water will have a \$6/quarter increase in O&M fee and Cumberland districts (except for Cresaptown) will have a \$3/quarter increase to continue to fund a County-wide water meter upgrade initiative.
4. All annual totals are based off a usage rate of 40,000 gallons using County-wide consumption data.

Allegany County Utility FY26 Water Rates - Cumberland Districts								
District	Service Area	# Minimums	FY25 Usage Rate (per 1,000 gal)	FY25 Average Rate Paid to Cumberland	FY26 Estimated Rate Paid to Cumberland (20% Increase)	Proposed FY26		
						FY26 Rate	% Markup	Estimated Annual Increase
Bedford Road	Bedford Road	60	\$11.00	\$13.21	\$15.85	\$12.50	-21%	\$60.00
	Bowmans Addition/ Valley Road	254	\$11.00	\$9.97	\$11.96	\$12.50	4%	\$60.00
Bowling Green	Bowling Green	956	\$8.15	\$6.83	\$8.20	\$9.70	18%	\$62.00
Cresaptown	Cresaptown	869	\$8.15	\$6.91	\$8.29	\$9.70	17%	\$62.00
Jennings Run	Cash Valley Road/ Corriganville/Ellerslie	772	\$8.05	\$6.67	\$8.00	\$9.70	21%	\$66.00
Mexico Farms	Mexico Farms	153	\$11.00	\$9.94	\$11.93	\$12.50	5%	\$60.00
Oldtown Road	Uhl Highway	446	\$8.30	\$7.58	\$9.10	\$9.70	7%	\$56.00
Rawlings	Rawlings	346	\$8.15	\$6.91	\$8.29	\$9.70	17%	\$62.00

Water Tap Fee = \$1,000

Shut-off Fee = \$100

Tamper Fee = \$250

Allegany County Utility FY 2026 Water Rates

Proposed Rates

District	Service Area	Operations & Maintenance Charge (Quarterly)	Debt Service Charge (Quarterly)	Usage Rate (per 1,000 Gallons)
Bedford Road	Bedford Road	\$97.00 \$100.00	\$19.00	\$11.00 \$12.50
	Bowmans Addition/ Valley Road	\$98.00 \$101.00	-	\$11.00 \$12.50
Borden/Mt. Savage	Borden/Morantown/ Mt. Savage/Zihlman	\$89.50 \$95.50	\$24.90	\$4.76
Bowling Green	Bowling Green	\$94.00 \$97.00	-	\$8.15 \$9.70
Braddock Run	Clarysville	\$96.00 \$102.00	\$19.88	\$4.76
	Consol/Grahamtown/ Wrights Crossing	\$89.50 \$95.50	\$24.90	\$4.76
	Eckhart	\$88.50 \$94.50	\$19.88	\$4.76
Cresaptown	Cresaptown (In District)	\$74.00 \$75.00 First 1,000 gallons	\$6.00 \$0	\$8.15 \$9.70 over 1,000 gallons
	Cresaptown (Out of District)	\$88.00 \$89.00 First 1,000 gallons	\$6.00 \$0	\$8.15 \$9.70 over 1,000 gallons
Franklin/Brophytown	Brophytown/Franklin	\$90.00 \$99.00	-	\$9.05
Georges Creek	Carlos/Klondike/Shaft	\$89.50 \$95.50	\$24.90	\$4.76
Jennings Run	Cash Valley Road/ Corriganville/Ellerslie	\$93.00 \$96.00	\$7.00	\$8.05 \$9.70
McCoole	McCoole	\$106.00 \$109.00	-	\$4.51 \$4.65
Mexico Farms	Mexico Farms	\$86.00 \$89.00	-	\$11.00 \$12.50
Oldtown Road	Uhl Highway	\$98.00 \$101.00	-	\$8.30 \$9.70
Rawlings	Rawlings	\$102.00 \$105.00	-	\$8.15 \$9.70
Route 36	Hoffman	\$89.50 \$95.50	\$24.90	\$4.76
	Route 36/Vale Summit	\$88.50 \$94.50	\$35.50	\$4.76

FY 2025 utility rates were approved at the Public Business Meeting held on May 30, 2024.

Water Tap Fee¹ = ~~\$750~~ \$1,000

Shut-off Fee = \$100

Tamper Fee = \$250

Notes:

1. Fee does not include construction or materials. Contact the Allegany County Utilities Department at 301-729-3311 for more information or a quote.

Allegany County Utility FY 2026 Sewer Rates

Proposed Rates

District	Service Area	Operations & Maintenance Charge (Quarterly)	Debt Service Charge (Quarterly)	Debt Service Ad Valorem per \$100 (Annually)
Bedford Road	Bedford Road/Bowmans Addition/Valley Road	\$141.00 \$150.00	-	0.100
Biers Lane	Biers Lane	\$156.00 \$165.00	\$8.25	0.000
Bowling Green	Bowling Green	\$127.00 \$137.00	\$5.00 \$0	0.250 0.100
Cresaptown	Cresaptown	\$115.00 \$125.00	\$5.00 \$0	0.250 0.100
Flintstone	Flintstone	\$160.00 \$169.00	-	0.016
Franklin/Brophytown	Brophytown/Franklin	\$160.00 \$169.00	-	0.019
	Stoney Run	\$174.00	-	0.000
Georges Creek	Carlos/Georges Creek/Klondike/Shaft	\$112.00 \$121.00	\$29.00	0.210
Locust Grove	Cash Valley Road	\$120.00 \$129.00	\$20.00	0.196
	Corriganville/Ellerslie/Mt. Savage	\$136.00 \$145.00	\$20.00	0.062
	Clarysville/Consol/Eckhart/Grahamtown/Wrights Crossing	\$143.00 \$152.00	\$10.00	0.052
McCoole	McCoole	\$157.00 \$166.00	-	0.031 0.020
Mexico Farms	Mexico Farms	\$144.00 \$153.00	\$9.00	0.051
Oldtown	Oldtown	\$160.00 \$169.00	-	0.033
Oldtown Road	Uhl Highway	\$141.00 \$150.00	-	0.130 0.080

FY 2025 utility rates were approved at the Public Business Meeting held on May 30, 2024.

\$15.00 per quarter Bay Restoration Fee assessed to all sewer customers by State of Maryland

Sewer Tap Fee¹ = ~~\$750~~ \$1,000

Notes:

1. Fee does not include construction or materials. Contact the Allegany County Utilities Department at 301-729-3311 for more information or a quote.

ALLEGANY COUNTY WATER & SEWER INFORMATION		FY26 Annual Customer Cost		FY26 Estimated Annual Customer Increase					
		Water	Sewer	Water	Sewer	TOTAL	Water	Sewer	TOTAL
District	Service Areas	Total	Total	Δ vs. FY25	Δ vs. FY25	Δ vs. FY25	% Δ vs. FY25	% Δ vs. FY25	% Δ vs. FY25
Bedford Road	Bedford Road	\$ 976.00	\$ 750.00	\$ 72.00	\$36.00	\$108.00	8.0%	5.0%	6.7%
Biers Lane	Biers Lane		\$ 693.00		\$36.00	\$36.00		5.5%	5.5%
Borden/Mt. Savage	Borden/Zihlman	\$ 672.00		\$ 24.00		\$24.00	3.7%		3.7%
Bowling Green	Bowling Green	\$ 776.00	\$ 698.00	\$ 74.00	-\$197.00	-\$123.00	10.5%	-22.7%	-8.2%
Bedford Road	Bowman's Addition	\$ 904.00	\$ 750.00	\$ 72.00	\$36.00	\$108.00	8.7%	5.0%	7.0%
Georges Creek	Carlos, Klondike, Shaft	\$ 672.00	\$ 915.00	\$ 24.00	\$36.00	\$60.00	3.7%	4.1%	3.9%
Jennings Run	Cash Valley	\$ 800.00	\$ 890.00	\$ 78.00	\$36.00	\$114.00	10.8%	4.2%	7.2%
Braddock Run	Consol	\$ 672.00	\$ 726.00	\$ 24.00	\$36.00	\$60.00	3.7%	5.2%	4.5%
Cresaptown	Cresaptown	\$ 649.20	\$ 650.00	\$ 35.80	-\$197.00	-\$161.20	5.8%	-24.0%	-11.5%
Braddock Run	Clarysville	\$ 677.92	\$ 726.00	\$ 10.00	\$36.00	\$46.00	1.5%	5.2%	3.4%
Braddock Run	Eckhart	\$ 647.92	\$ 726.00	\$ 24.00	\$36.00	\$60.00	3.8%	5.2%	4.6%
Jennings Run	Corriganville, Ellerslie	\$ 800.00	\$ 753.00	\$ 78.00	\$36.00	\$114.00	10.8%	5.0%	7.9%
Flintstone	Flintstone		\$ 700.00		\$36.00	\$36.00		5.4%	5.4%
Franklin	Franklin	\$ 738.00	\$ 704.50	\$ 16.00	\$36.00	\$52.00	2.2%	5.4%	3.7%
Georges Creek	Georges Creek		\$ 915.00		\$36.00	\$36.00		4.1%	4.1%
Braddock Run	Grahamtown	\$ 672.00	\$ 726.00	\$ 24.00	\$36.00	\$60.00	3.7%	5.2%	4.5%
Route 36	Hoffman	\$ 672.00		\$ 24.00		\$24.00	3.7%		3.7%
McCoole	McCoole	\$ 622.00	\$ 694.00	\$ 17.60	\$19.50	\$37.10	2.9%	2.9%	2.9%
Mexico Farms	Mexico Farms	\$ 856.00	\$ 724.50	\$ 72.00	\$36.00	\$108.00	9.2%	5.2%	7.3%
Jennings Run	Mount Savage	\$ 672.00	\$ 753.00	\$ 24.00	\$36.00	\$60.00	3.7%	5.0%	4.4%
Oldtown	Oldtown		\$ 725.50		\$36.00	\$36.00		5.2%	5.2%
Oldtown Road	Oldtown Road	\$ 792.00	\$ 720.00	\$ 68.00	-\$39.00	\$29.00	9.4%	-5.1%	2.0%
Rawlings	Rawlings	\$ 808.00		\$ 74.00		\$74.00	10.1%		10.1%
Route 36	Route 36	\$ 710.40		\$ 24.00		\$24.00	3.5%		3.5%
	Annual Average	\$ 739.47	\$ 746.98			\$ 59.37	6.0%	4.3%	5.1%
Frostburg Water	Monthly Average	\$61.62	\$62.25			\$ 4.95			

Note: Δ averages and % exclude Bowling Green and Cresaptown Sewer. These districts have a significant decrease in cost due to debt service reduction.

Based on	40,000 gallons	
Based on	\$ 150,000.00	assessed value
# of Water EDU's	6484	42.4%
# of Sewer EDU's	8806	57.6%
# of Water Accts	5980	43.1%
# of Sewer Accts	7909	56.9%