

# TOWN OF SNOWFLAKE

## ARIZONA

### ► 2025 Water and Wastewater Rate Study and Financial Plan



**TOWN OF SNOWFLAKE, ARIZONA  
2025 WATER AND WASTEWATER RATE STUDY  
AND LONG – TERM FINANCIAL PLAN  
TABLE OF CONTENTS**

Executive Summary.....	3
Water and Wastewater Rate Design .....	8
Introduction.....	13
Water and Wastewater Current Rates.....	14
Water and Wastewater Rate Comparison .....	15
Water and Wastewater Test Year and Forecast Volumes .....	17
Water and Wastewater Customers and Accounts – Test Year & Ten-Year Forecast.....	18
Test Year and Forecast Water Consumption.....	21
Peaking Factors.....	22
Wastewater Flows – Test Year and Forecast.....	23
Water & Wastewater Forecast Revenue Requirement.....	24
Operating Expenses and Capital Outlays – Test Year.....	24
Operating Expenses and Capital Outlay – Ten Year Forecast .....	26
Capital Improvement Plan .....	27
Net Revenue Requirement .....	29
Water Utility Cost Functionalization .....	30
Water Utility Cost Classification .....	32
Water Utility Cost Allocation .....	33
Wastewater Utility Cost Functionalization and Classification.....	34
Wastewater Utility Cost Allocation .....	34
Water and Wastewater Rate Design.....	36
Rate Design Scenarios.....	36
Rate Design – Scenario I – “Status Quo”.....	37
Rate Design – Scenario II – “Conservation” .....	39
Notes on Rate Recommendations.....	42

## Appendices

Appendix A – Water and Wastewater Rate Model – Scenario 1 – “Status Quo”

Appendix B – Water and Wastewater Rate Model – Scenario 2 – “Conservation”

## Acknowledgements

During the course of this rate study, several Snowflake representatives expended considerable time and effort in assisting the project team. This includes the Mayor and Council, Brian Richards and Mike Rogers. The project team owes a debt of gratitude to the hard work, dedication, and professionalism of the Town, without whom this project would not have been successfully completed.

The project team has relied upon the extensive data supplied by Snowflake. Thus, the integrity of the study is largely dependent upon the accuracy of this financial and volumetric data. Every effort has been made by the project team to validate and confirm the information contained herein prior to the preparation of the final study documents. This report presents no assurance or guarantee that the forecast contained herein will be consistent with actual results or performances. These represent forecasts based on a series of assumptions about future behavior and are not guarantees. Any changes in assumptions or actual events may result in significant revisions to the forecast and its conclusions. The cash flow projections and debt service coverage calculations are not intended to present overall financial positions, results of operations, and/or cash flows for the periods indicated, which is in conformity with guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants.

**Willdan Financial Services ("Willdan") is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB").** The MSRB has made available on its website ([www.msrb.org](http://www.msrb.org)) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority. As part of its SEC registration Willdan is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Willdan. Pursuant to MSRB Rule G-42, Willdan is required to disclose any legal or disciplinary event that is material to Client's evaluation of Willdan or the integrity of its management or advisory personnel. Willdan has determined **that no such event exists. Copies of Willdan's filings with the United States Securities and Exchange Commission** can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at: <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Willdan Financial Services or for our CIK number which is 0001782739.

For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the municipality with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the municipality, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the municipality, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, unless formally engaged to provide such information.



# Executive Summary

## Background



In June 2025, the Town of Snowflake, Arizona ("the Town") engaged Willdan Financial Services (WFS) to conduct a Water and Wastewater Rate Study and Long-Term Financial Plan. The Town identified numerous objectives for this study, including but not limited to the following:

- A comprehensive analysis and evaluation of **the water and wastewater systems' current cost of service and revenue requirements**
- A forecast of operating expenses over the next decade, taking into consideration salient factors such as cost of water and wastewater treatment, inflation, system growth, and increases in staffing levels.
- An estimate of current and forecast accounts, volumes, and billing units for the ten-year forecast period
- **A thorough assessment, review, and update of the water and wastewater system's known capital improvement needs, as well as a determination of the need for funding capital requirements through the system's internal funds.**
- An evaluation of the current water and wastewater rate structures and revenue recovered versus the revenue requirement, both overall and for each customer class
- **The development of a rate structure that would recover the Town's cost of service, ensure equitable, just, and reasonable treatment of identified customer classes, and maintain critical financial ratios**

The analysis and recommendations presented in this study achieve all the objectives outlined.

## Water and Wastewater Rate Comparison

Table ES-1 **compares Snowflake's monthly water and wastewater charges to several cities or utilities located around Snowflake, Arizona.** A volume of 10,000 gallons of water and 5,000 gallons of wastewater was used for the residential comparison as requested by Town Staff to reflect the typical usage levels for an average household.



Table ES-1

TOWN OF SNOWFLAKE			
MONTHLY RESIDENTIAL CHARGES -- 10,000 GALLONS WATER; 5,000 GALLONS SEWER			
	Water	Wastewater	Total
<b>Snowflake</b>	<b>\$ 45.41</b>	<b>\$ 43.07</b>	<b>\$ 88.48</b>
Flagstaff	75.77	36.07	111.84
Show Low	51.83	39.49	91.32
Joseph City	32.02	32.24	64.26
Gilbert	65.99	62.01	128.00
Winslow	53.64	48.97	102.61
Taylor	38.87	46.22	85.09
Sedona	57.47	63.31	120.78
Cottonwood	63.55	58.85	122.40
Holbrook	33.49	27.77	61.26
St. Johns	27.50	21.21	48.71
Eager	39.25	37.00	76.25
<b>State Median</b>	<b>\$ 61.60</b>	<b>\$ 40.00</b>	<b>\$ 101.60</b>
Source: City's Website; and Arizona Water and Wastewater Rates Dashboard (prepared by UNC)			

## Water and Wastewater Customers and Volumes – Test Year & Ten-Year Forecast

Most of the water and wastewater accounts served by the Town are residential accounts. Table ES-2 presents total water accounts and classifications for the Town for the test year and the forecast growth over the next decade. In total, water accounts are forecast to increase from 2,312 in TY 2026 to 2,645 in FY 2035. Table ES-3 presents wastewater accounts and classifications for the Town for the test year and the forecast growth over the next decade. In total, there are 1,858 wastewater accounts in TY 2026 and forecast to increase to 2,101 in FY 2035. The addition of these new connections will result in both non-recurring connection fees and increasing monthly water and wastewater revenues.

The Town's current and forecast water volumes are presented in Table ES-4.

Table ES-2

TOWN OF SNOWFLAKE								
FORECAST TOTAL CUSTOMERS								
WATER Customer Classes								
	RESIDENTIAL	MOTELS/PUBLIC BLDS.	COMMERCIAL	WATER/RV PARK	CONSTRUCTION WATER	WATER- GOVERNMENTAL	Fire	Total
WATER Total Customers								
FY 2023	1,957	56	151	1	2	10	-	2,177
FY 2024	2,006	98	151	1	4	13	-	2,273
FY 2025	2,048	56	151	1	4	12	-	2,273
TY 2026	2,088	56	151	1	4	12	-	2,312
FY 2027	2,123	56	153	1	4	12	-	2,349
FY 2028	2,158	56	155	1	4	12	-	2,386
FY 2029	2,193	56	157	1	4	12	-	2,423
FY 2030	2,228	56	159	1	4	12	-	2,460
FY 2031	2,263	56	161	1	4	12	-	2,497
FY 2032	2,298	56	163	1	4	12	-	2,534
FY 2033	2,333	56	165	1	4	12	-	2,571
FY 2034	2,368	56	167	1	4	12	-	2,608
FY 2035	2,403	56	169	1	4	12	-	2,645

Table ES-3

TOWN OF SNOWFLAKE								
FORECAST TOTAL CUSTOMERS								
WASTEWATER Customer Classes								
	RESIDENTIAL SEWER	COMMERCIAL SEWER/ MOTELS	COMMERCIAL SEWER - High Volume	COMMERCIAL BASE RATE SE	SEWER/RV PARK	SEWER/PUBLIC BLDG.	SEWER/GOLF COURSE	Total
WASTEWATER Total Customers								
FY 2023	1,427	72	4	119	60	25	49	1,755
FY 2024	1,464	72	4	119	60	25	49	1,793
FY 2025	1,500	72	4	118	60	25	48	1,828
TY 2026	1,530	72	4	118	60	25	48	1,858
FY 2027	1,555	72	6	118	60	25	48	1,885
FY 2028	1,580	72	8	118	60	25	48	1,912
FY 2029	1,605	72	10	118	60	25	48	1,939
FY 2030	1,630	72	12	118	60	25	48	1,966
FY 2031	1,655	72	14	118	60	25	48	1,993
FY 2032	1,680	72	16	118	60	25	48	2,020
FY 2033	1,705	72	18	118	60	25	48	2,047
FY 2034	1,730	72	20	118	60	25	48	2,074
FY 2035	1,755	72	22	118	60	25	48	2,101

Table ES-4

TOWN OF SNOWFLAKE								
FORECAST BILLED CONSUMPTION								
	WATER Customer Classes							
	RESIDENTIAL	MOTELS/PUBLIC BLDS.	COMMERCIAL	WATER/RV PARK	CONSTRUCTION WATER	WATER- GOVERNMENTAL	Fire	Total
	WATER Annual Consumption							
TY 2026	350,497,512	45,711,000	34,680,000	764,000	892,000	18,053,000	-	450,597,512
FY 2027	356,372,709	45,711,000	35,139,338	764,000	892,000	18,053,000	-	456,932,047
FY 2028	362,247,907	45,711,000	35,598,675	764,000	892,000	18,053,000	-	463,266,583
FY 2029	368,123,105	45,711,000	36,058,013	764,000	892,000	18,053,000	-	469,601,118
FY 2030	373,998,303	45,711,000	36,517,351	764,000	892,000	18,053,000	-	475,935,654
FY 2031	379,873,500	45,711,000	36,976,689	764,000	892,000	18,053,000	-	482,270,189
FY 2032	385,748,698	45,711,000	37,436,026	764,000	892,000	18,053,000	-	488,604,725
FY 2033	391,623,896	45,711,000	37,895,364	764,000	892,000	18,053,000	-	494,939,260
FY 2034	397,499,094	45,711,000	38,354,702	764,000	892,000	18,053,000	-	501,273,796
FY 2035	403,374,292	45,711,000	38,814,040	764,000	892,000	18,053,000	-	507,608,331

## Water and Wastewater Capital Improvement Plan

According to the Town's latest estimates, there is a need for approximately \$3,250,000 in the water and wastewater system improvements from FY 2026 – FY 2030. A breakdown of the CIP is presented in Table ES-5. It is worth noting that the project team has estimated an additional \$2,125,000 funds for the water CIP and \$500,000 for the wastewater CIP for FY 2031 – FY 2035. **The Town's goal is to fund the current CIP from the fund balance as it plans not to issue any debt in the forecast period.**

Table ES-5

TOWN OF SNOWFLAKE			
CAPITAL IMPROVEMENT PLAN FOR FUNDING THROUGH NEW BOND ISSUES			
FY 2026 - FY 2030			
SCENARIO: 2025 08 22 -- Scenario II -- Conservation			
WATER PROJECTS			
		Grant	Fund Draw
Water meter replacement	\$ 785,000	\$ 600,000	\$ 185,000
0.3 MG Tank at Well #3	600,000	-	600,000
Galvanized line replacement 3rd West	200,000	-	200,000
1st West Street waterline replacement	195,000	-	195,000
Galvanized line replacement 1st West	175,000	-	175,000
Remove Pressure Tank/ Install Bladder Tank @ Well # 3	85,000	-	85,000
Remove Pressure Tank/ Install Bladder Tank @ Well # 4	85,000	-	85,000
Install missing downtown fire hydrants(25)	60,000	-	60,000
Concho Bridge waterline crossing	50,000	-	50,000
Install missing water valves throughout system (15)	40,000	-	40,000
Miscellaneous Projects	130,000	-	130,000
<b>Total Water Projects</b>	<b>\$ 2,405,000</b>	<b>\$ 600,000</b>	<b>\$ 1,805,000</b>
WASTEWATER PROJECTS			
		Grant	Fund Draw
Pipe Replacement Hwy 277	\$ 200,000	-	\$ 200,000
Force Main - Main Lift station	150,000	-	150,000
Clay Pipe Replacement	125,000	-	125,000
Manhole Rehabilitation	125,000	-	125,000
Pipe Rehabilitation (Insituform)	125,000	-	125,000
1-ton Utility Truck - fully equipped	50,000	-	50,000
New Headworks and Screen	20,000	-	20,000
Water line to plant	20,000	-	20,000
Clarifier 1 Rehab	15,000	-	15,000
Clarifier 3 Rehab	15,000	-	15,000
<b>Total Wastewater Projects</b>	<b>\$ 845,000</b>	<b>\$ -</b>	<b>\$ 845,000</b>
<b>Total Water and Wastewater Projects</b>	<b>\$ 3,250,000</b>	<b>\$ 600,000</b>	<b>\$ 2,650,000</b>



## Water and Wastewater Test Year and Forecast Net Revenue Requirement

Table ES-6 presents the test year and ten-year forecast for the Town's net revenue requirement to be raised from rates. Detailed calculations are presented in the rate model contained in Appendix A of this report.

Table ES-6

TOWN OF SNOWFLAKE														
CURRENT AND FORECAST NET REVENUE REQUIREMENT														
SCENARIO: 2025 10 02 -- Scenario I -- Status Quo														
	Operating Expenses		Capital Outlays		Debt Service		Transfers & Contingencies		Cost of Service		Non-Rate Revenues		Revenue Requirement	
WATER Revenue Requirement														
TY 2026	\$	1,338,450	\$	50,000	\$	-	\$	-	\$	1,388,450	\$	44,340	\$	1,344,110
FY 2027		1,385,771		50,000		-		-		1,435,771		44,340		1,391,431
FY 2028		1,435,263		50,000		-		-		1,485,263		44,340		1,440,923
FY 2029		1,487,040		50,000		-		-		1,537,040		44,340		1,492,700
FY 2030		1,541,221		50,000		-		-		1,591,221		44,340		1,546,881
FY 2031		1,597,933		50,000		-		-		1,647,933		44,340		1,603,593
FY 2032		1,657,311		50,000		-		-		1,707,311		44,340		1,662,971
FY 2033		1,719,498		50,000		-		-		1,769,498		44,340		1,725,158
FY 2034		1,784,645		50,000		-		-		1,834,645		44,340		1,790,305
FY 2035		1,852,914		50,000		-		-		1,902,914		44,340		1,858,574
WASTEWATER Revenue Requirement														
TY 2026	\$	1,158,050	\$	50,000	\$	-	\$	-	\$	1,208,050	\$	200,660	\$	1,007,390
FY 2027		1,208,092		50,000		-		-		1,258,092		200,660		1,057,432
FY 2028		1,260,528		50,000		-		-		1,310,528		200,660		1,109,868
FY 2029		1,315,492		50,000		-		-		1,365,492		200,660		1,164,832
FY 2030		1,373,124		50,000		-		-		1,423,124		200,660		1,222,464
FY 2031		1,433,575		50,000		-		-		1,483,575		200,660		1,282,914
FY 2032		1,497,004		50,000		-		-		1,547,004		200,660		1,346,344
FY 2033		1,563,584		50,000		-		-		1,613,584		200,660		1,412,924
FY 2034		1,633,495		50,000		-		-		1,683,495		200,660		1,482,835
FY 2035		1,706,931		50,000		-		-		1,756,931		200,660		1,556,271
TOTAL Revenue Requirement														
TY 2026	\$	2,496,500	\$	100,000	\$	-	\$	-	\$	2,596,500	\$	245,000	\$	2,351,500
FY 2027		2,593,863		100,000		-		-		2,693,863		245,000		2,448,863
FY 2028		2,695,792		100,000		-		-		2,795,792		245,000		2,550,792
FY 2029		2,802,532		100,000		-		-		2,902,532		245,000		2,657,532
FY 2030		2,914,345		100,000		-		-		3,014,345		245,000		2,769,345
FY 2031		3,031,508		100,000		-		-		3,131,508		245,000		2,886,508
FY 2032		3,154,316		100,000		-		-		3,254,316		245,000		3,009,316
FY 2033		3,283,082		100,000		-		-		3,383,082		245,000		3,138,082
FY 2034		3,418,140		100,000		-		-		3,518,140		245,000		3,273,140
FY 2035		3,559,845		100,000		-		-		3,659,845		245,000		3,414,845

## Water and Wastewater Rate Design

This section of the report presents two separate and distinct water and wastewater rate design scenarios for the Town to consider. Each of the rate design alternatives contained in this section are forecast to recover sufficient revenues to fund current and future operating expenses.

### Scenario I – Status Quo

This rate plan applies uniform increases from January 2026 through January 2030 across the entire forecast period, while retaining the current rate structure, including a single usage tier for water. The minimum charge for residential customers would continue to include 2,000 gallons of water.

In January 2028, the sewer rates for Residential and Commercial customers will align with the Golf Course rate.

Table ES-7 summarizes the water rate recommendations for the period from Jan. 2026 – Jan. 2030. Table ES-8 presents the Town's proposed wastewater rate plan for the same period. Table ES-9 calculates the average impact on monthly water and wastewater bills of the proposed rate design at various usage levels. The results of the Scenario I – Status Quo analysis, including forecast revenues and expenses, are included in Appendix A.

Table ES-7

TOWN OF SNOWFLAKE			WATER RATE PLAN -- SCENARIO I						
			Effective						
			Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30	
RESIDENTIAL AND NON-RESIDENTIAL									
<u>Monthly Minimum Charge</u>									
	All Meters		\$ 29.49	\$ 32.14	\$ 34.07	\$ 35.78	\$ 36.49	\$ 37.22	
<u>Volume Rate/1,000 Gal - Residential</u>									
	2,000 Above		1.99	2.17	2.30	2.41	2.46	2.51	
<u>Volume Rate/1,000 Gal - Non - Residential</u>									
	1 Above		1.99	2.17	2.30	2.41	2.46	2.51	
CONSTRUCTION WATER									
	Monthly Minimum Charge		5.00	5.45	5.78	6.07	6.19	6.31	
	Volume Rate/1,000 Gal		5.00	5.45	5.78	6.07	6.19	6.31	

Table ES-8

TOWN OF SNOWFLAKE		WASTEWATER RATE PLAN -- SCENARIO I						
		Effective						
	Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30	Jan-00	
<b>RESIDENTIAL SEWER</b>								
Monthly Minimum Charge	\$ 41.36	\$ 43.07	\$ 46.95	\$ 51.17	\$ 54.24	\$ 56.95	\$ 58.09	
Volume Rate/1,000 Gal	-	-	-	-	-	-	-	
<b>SEWER/MOTELS</b>								
Monthly Minimum Charge	13.07	13.61	14.83	16.17	17.14	18.00	18.36	
Volume Rate/1,000 Gal	-	-	-	-	-	-	-	
<b>COMMERCIAL SEWER - High Volume</b>								
Monthly Minimum Charge	-	-	-	-	-	-	-	
Volume Rate/1,000 Gal	1.30	1.42	1.54	1.68	1.78	1.87	1.91	
<b>COMMERCIAL BASE RATE SE</b>								
Monthly Minimum Charge	41.36	43.07	46.95	51.17	54.24	56.95	58.09	
Volume Rate/1,000 Gal	-	-	-	-	-	-	-	
<b>SEWER/RV PARK</b>								
Monthly Minimum Charge	13.07	13.61	14.83	16.17	17.14	18.00	18.36	
Volume Rate/1,000 Gal	-	-	-	-	-	-	-	
<b>SEWER/PUBLIC BLDG.</b>								
Monthly Minimum Charge	70.83	73.76	80.40	87.63	92.89	97.54	99.49	
Volume Rate/1,000 Gal	-	-	-	-	-	-	-	
<b>SEWER/GOLF COURSE</b>								
Monthly Minimum Charge	29.36	37.50	45.00	51.17	54.24	56.95	58.09	
Volume Rate/1,000 Gal	-	-	-	-	-	-	-	

Table ES-9

TOWN OF SNOWFLAKE		SCENARIO I -- IMPACT ON MONTHLY CHARGES					
		Effective					
Residential Standard Monthly Bill		Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
5,000 Gal	Total	\$ 76.81	\$ 81.71	\$ 87.90	\$ 94.18	\$ 98.11	\$ 101.70
Water & WW	Increase -- \$		4.90	6.19	6.27	3.93	3.59
	Increase -- %		6.4%	7.6%	7.1%	4.2%	3.7%
12,000 Gal	Total	90.71	96.87	103.97	111.05	115.31	119.25
Water; 5K WW	Increase -- \$		6.15	7.10	7.08	4.27	3.93
	Increase -- %		6.8%	7.3%	6.8%	3.8%	3.4%
30,000 Gal	Total	126.47	135.84	145.28	154.42	159.56	164.38
Water; 5K WW	Increase -- \$		9.37	9.44	9.14	5.14	4.82
	Increase -- %		7.4%	7.0%	6.3%	3.3%	3.0%
<b>Commercial Standard Monthly Bill</b>							
25,000 Gal	Total	\$ 120.60	\$ 129.44	\$ 138.50	\$ 147.30	\$ 152.30	\$ 156.97
Water & WW	Increase -- \$		8.84	9.06	8.80	4.99	4.67
	Increase -- %		7.3%	7.0%	6.4%	3.4%	3.1%
50,000 Gal	Total	170.35	183.67	195.98	207.66	213.86	219.76
Water & WW	Increase -- \$		13.32	12.31	11.68	6.20	5.90
	Increase -- %		7.8%	6.7%	6.0%	3.0%	2.8%

## Scenario II – “Conservation”

The concept involves implementing higher unit charges as water usage increases, applied only to residential customers. Under this approach, there would be no changes to the rate structure for non-residential water customers or to all wastewater customers.

The primary advantages are that it encourages more efficient use of water and minimizes bill impacts for customers with the lowest usage. However, the main challenge is that it would result in significantly higher costs for high-volume residential customers.

Table ES-10 summarizes the water rate recommendations for the period from Jan. 2026 – Jan. 2030 under this scenario. Table ES-11 presents the Town’s proposed wastewater rate plan for the same period as water. Table ES-12 calculates the average impact on monthly water and wastewater bills of the proposed rate design at various usage levels. Table ES-13 presents a comparison of residential monthly bill comparison between the two rate scenarios. The results of the Scenario II – Conservation analysis are included in Appendix B.

Table ES-10

TOWN OF SNOWFLAKE		WATER RATE PLAN -- SCENARIO II					
Scenario: 2025 10 02 -- Scenario II -- Conservation		Effective					
		Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
<b>Water Rates -- Residential and Commercial</b>							
<b>Monthly Minimum Charge --All Meters</b>		\$ 29.49	\$ 30.96	\$ 32.51	\$ 34.14	\$ 35.85	\$ 36.56
<b>Volume Rate/1,000 Gal -- Residential</b>							
2,000	12,000	1.99	2.09	2.19	2.30	2.42	2.47
12,001	25,000	1.99	2.61	2.74	2.88	3.02	3.08
25,001	Above	1.99	3.26	3.43	3.60	3.78	3.86
<b>Water Rates -- Commercial</b>							
<b>Monthly Minimum Charge --All Meters</b>		29.49	30.96	32.51	34.14	35.85	36.56
<b>Volume Rate Per 1,000 Gal</b>							
1	Above	1.99	2.09	2.19	2.30	2.42	2.47
<b>Water Rates -- Xonstruction</b>							
<b>Monthly Minimum Charge --All Meters</b>		5.00	5.25	5.51	5.79	6.08	6.20
<b>Volume Rate Per 1,000 Gal</b>		5.00	5.25	5.51	5.79	6.08	6.20

Table ES-11

TOWN OF SNOWFLAKE							
Wastewater Monthly Rates and Charges		WASTEWATER RATE PLAN -- SCENARIO II					
		Effective					
	Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30	Jan-31
<b>RESIDENTIAL SEWER</b>							
Monthly Minimum Charge	\$ 41.36	\$ 43.07	\$ 46.95	\$ 51.17	\$ 54.24	\$ 56.95	\$ 58.09
Volume Rate/1,000 Gal	-	-	-	-	-	-	-
<b>SEWER/MOTEL S</b>							
Monthly Minimum Charge	13.07	13.61	14.83	16.17	17.14	18.00	18.36
Volume Rate/1,000 Gal	-	-	-	-	-	-	-
<b>COMMERCIAL SEWER - High Volume</b>							
Monthly Minimum Charge	-	-	-	-	-	-	-
Volume Rate/1,000 Gal	1.30	1.42	1.54	1.68	1.78	1.87	1.91
<b>COMMERCIAL BASE RATE SE</b>							
Monthly Minimum Charge	41.36	43.07	46.95	51.17	54.24	56.95	58.09
Volume Rate/1,000 Gal	-	-	-	-	-	-	-
<b>SEWER/RV PARK</b>							
Monthly Minimum Charge	13.07	13.61	14.83	16.17	17.14	18.00	18.36
Volume Rate/1,000 Gal	-	-	-	-	-	-	-
<b>SEWER/PUBLIC BLDG.</b>							
Monthly Minimum Charge	70.83	73.76	80.40	87.63	92.89	97.54	99.49
Volume Rate/1,000 Gal	-	-	-	-	-	-	-
<b>SEWER/GOLF COURSE</b>							
Monthly Minimum Charge	29.36	37.50	45.00	51.17	54.24	56.95	58.09
Volume Rate/1,000 Gal	-	-	-	-	-	-	-

Table ES-12

TOWN OF SNOWFLAKE							
Scenario: 2025 10 02 -- Scenario II -- Conservation		SCENARIO II -- IMPACT ON MONTHLY CHARGES					
		Effective					
Residential Standard Monthly Bill		Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
5,000 Gal	Total	\$ 76.82	\$ 80.30	\$ 86.04	\$ 92.22	\$ 97.34	\$ 100.92
Water & WW	Increase -- \$		3.48	5.74	6.18	5.12	3.57
	Increase -- %		4.5%	7.1%	7.2%	5.6%	3.7%
12,000 Gal	Total	90.75	94.93	101.40	108.35	114.28	118.19
Water; 5K WW	Increase -- \$		4.18	6.47	6.95	5.93	3.91
	Increase -- %		4.6%	6.8%	6.9%	5.5%	3.4%
30,000 Gal	Total	126.57	145.21	154.19	163.78	172.48	177.56
Water; 5K WW	Increase -- \$		18.64	8.98	9.59	8.70	5.08
	Increase -- %		14.7%	6.2%	6.2%	5.3%	2.9%
Commercial Standard Monthly Bill							
25,000 Gal	Total	\$ 120.60	\$ 126.27	\$ 134.31	\$ 142.90	\$ 150.56	\$ 155.20
Water & WW	Increase -- \$		5.67	8.04	8.59	7.66	4.64
	Increase -- %		4.7%	6.4%	6.4%	5.4%	3.1%
50,000 Gal	Total	170.35	178.51	189.16	200.49	211.03	216.88
Water & WW	Increase -- \$		8.16	10.65	11.34	10.54	5.85
	Increase -- %		4.8%	6.0%	6.0%	5.3%	2.8%

Table ES-13

TOWN OF SNOWFLAKE		Effective					
Residential Standard Monthly Bill		Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
5,000 Gal	Water Only						
	Scen I -- Status Quo	\$ 35.46	\$ 38.64	\$ 40.96	\$ 43.01	\$ 43.87	\$ 44.74
	Scen II -- Conservation	35.46	37.23	39.09	41.05	43.10	43.96
	Difference	-	(1.41)	(1.86)	(1.96)	(0.76)	(0.78)
12,000 Gal	Water Only						
	Scen I -- Status Quo	49.39	53.80	57.02	59.87	61.07	62.29
	Scen II -- Conservation	49.39	51.86	54.45	57.18	60.03	61.23
	Difference	-	(1.94)	(2.57)	(2.70)	(1.04)	(1.06)
30,000 Gal	Water Only						
	Scen I -- Status Quo	85.21	92.77	98.34	103.25	105.32	107.42
	Scen II -- Conservation	85.21	102.14	107.24	112.61	118.24	120.60
	Difference	-	9.37	8.91	9.36	12.92	13.18

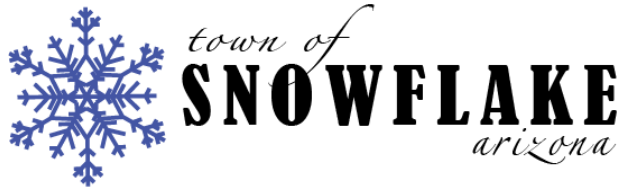




## SECTION I

# Introduction

## Background



In June 2025, the Town of Snowflake, Arizona (“the Town”) engaged Willdan Financial Services (WFS) to conduct a Water and Wastewater Rate Study and Long-Term Financial Plan. The Town identified numerous objectives for this study, including but not limited to the following:

- A comprehensive analysis and evaluation of the water and wastewater **systems’ current cost of service and revenue** requirements
- A forecast of operating expenses over the next decade, taking into consideration salient factors such as cost of water and wastewater treatment, inflation, system growth, and increases in staffing levels.
- An estimate of current and forecast accounts, volumes, and billing units for the ten-year forecast period
- **A thorough assessment, review, and update of the water and wastewater system’s known capital** improvement needs, as well as a determination of the need for funding capital requirements through the **system’s** internal funds.
- An evaluation of the current water and wastewater rate structures and revenue recovered versus the revenue requirement, both overall and for each customer class
- **The development of a rate structure that would recover the Town’s cost of service, ensure equitable, just,** and reasonable treatment of identified customer classes, and maintain critical financial ratios

The analysis and recommendations presented in this study achieve all the objectives outlined.

In conjunction with Town staff, the project team evaluated alternative rate structures, which would enable the Town to achieve these objectives while continuing to provide ratepayers with a superior quality of municipal water and wastewater service. After a series of meetings with Town officials, the project team is presenting two alternative rate plan scenarios for the water and wastewater utilities.

## Report Organization

This report is organized into the following sections:

Section I – Introduction - outlines objectives and scope of this rate study and long-term financial plan. Also presents the Town's **current rate structure** and a comparison of the Town's **water and wastewater** charges with other Arizona cities.

Section II – Water and Wastewater Test Year and Forecast Volumes – **analyzes the Town's customer base**, total accounts and current volumes of treated water and wastewater. This section presents totals for the current year and a forecast ten-years into the future.

Section III – Water and Wastewater Test Year and Forecast Revenue Requirement – outlines the process of **analyzing the Town's current water and wastewater utility cost structure**. The **total current or "test year" revenue** requirements are developed, and costs are functionalized. Using the test year as a basis, costs are forecast for a ten-year period.

Section IV – Water and Wastewater Rate Design – Presents the final rate recommendation for the Town, which would enable it to meet its revenue requirements over the next decade. Also presents an analysis of the impact of these rate scenarios on each defined customer class.

Appendix A – Water and Wastewater Rate Model – Scenario 1 – "Status Quo"

Appendix B – Water and Wastewater Rate Model – Scenario 2 – "Conservation"

## Water and Wastewater Current Rates

Table I-1 and Table I-2 **summarize the Town's current water and wastewater rate structure**. The rates were adopted in early 2025.

Table I-1

<b>TOWN OF SNOWFLAKE</b>		
<b>CURRENT MONTHLY RATES</b>		
<b>Water Rates -- Residential and Non-Residential</b>		
<b><u>Monthly Minimum Charge --All Meters</u></b>		<b>\$ 29.49</b>
<b><u>Volume Rate/1,000 Gal -- Residential</u></b>		
2,000	Above	1.99
<b><u>Volume Rate/1,000 Gal -- Non-Residential</u></b>		1.99
<b>Water Rates -- Construction</b>		
<b><u>Monthly Minimum Charge</u></b>		<b>\$ 5.00</b>
<b><u>Volume Rate/1,000 Gal</u></b>		<b>5.00</b>

Table I-2

<b>TOWN OF SNOWFLAKE</b>	
<b>CURRENT MONTHLY RATES</b>	
<b>Wastewater Rates - Residential and Commercial</b>	
<b><u>Monthly Minimum Charge</u></b>	\$ 41.36
<b>Wastewater Rates - Commercial High Volume</b>	
<b><u>Volume Rate/1,000 Gal</u></b>	1.30
<b>Wastewater Rates - RV Parks and Motels</b>	
<b><u>Monthly Minimum Charge</u></b>	13.07
<b>Wastewater Rates -Public Buildings</b>	
<b><u>Monthly Minimum Charge</u></b>	70.83
<b>Wastewater Rates -Golf Course</b>	
<b><u>Monthly Minimum Charge</u></b>	29.36

All water customers are subject to a monthly minimum charge, which varies by customer class. For residential customers, this minimum charge includes the first 2,000 gallons of water. Beyond that, all customers are billed at a single-tier usage rate. For wastewater service, all customer classes, except Commercial High Volume, are billed a flat monthly fee, with the amount varying by customer class. Commercial High Volume customers, however, are billed based on a single-tier volumetric rate per 1,000 gallons.

## Water and Wastewater Rate Comparison

Table I-3 and Chart I-4 compare Snowflake's **monthly water and** wastewater charges to several cities or utilities located around Snowflake, Arizona. A volume of 10,000 gallons of water and 5,000 gallons of wastewater was used for the residential comparison as requested by Town Staff to reflect the typical usage levels for an average household.

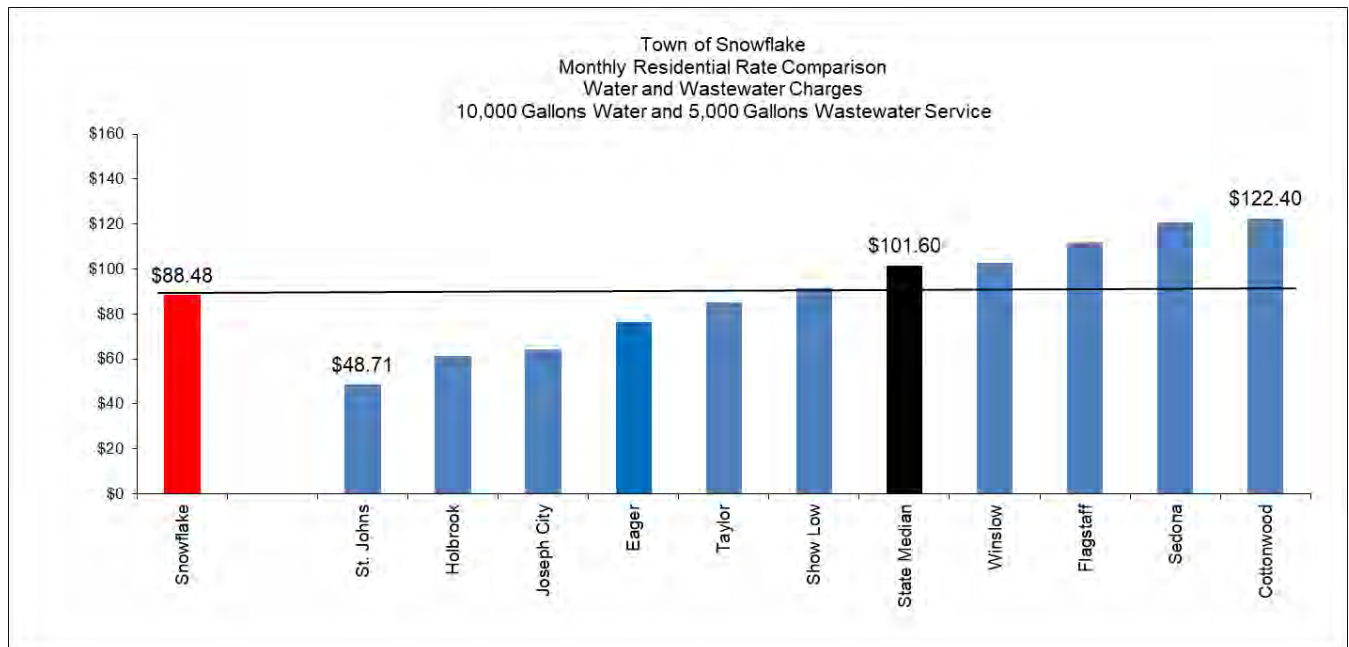
This type of comparison may have the unintended effect of discriminating against communities who choose to finance system expansions through current rates or revenue bonds, which are included in rates, as opposed to those who utilize general obligation bonds, which are funded through taxes. All else being equal, a Town that primarily or exclusively uses general obligation bonds will have a lower water rate per 1,000 gallons but a higher tax rate.

Table I-3

TOWN OF SNOWFLAKE			
MONTHLY RESIDENTIAL CHARGES -- 10,000 GALLONS WATER; 5,000 GALLONS SEWER			
	Water	Wastewater	Total
<b>Snowflake</b>	<b>\$ 45.41</b>	<b>\$ 43.07</b>	<b>\$ 88.48</b>
Flagstaff	75.77	36.07	111.84
Show Low	51.83	39.49	91.32
Joseph City	32.02	32.24	64.26
Gilbert	65.99	62.01	128.00
Winslow	53.64	48.97	102.61
Taylor	38.87	46.22	85.09
Sedona	57.47	63.31	120.78
Cottonwood	63.55	58.85	122.40
Holbrook	33.49	27.77	61.26
St. Johns	27.50	21.21	48.71
Eager	39.25	37.00	76.25
<b>State Median</b>	<b>\$ 61.60</b>	<b>\$ 40.00</b>	<b>\$ 101.60</b>

Source: Cities' Website; and Arizona Water and Wastewater Rates Dashboard (prepared by UNC)

Chart I-4







## SECTION II

## Water and Wastewater Test Year and Forecast Volumes



To accurately forecast future revenues and expenses, it is necessary to examine current water and wastewater utility conditions. The first step in developing cost of service rates is to analyze patterns of usage, both for the system as a whole and for specified customer classes.

For the Town of Snowflake, water consumption records maintained by the Town were reviewed for a three-year period from 2022 to 2025. These records provided information on the monthly water volumes distributed system wide as well as the number of accounts for each month and the associated revenues. Additionally, these records provided the number of accounts, billing units, and revenues by month for all classifications of wastewater customers.

According to standard utility ratemaking methodology, to allocate revenue requirements equitably among system users, customers must be classified into relatively homogeneous groups with similar usage characteristics or service demands. Costs are then allocated to the customer classes in proportion to the usage characteristics of each class. For the water system, costs are typically allocated to customers based on their average and peak water demands. For the wastewater system, costs are allocated to customers based on their estimated wastewater flows, and in some cases, based on wastewater strengths.

**After thoroughly examining volume and customer data, the project team made no revisions to the Town's rate classifications.** The project team finds these customer class distinctions to be reasonable and appropriate for the Town of Snowflake, meeting the criteria of homogenous groups with similar usage patterns.

In this section, **the Town's functional customer classes and test year usage patterns will** be thoroughly analyzed. A ten-year projection of customers and usage will also be presented. These forecasts, along with the revenue requirements, will form the basis of the rate design recommendations.

## Water and Wastewater Customers and Accounts – Test Year & Ten-Year Forecast

Table II-1 presents total water accounts and classifications for the Town for the test year and the forecast growth over the next decade. In total, water accounts are forecast to increase from 2,312 in TY 2026 to 2,645 in FY 2035. Chart II-2 shows the water customers by class for the test year. Should this growth rate not be achieved, the forecasts and recommendations contained in this study will have to be revised

Table II-1

TOWN OF SNOWFLAKE								
FORECAST TOTAL CUSTOMERS								
WATER Customer Classes								
	RESIDENTIAL	MOTELS/PUBLIC BLDS.	COMMERCIAL	WATER/RV PARK	CONSTRUCTION WATER	WATER- GOVERNMENTAL	Fire	Total
<b>WATER Total Customers</b>								
FY 2023	1,957	56	151	1	2	10	-	2,177
FY 2024	2,006	98	151	1	4	13	-	2,273
FY 2025	2,048	56	151	1	4	12	-	2,273
TY 2026	2,088	56	151	1	4	12	-	2,312
FY 2027	2,123	56	153	1	4	12	-	2,349
FY 2028	2,158	56	155	1	4	12	-	2,386
FY 2029	2,193	56	157	1	4	12	-	2,423
FY 2030	2,228	56	159	1	4	12	-	2,460
FY 2031	2,263	56	161	1	4	12	-	2,497
FY 2032	2,298	56	163	1	4	12	-	2,534
FY 2033	2,333	56	165	1	4	12	-	2,571
FY 2034	2,368	56	167	1	4	12	-	2,608
FY 2035	2,403	56	169	1	4	12	-	2,645
<b>WATER Annual New Customers</b>								
FY 2024	49	43	-	-	2	-	-	94
FY 2025	42	(42)	-	-	(0)	(0)	-	(1)
TY 2026	40	-	-	-	-	-	-	40
FY 2027	35	-	2	-	-	-	-	37
FY 2028	35	-	2	-	-	-	-	37
FY 2029	35	-	2	-	-	-	-	37
FY 2030	35	-	2	-	-	-	-	37
FY 2031	35	-	2	-	-	-	-	37
FY 2032	35	-	2	-	-	-	-	37
FY 2033	35	-	2	-	-	-	-	37
FY 2034	35	-	2	-	-	-	-	37
FY 2035	35	-	2	-	-	-	-	37

Chart II-2

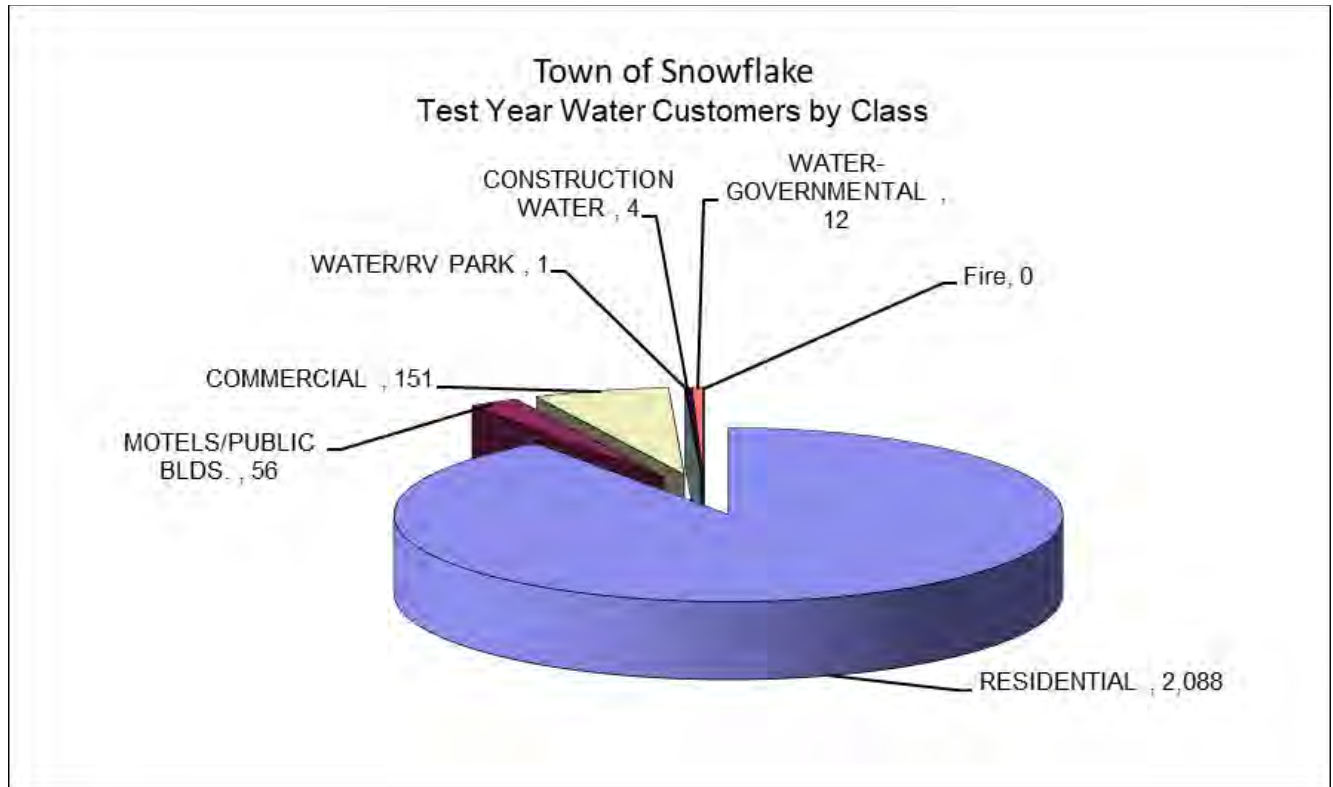
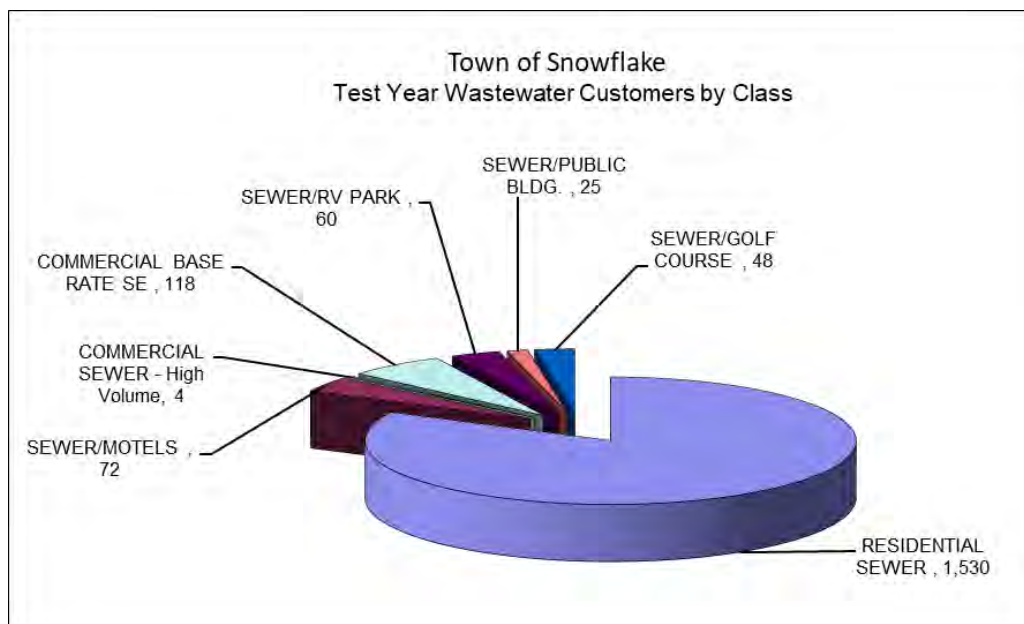


Table II-3 presents wastewater accounts and classifications for the Town for the test year and the forecast growth over the next decade. In total, there are 1,858 wastewater accounts in TY 2026 and forecast to grown to 2,101 in FY 2035. Chart II-4 shows the wastewater customers by class for the test year. As with water accounts, it must be stressed that if the Town does not connect these projected new accounts, financial, and rate plan assumptions will have to be modified.

Table II-3

TOWN OF SNOWFLAKE								
FORECAST TOTAL CUSTOMERS								
WASTEWATER Customer Classes								
	RESIDENTIAL SEWER	SEWER/ MOTELS	SEWER - High Volume	COMMERCIAL BASE RATE SE	SEWER/RV PARK	SEWER/PUBLIC BLDG.	SEWER/GOLF COURSE	Total
WASTEWATER Total Customers								
FY 2023	1,427	72	4	119	60	25	49	1,755
FY 2024	1,464	72	4	119	60	25	49	1,793
FY 2025	1,500	72	4	118	60	25	48	1,828
TY 2026	1,530	72	4	118	60	25	48	1,858
FY 2027	1,555	72	6	118	60	25	48	1,885
FY 2028	1,580	72	8	118	60	25	48	1,912
FY 2029	1,605	72	10	118	60	25	48	1,939
FY 2030	1,630	72	12	118	60	25	48	1,966
FY 2031	1,655	72	14	118	60	25	48	1,993
FY 2032	1,680	72	16	118	60	25	48	2,020
FY 2033	1,705	72	18	118	60	25	48	2,047
FY 2034	1,730	72	20	118	60	25	48	2,074
FY 2035	1,755	72	22	118	60	25	48	2,101
WASTEWATER Annual New Customers								
FY 2025	36	-	(0)	(0)	-	-	(1)	35
TY 2026	30	-	-	-	-	-	-	30
FY 2027	25	-	2	-	-	-	-	27
FY 2028	25	-	2	-	-	-	-	27
FY 2029	25	-	2	-	-	-	-	27
FY 2030	25	-	2	-	-	-	-	27
FY 2031	25	-	2	-	-	-	-	27
FY 2032	25	-	2	-	-	-	-	27
FY 2033	25	-	2	-	-	-	-	27
FY 2034	25	-	2	-	-	-	-	27
FY 2035	25	-	2	-	-	-	-	27

Chart II-4



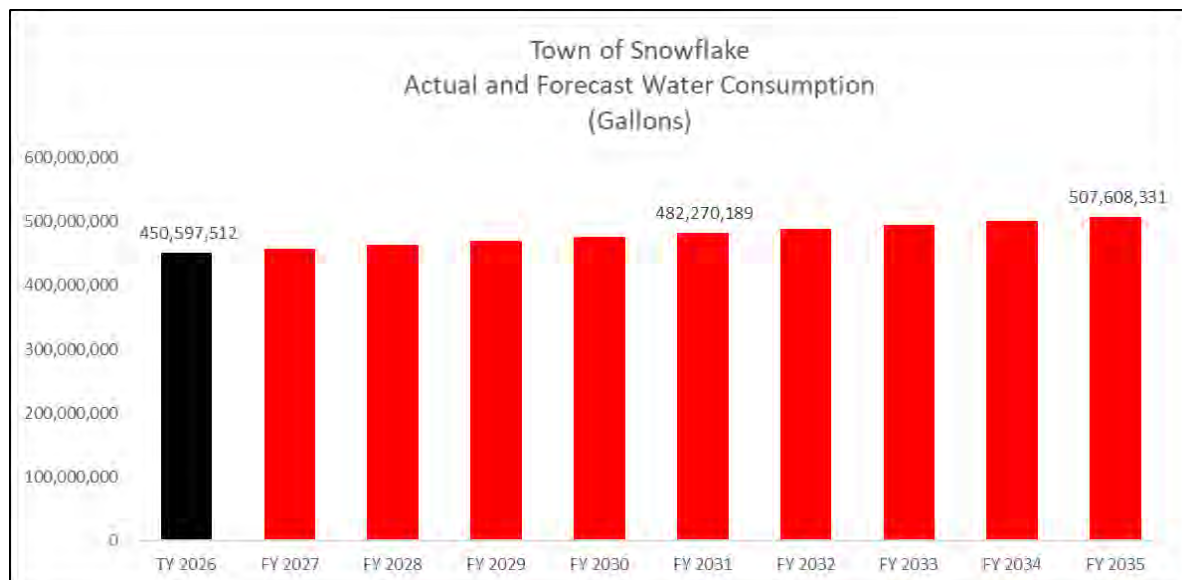
## Test Year and Forecast Water Consumption

Table II-5 and Chart II-6 present the test year and projected consumption by customer class for TY 2026 and the ten-year forecast period. It should be noted that for Scenario 2 there is a 5% elasticity adjustment for residential usage in FY 2027 to estimate the effect a conservation rate structure will have on customer consumption.

Table II-5

TOWN OF SNOWFLAKE							
FORECAST BILLED CONSUMPTION							
WATER Customer Classes							
	RESIDENTIAL	MOTELS/PUBLIC BLDG.	COMMERCIAL	WATER/RV PARK	CONSTRUCTION WATER	WATER-GOVERNMENTAL	Fire
WATER Annual Consumption							
TY 2026	350,497,512	45,711,000	34,680,000	764,000	892,000	18,053,000	-
FY 2027	356,372,709	45,711,000	35,139,338	764,000	892,000	18,053,000	-
FY 2028	362,247,907	45,711,000	35,598,675	764,000	892,000	18,053,000	-
FY 2029	368,123,105	45,711,000	36,058,013	764,000	892,000	18,053,000	-
FY 2030	373,998,303	45,711,000	36,517,351	764,000	892,000	18,053,000	-
FY 2031	379,873,500	45,711,000	36,976,689	764,000	892,000	18,053,000	-
FY 2032	385,748,698	45,711,000	37,436,026	764,000	892,000	18,053,000	-
FY 2033	391,623,896	45,711,000	37,895,364	764,000	892,000	18,053,000	-
FY 2034	397,499,094	45,711,000	38,354,702	764,000	892,000	18,053,000	-
FY 2035	403,374,292	45,711,000	38,814,040	764,000	892,000	18,053,000	-
WATER Increase/(Decrease) from Prior Year							
TY 2026	6,714,512	-	-	-	-	-	6,714,512
FY 2027	5,875,198	-	459,338	-	-	-	6,334,536
FY 2028	5,875,198	-	459,338	-	-	-	6,334,536
FY 2029	5,875,198	-	459,338	-	-	-	6,334,536
FY 2030	5,875,198	-	459,338	-	-	-	6,334,536
FY 2031	5,875,198	-	459,338	-	-	-	6,334,536
FY 2032	5,875,198	-	459,338	-	-	-	6,334,536
FY 2033	5,875,198	-	459,338	-	-	-	6,334,536
FY 2034	5,875,198	-	459,338	-	-	-	6,334,536
FY 2035	5,875,198	-	459,338	-	-	-	6,334,536

Table II-6



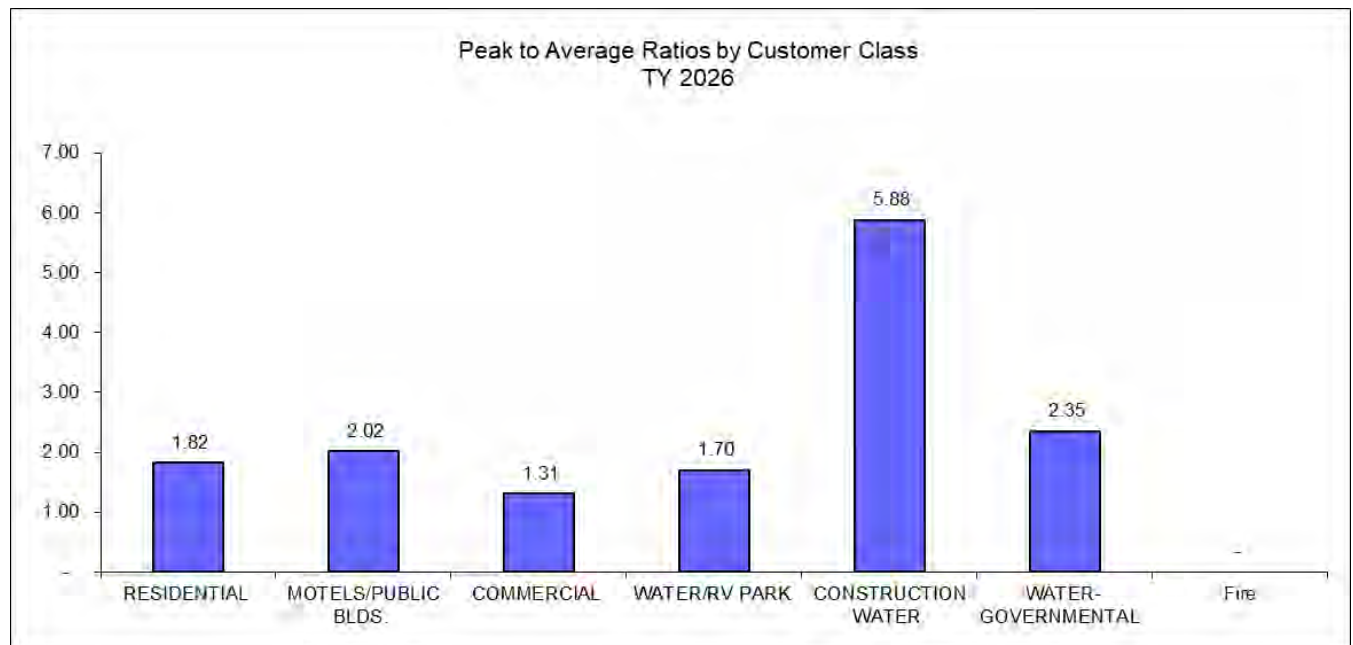
## Peaking Factors

The cost of providing water to customers depends not only on the amount of water each class uses, but also on how that usage occurs over time. The maximum-day peaking requirements of a water utility's customers are an important influence on the utility's costs. Because water utilities attempt to meet all the demands of their customers, water systems are sized to meet customers' peak requirements. Therefore, during off-peak periods, there are costs associated with the unused capacity of the system. Ratemaking guidelines direct that these costs must be allocated to customers in proportion to the contribution of each customer class to the system peak. Thus, it is necessary to determine the peak rate of use relative to the average rate of use for each class. This ratio is called a *Peaking Factor*.

The calculation of peaking factors for individual classes relies on available pumping and consumption information as well as professional judgment. If customer meters could record daily flow rates for each customer, more refined information could be obtained on peaking factors. This is not feasible because of the enormous cost that would be imposed on the utility. Therefore, it is accepted practice in the water industry to develop peaking factor estimates based on standard formulas using system peak day information and monthly customer class use records. This is a conservative methodology, since customer class peaking factors based on peak months will inevitably be lower than the system-wide peaking factor, which is based on the peak day.

Based on AWWA guidelines, the customer class peaking factors calculated in this study are for non-coincidental peaks. The peaking factors developed for this analysis are based on actual monthly water consumption by customer class for the recent twelve-month period, July 2024 – June 2025. The calculations of the monthly peaking factors by class are shown in Table II-7. While some customer classes had higher than normal peaking factors, the project team has assumed that they are due to monthly accounting fluctuations and are not truly representative of the true peak to average ratio. The combined peak day to average ratio used in the rate model is 1.50.

Chart II-7





## Wastewater Flows – Test Year and Forecast

In the Town of Snowflake, only Commercial–High Usage customers are charged a volumetric rate for wastewater service, billed per 1,000 gallons. All other customers pay a flat monthly rate based on their customer class.

The Town does not track volume data for any class other than the commercial-high usage customers. Therefore, the project team estimated usage for the other customer classes based on a combination of winter averages for residential and general assumptions for non-residential classes. The wastewater volumes for the current year and forecast period are shown in Table II-8. While these volumes are estimated, the project team believes that they are reasonable and representative of the usage by customer class.

Table II-8

TOWN OF SNOWFLAKE								
FORECAST WASTEWATER BILLING UNITS								
WASTEWATER Customer Classes								
	RESIDENTIAL SEWER	COMMERCIAL SEWER/MOTELS	COMMERCIAL SEWER - High Volume	COMMERCIAL BASE RATE SE	SEWER/RV PARK	SEWER/PUBLIC BLDG.	SEWER/GOLF COURSE	Total
WASTEWATER Billing Units								
TY 2026	157,065,000	1,728,000	10,913,000	-	2,880,000	10,500,000	4,970,845	188,056,845
FY 2027	159,697,795	1,728,000	11,057,543	-	2,880,000	10,500,000	4,970,845	190,834,182
FY 2028	162,330,589	1,728,000	11,202,086	-	2,880,000	10,500,000	4,970,845	193,611,520
FY 2029	164,963,384	1,728,000	11,346,629	-	2,880,000	10,500,000	4,970,845	196,388,857
FY 2030	167,596,178	1,728,000	11,491,172	-	2,880,000	10,500,000	4,970,845	199,166,195
FY 2031	170,228,973	1,728,000	11,635,715	-	2,880,000	10,500,000	4,970,845	201,943,533
FY 2032	172,861,767	1,728,000	11,780,258	-	2,880,000	10,500,000	4,970,845	204,720,870
FY 2033	175,494,562	1,728,000	11,924,801	-	2,880,000	10,500,000	4,970,845	207,498,208
FY 2034	178,127,356	1,728,000	12,069,344	-	2,880,000	10,500,000	4,970,845	210,275,545
FY 2035	180,760,151	1,728,000	12,213,887	-	2,880,000	10,500,000	4,970,845	213,052,883
WATER Increase/(Decrease) from Prior Year								
FY 2027	2,632,795	-	144,543	-	-	-	-	2,777,338
FY 2028	2,632,795	-	144,543	-	-	-	-	2,777,338
FY 2029	2,632,795	-	144,543	-	-	-	-	2,777,338
FY 2030	2,632,795	-	144,543	-	-	-	-	2,777,338
FY 2031	2,632,795	-	144,543	-	-	-	-	2,777,338
FY 2032	2,632,795	-	144,543	-	-	-	-	2,777,338
FY 2033	2,632,795	-	144,543	-	-	-	-	2,777,338
FY 2034	2,632,795	-	144,543	-	-	-	-	2,777,338
FY 2035	2,632,795	-	144,543	-	-	-	-	2,777,338



## SECTION III

## Water & Wastewater Forecast Revenue Requirement



In this section of the water and wastewater rate study and long-term financial plan, the **Town's** test year and forecast water and wastewater utility revenue requirements are developed.

The estimates presented in this section are based on the **Town's Council-adopted budget for FY 2026**, as well as a **forecast of the Town's future capital improvements**.

The calculation of a revenue requirement differs from a utility's budget in that it represents only that amount that **must be raised through the Town's user rates**. This means that non-rate revenue (such as connection fees, late payment charges and interest) must be subtracted from the

budgeted operating and capital expenditures to determine the net revenue requirement to be raised from rates.

As is typical for publicly owned utilities, Snowflake's **system revenue requirements were developed using the cash basis of ratemaking**. Under the cash basis, as defined by the AWWA Manual M-1, system revenue requirements consist of cash expenditures and other financial commitments (such as debt service coverage or reserves) that must be met through system operating revenues and other revenue sources.

All data used in the development of the revenue requirements was obtained from the financial statements, budgets and other information provided by the Town. Detailed calculations are presented in the rate model contained in Appendix A of this report. For rate design purposes, revenue requirements are developed separately for the water and wastewater systems.

### Operating Expenses and Capital Outlays – Test Year

Table III-1 summarizes the test year TY 2026 operating costs and capital outlays net of transfers and debt service for the Town.

Table III-1

TOWN OF SNOWFLAKE						
WATER Operating Expenses, Transfers and Capital Outlays						
SCENARIO: 2025 10 02 -- Scenario I -- Status Quo						
Expense Category Code	Net Budget	Supply/ Treatment	Distribution	Admin	Customer Billing	
<b><u>Operating &amp; Maintenance</u></b>						
P Personnel	\$ 440,000	\$ 154,000	\$ 154,000	\$ 66,000	\$ 66,000	
SU Supplies	7,500	1,750	1,750	3,250	750	
O&M Operations & Maintenance	316,000	157,000	157,000	2,000	-	
A Administrative Expense	380,450	150,000	150,000	75,950	4,500	
U Utilities	194,000	95,000	95,000	4,000	-	
O Operations	-	-	-	-	-	
MI Miscellaneous	500	-	-	500	-	
CO Capital Outlays (Minor)	-	-	-	-	-	
CL Capital Lease	-	-	-	-	-	
<b>Total Operating &amp; Maintenance</b>	<b>\$ 1,338,450</b>	<b>\$ 557,750</b>	<b>\$ 557,750</b>	<b>\$ 151,700</b>	<b>\$ 71,250</b>	
<b>Transfers</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Capital Outlays (Major)</b>	<b>\$ 50,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Total WATER Operating Expenses, Transfers and Capital Outlays</b>	<b>\$ 1,388,450</b>	<b>\$ 582,750</b>	<b>\$ 582,750</b>	<b>\$ 151,700</b>	<b>\$ 71,250</b>	
WASTEWATER Operating Expenses, Transfers and Capital Outlays						
Expense Category Code	Net Budget	Treatment	Collection	Admin	Customer Billing	
<b><u>Operating &amp; Maintenance</u></b>						
P Personnel	\$ 515,000	\$ 180,250	\$ 180,250	\$ 77,250	\$ 77,250	
SU Supplies	5,400	-	-	5,400	-	
O&M Operations & Maintenance	314,100	155,550	155,550	3,000	-	
A Administrative Expense	215,550	75,000	75,000	65,175	375	
U Utilities	107,500	52,500	52,500	2,500	-	
O Operations	-	-	-	-	-	
MI Miscellaneous	500	-	-	500	-	
CL Capital Lease (Minor)	-	-	-	-	-	
<b>Total Operating &amp; Maintenance</b>	<b>\$ 1,158,050</b>	<b>\$ 463,300</b>	<b>\$ 463,300</b>	<b>\$ 153,825</b>	<b>\$ 77,625</b>	
<b>Transfers</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Capital Outlays (Major)</b>	<b>\$ 50,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Total WASTEWATER Operating Expenses, Transfers and Capital Outlays</b>	<b>\$ 1,208,050</b>	<b>\$ 488,300</b>	<b>\$ 488,300</b>	<b>\$ 153,825</b>	<b>\$ 77,625</b>	
<b>Total W &amp; WW</b>	<b>\$ 2,596,500</b>	<b>\$ 1,071,050</b>	<b>\$ 1,071,050</b>	<b>\$ 305,525</b>	<b>\$ 148,875</b>	

As shown in Table III-1, the Town's operating expenses for its water utility are forecast to be \$1,388,450 in the test year, and \$1,208,050 for the wastewater utility.

## Operating Expenses and Capital Outlay – Ten Year Forecast

Table III-2 presents the water and wastewater utility operating expenses and capital outlays forecast for the ten-year period from TY 2026 – FY 2035. These costs are projected to increase from \$2,596,500 in Test Year 2026 to \$3,659,845 in FY 2035. Details behind these calculations can be found in the rate model contained in Appendix A. This forecast is based on the following set of assumptions:

- Most personnel and operating expenses grow by approximately 3.0% annually
- Certain costs, such as insurance, workers' compensation, and healthcare, rise at higher rates.
- Some expenses, including electricity and chemicals, increase in line with volume and customer growth.
- The town is forecast to fund its capital outlays from their systems rates and fees

Table III-2

TOWN OF SNOWFLAKE									
FORECAST OPERATING EXPENSES AND CAPITAL OUTLAYS									
SCENARIO:									
2025 10 02 -- Scenario I -- Status Quo									
	Water			Wastewater			Total Water & Wastewater		
	Operating Expense	Capital Outlays	Total	Operating Expense	Capital Outlays	Total	Operating Expense	Capital Outlays	Total
TY 2026	\$ 1,338,450	\$ 50,000	\$1,388,450	\$ 1,158,050	\$ 50,000	\$ 1,208,050	\$ 2,496,500	\$ 100,000	\$ 2,596,500
FY 2027	1,385,771	50,000	1,435,771	1,208,092	50,000	1,258,092	2,593,863	100,000	2,693,863
FY 2028	1,435,263	50,000	1,485,263	1,260,528	50,000	1,310,528	2,695,792	100,000	2,795,792
FY 2029	1,487,040	50,000	1,537,040	1,315,492	50,000	1,365,492	2,802,532	100,000	2,902,532
FY 2030	1,541,221	50,000	1,591,221	1,373,124	50,000	1,423,124	2,914,345	100,000	3,014,345
FY 2031	1,597,933	50,000	1,647,933	1,433,575	50,000	1,483,575	3,031,508	100,000	3,131,508
FY 2032	1,657,311	50,000	1,707,311	1,497,004	50,000	1,547,004	3,154,316	100,000	3,254,316
FY 2033	1,719,498	50,000	1,769,498	1,563,584	50,000	1,613,584	3,283,082	100,000	3,383,082
FY 2034	1,784,645	50,000	1,834,645	1,633,495	50,000	1,683,495	3,418,140	100,000	3,518,140
FY 2035	1,852,914	50,000	1,902,914	1,706,931	50,000	1,756,931	3,559,845	100,000	3,659,845

## Capital Improvement Plan

Capital improvements are commonly defined as “expenditures to acquire or improve long term assets such as land, facilities, equipment or infrastructure.” These expenditures typically are for improvements exceeding \$50,000 and for assets having an anticipated life of five years or more. According to the Town’s latest estimates, there is a need for approximately \$3,250,000 in the water and wastewater system improvements from FY 2026 – FY 2030. A breakdown of the CIP is presented in Table III-3. It is worth noting that the project team has estimated an additional \$2,125,000 funds for the water CIP and \$500,000 for the wastewater CIP for FY 2031 – FY 2035. The **Town’s goal is to fund** the current CIP from the fund balance as it plans not to issue any debt in the forecast period.

Table III-3

TOWN OF SNOWFLAKE			
CAPITAL IMPROVEMENT PLAN FOR FUNDING THROUGH NEW BOND ISSUES			
FY 2026 - FY 2030			
SCENARIO: 2025 08 22 -- Scenario II -- Conservation			
WATER PROJECTS			
		Grant	Fund Draw
Water meter replacement	\$ 785,000	\$ 600,000	\$ 185,000
0.3 MG Tank at Well #3	600,000	-	600,000
Galvanized line replacement 3rd West	200,000	-	200,000
1st West Street waterline replacement	195,000	-	195,000
Galvanized line replacement 1st West	175,000	-	175,000
Remove Pressure Tank/ Install Bladder Tank @ Well # 3	85,000	-	85,000
Remove Pressure Tank/ Install Bladder Tank @ Well # 4	85,000	-	85,000
Install missing downtown fire hydrants(25)	60,000	-	60,000
Concho Bridge waterline crossing	50,000	-	50,000
Install missing water valves throughout system (15)	40,000	-	40,000
Miscellaneous Projects	130,000	-	130,000
<b>Total Water Projects</b>	<b>\$ 2,405,000</b>	<b>\$ 600,000</b>	<b>\$ 1,805,000</b>
WASTEWATER PROJECTS			
		Grant	Fund Draw
Pipe Replacement Hwy 277	\$ 200,000	-	\$ 200,000
Force Main - Main Lift station	150,000	-	150,000
Clay Pipe Replacement	125,000	-	125,000
Manhole Rehabilitation	125,000	-	125,000
Pipe Rehabilitation (Insituform)	125,000	-	125,000
1-ton Utility Truck - fully equipped	50,000	-	50,000
New Headworks and Screen	20,000	-	20,000
Water line to plant	20,000	-	20,000
Clarifier 1 Rehab	15,000	-	15,000
Clarifier 3 Rehab	15,000	-	15,000
<b>Total Wastewater Projects</b>	<b>\$ 845,000</b>	<b>\$ -</b>	<b>\$ 845,000</b>
<b>Total Water and Wastewater Projects</b>	<b>\$ 3,250,000</b>	<b>\$ 600,000</b>	<b>\$ 2,650,000</b>



Chart III-4A presents the **Town's** forecast unrestricted fund balance from FY 2026 – FY 2031, which will fund the **Town's CIP**. This is based on Scenario I (Status Quo) rate plan. Chart III-4B presents the fund balance with Scenario II rate plan.

Chart III-4A

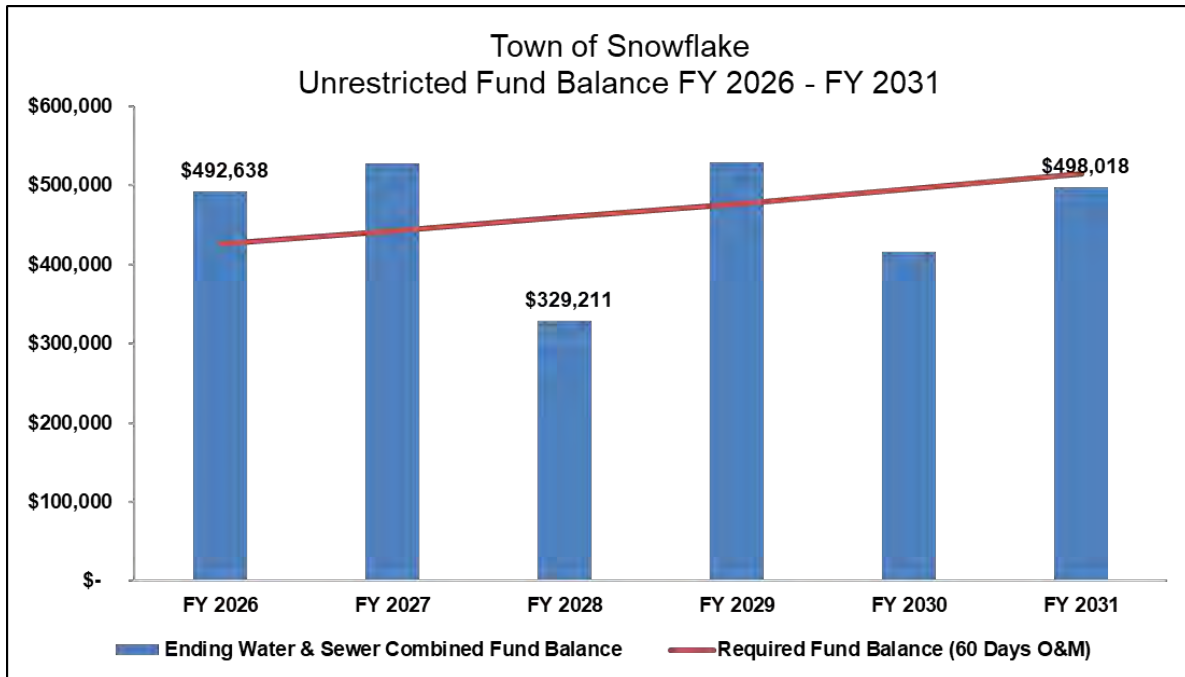
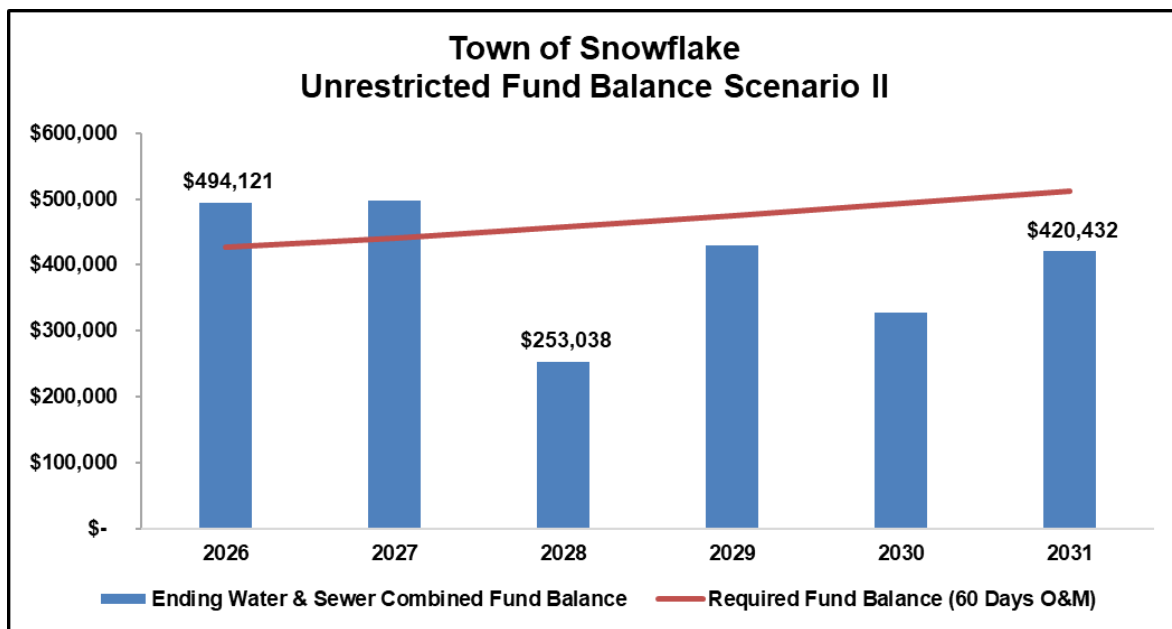


Chart III-4B



## Non-Rate Revenues

Although sales revenues constitute most of the revenue received by the Town for water and wastewater service, a certain amount of revenue is accrued from non-rate sources. These revenues include connection fees, other fines and fees, and interest income. These non-rate revenues are subtracted from the overall budget to determine the revenue requirement to be raised from rates. Non-rate revenues are presented in Table III-5.

Table III-5

<b>TOWN OF SNOWFLAKE</b>				
<b>FORECAST NON-RATE REVENUES</b>				
<b>SCENARIO:</b>				
<b>2025 10 02 -- Scenario I -- Status Quo</b>				
	<b>Water</b>	<b>Wastewater</b>	<b>Total Water &amp; WW</b>	
TY 2026	\$ 44,340	\$ 200,660	\$	245,000
FY 2027	44,340	200,660		245,000
FY 2028	44,340	200,660		245,000
FY 2029	44,340	200,660		245,000
FY 2030	44,340	200,660		245,000
FY 2031	44,340	200,660		245,000
FY 2032	44,340	200,660		245,000
FY 2033	44,340	200,660		245,000
FY 2034	44,340	200,660		245,000
FY 2035	44,340	200,660		245,000

## Net Revenue Requirement

Table III-6 presents the test year and ten-year forecast for the Town's net revenue requirement to be raised from rates. Detailed calculations are presented in the rate model contained in Appendix A of this report. As shown, the total net revenue requirement goes from \$2,351,500 in TY 2026 to \$3,414,845 in FY 2035.

It should be noted that the Town has no debt service related to its water and wastewater system, and is not forecast to incur any debt in the next ten years. This is unusual for water utilities, and the Town should be commended for its prudent financial management.

Table III-6

TOWN OF SNOWFLAKE									
CURRENT AND FORECAST NET REVENUE REQUIREMENT									
SCENARIO: 2025 10 02 -- Scenario I -- Status Quo									
	Operating Expenses	Capital Outlays	Debt Service	Transfers & Contingencies	Cost of Service	Non-Rate Revenues	Revenue Requirement		
<b>WATER Revenue Requirement</b>									
TY 2026	\$ 1,338,450	\$ 50,000	\$ -	\$ -	\$ 1,388,450	\$ 44,340	\$ 1,344,110		
FY 2027	1,385,771	50,000	-	-	1,435,771	44,340	1,391,431		
FY 2028	1,435,263	50,000	-	-	1,485,263	44,340	1,440,923		
FY 2029	1,487,040	50,000	-	-	1,537,040	44,340	1,492,700		
FY 2030	1,541,221	50,000	-	-	1,591,221	44,340	1,546,881		
FY 2031	1,597,933	50,000	-	-	1,647,933	44,340	1,603,593		
FY 2032	1,657,311	50,000	-	-	1,707,311	44,340	1,662,971		
FY 2033	1,719,498	50,000	-	-	1,769,498	44,340	1,725,158		
FY 2034	1,784,645	50,000	-	-	1,834,645	44,340	1,790,305		
FY 2035	1,852,914	50,000	-	-	1,902,914	44,340	1,858,574		
<b>WASTEWATER Revenue Requirement</b>									
TY 2026	\$ 1,158,050	\$ 50,000	\$ -	\$ -	\$ 1,208,050	\$ 200,660	\$ 1,007,390		
FY 2027	1,208,092	50,000	-	-	1,258,092	200,660	1,057,432		
FY 2028	1,260,528	50,000	-	-	1,310,528	200,660	1,109,868		
FY 2029	1,315,492	50,000	-	-	1,365,492	200,660	1,164,832		
FY 2030	1,373,124	50,000	-	-	1,423,124	200,660	1,222,464		
FY 2031	1,433,575	50,000	-	-	1,483,575	200,660	1,282,914		
FY 2032	1,497,004	50,000	-	-	1,547,004	200,660	1,346,344		
FY 2033	1,563,584	50,000	-	-	1,613,584	200,660	1,412,924		
FY 2034	1,633,495	50,000	-	-	1,683,495	200,660	1,482,835		
FY 2035	1,706,931	50,000	-	-	1,756,931	200,660	1,556,271		
<b>TOTAL Revenue Requirement</b>									
TY 2026	\$ 2,496,500	\$ 100,000	\$ -	\$ -	\$ 2,596,500	\$ 245,000	\$ 2,351,500		
FY 2027	2,593,863	100,000	-	-	2,693,863	245,000	2,448,863		
FY 2028	2,695,792	100,000	-	-	2,795,792	245,000	2,550,792		
FY 2029	2,802,532	100,000	-	-	2,902,532	245,000	2,657,532		
FY 2030	2,914,345	100,000	-	-	3,014,345	245,000	2,769,345		
FY 2031	3,031,508	100,000	-	-	3,131,508	245,000	2,886,508		
FY 2032	3,154,316	100,000	-	-	3,254,316	245,000	3,009,316		
FY 2033	3,283,082	100,000	-	-	3,383,082	245,000	3,138,082		
FY 2034	3,418,140	100,000	-	-	3,518,140	245,000	3,273,140		
FY 2035	3,559,845	100,000	-	-	3,659,845	245,000	3,414,845		

## Water Utility Cost Functionalization

Once the total water and wastewater system costs have been identified, the next step in the rate development process is to isolate the costs associated with each system function. Some of these expenditures are a function of base water demand; others are based on the peak demands placed on the system. Certain costs are associated with serving customers regardless of the volume of water use or wastewater discharge. The basic steps used to allocate the Town's water revenue requirements include the following:

1. **Each system's costs (revenue requirements) are categorized by utility function** (i.e., treatment, distribution, administrative, customer). This process is known as *functionalization*.
2. Functionalized costs are classified based on the service characteristics or the types of demand served by the utility (base and maximum day). This process is known as *classification*.
3. Costs by service characteristic are allocated to customer classes in proportion to the service demands demonstrated by each class.

This three-step process allows for the allocation of system costs in the same terms as customer classes. The approaches described in this section follow standard industry practices. Water system costs are allocated to the following functions:

*Treatment* – the process by which raw water is converted to potable water

*Distribution* – the lines that carry water to individual customers' properties

*Administration* – miscellaneous overhead and other non-operating costs

*Customer Billing* – the processes involved in billing and providing other services to customers

The project team allocated operating budget line-item expenses individually to system functions based on general guidelines, specific research, and input from Town staff. The results of the allocation process for the test year are presented in Table III-7. The rate model presented in Appendix A includes a detailed listing of the allocations by line item.

Table III-7

<b>TOWN OF SNOWFLAKE</b>			
<b>TEST YEAR WATER COST FUNCTIONALIZATION</b>			
<b>SCENARIO:</b>	<b>2025 10 02 -- Scenario I -- Status Quo</b>		
	<b>TY 2026</b>		
	<b>Revenue</b>		
Treatment	\$	564,140	42.0%
Distribution		564,140	42.0%
Administration		146,855	10.9%
Customer		68,975	5.1%
<b>Total</b>		<b>1,344,110</b>	<b>100.0%</b>

## Water Utility Cost Classification

The allocation of functionalized water system costs to service characteristics follows the base-extra capacity cost allocation method recommended by AWWA. Using this method, costs are segregated into the following categories:

*Base costs* – capital costs and O&M expenses associated with service to customers under average demand conditions. This category does not include any costs attributable to variations in water use resulting from peaks in demand. Base costs tend to vary directly with the total quantity of water used.

*Maximum Day/Extra Capacity costs* – costs attributable to facilities that are designed to meet peaking requirements. These costs include capital and operating charges for additional plant and system capacity beyond that required for average usage.

*Customer Billing costs* – costs associated with any aspect of customer service, including billing, accounting, and meter services. **These costs are independent of the amount of water used and the size of the customer's meter and are not subject to peaking factors.**

Limitations in the availability of information resulted in the decision not to attempt to allocate costs further to the maximum hour component.

According to AWWA Manual M-1, in the base-extra capacity method, care must be taken in separating costs between those devoted to base capacity and those devoted to extra capacity. Based on general industry standards, the **Town's** peak to average capacity factor is assumed to be 1.75. The peak to average factor is calculated by dividing the volume on the peak day of the year by the average daily volume. This means that facilities designed to meet maximum-day requirements, such as the treatment and distribution functions, are allocated 57% to base, and 43% to extra capacity.

All customer service-related costs are allocated 100% to customer billing. Administration costs are generally not directly assignable to individual classifications. Therefore, it is standard rate-making practice to allocate these costs on an indirect basis to service characteristics.

The rate model in Appendix A provides the detailed allocations of costs to service characteristics. The system-wide costs by service characteristic are shown in Table III-8. As with cost functionalization, these percentages are not expected to change significantly in the forecast period.

Table III-8

TOWN OF SNOWFLAKE			
TEST YEAR WATER COST CLASSIFICATION			
SCENARIO:		2025 10 02 -- Scenario I -- Status Quo	
TY 2026			
Revenue			
Function	Requirement	Percent	
Base	\$ 844,450	62.83%	
Maximum Day	422,225	31.41%	
Customer	77,435	5.76%	
Total	1,344,110	100.0%	

## Water Utility Cost Allocation

Allocation of costs by service characteristic to customer classes is based on the proportionate use levels of each characteristic by each class. The water utility costs for Test Year 2026 by customer classes are presented in Table III-9. The total water utility costs by customer class for the entire term of the study are summarized in Table III-10. Overall cost calculations are presented in detail in the rate model contained in Appendix A.

Table III-9

TOWN OF SNOWFLAKE			
TEST YEAR WATER COST ALLOCATION			
SCENARIO: 2025 10 02 -- Scenario I -- Status Quo			
TY 2026			
Revenue			
Function	Requirement	Percent	
RESIDENTIAL	\$ 1,051,753	78.2%	
MOTELS/PUBLIC BLDs.	139,794	10.4%	
COMMERCIAL	82,117	6.1%	
WATER/RV PARK	2,064	0.2%	
CONSTRUCTION WATER	6,707	0.5%	
WATER- GOVERNMENTAL	61,675	4.6%	
Fire	-	0.0%	
<b>Total</b>	<b>1,344,110</b>	<b>100.0%</b>	

Table III-10

TOWN OF SNOWFLAKE								
FORECAST WATER COST ALLOCATION								
SCENARIO: 2025 10 02 -- Scenario I -- Status Quo								
Year	RESIDENTIAL	MOTELS/PUBLIC BLDs.	COMMERCIAL	WATER/RV PARK	CONSTRUCTION WATER	WATER-GOVERNMENTAL	Fire	Total
TY 2026	\$ 1,051,753	\$ 139,794	\$ 82,117	\$ 2,064	\$ 6,707	\$ 61,675	\$ -	<b>\$ 1,344,110</b>
FY 2027	1,091,804	142,747	84,939	2,108	6,850	62,982	-	<b>1,391,431</b>
FY 2028	1,133,687	145,840	87,891	2,153	7,000	64,351	-	<b>1,440,923</b>
FY 2029	1,177,497	149,080	90,980	2,201	7,157	65,785	-	<b>1,492,700</b>
FY 2030	1,223,338	152,472	94,212	2,251	7,322	67,286	-	<b>1,546,881</b>
FY 2031	1,271,321	156,022	97,596	2,303	7,494	68,857	-	<b>1,603,593</b>
FY 2032	1,321,561	159,739	101,138	2,358	7,675	70,501	-	<b>1,662,971</b>
FY 2033	1,374,182	163,628	104,848	2,415	7,863	72,222	-	<b>1,725,158</b>
FY 2034	1,429,314	167,698	108,735	2,475	8,061	74,022	-	<b>1,790,305</b>
FY 2035	1,487,099	171,957	112,807	2,538	8,267	75,906	-	<b>1,858,574</b>

## Wastewater Utility Cost Functionalization and Classification

Wastewater system costs are allocated to the following functions:

*Treatment* – the costs associated with treating wastewater volume discharges

*Collection* – the lines that transport wastewater from customers' properties to the wastewater treatment plant

*Administration* – miscellaneous overhead and other non-operating costs

*Customer Billing* – the processes involved in billing and other services to customers

As was the case for the water system, wastewater utility operating budget line-item expenses are allocated individually to functions. The results of the allocation process are presented in Table III-11. The rate model in Appendix A presents a detailed listing of the cost allocations by line item. As with the water utility, these percentages are not forecast to change significantly during the next ten years.

Table III-11

<b>TOWN OF SNOWFLAKE</b>		
<b>TEST YEAR WASTEWATER COST FUNCTIONALIZATION</b>		
<b>SCENARIO: 2025 10 02 -- Scenario I -- Status Quo</b>		
	<b>TY 2026</b>	
<b>Function</b>	<b>Requirement</b>	<b>Percent</b>
Treatment	\$ 407,192	40.4%
Collection	407,192	40.4%
Administration	128,274	12.7%
Customer	<u>64,731</u>	<u>6.4%</u>
<b>Total</b>	<b>1,007,390</b>	<b>100.0%</b>

## Wastewater Utility Cost Allocation

Allocation of wastewater utility costs by service characteristic to customer classes is performed in the same manner as described for the water utility. However, since the Town does not record wastewater billing units for any customer class, except Commercial High volume customers, the wastewater cost allocation to customer classes based on estimated volumes. That said, the total wastewater utility costs by customer class based on the data provided are summarized in Table III-12. The rate model in Appendix A presents a detailed listing of the cost calculations by line item.

Table III-12

TOWN OF SNOWFLAKE									
FORECAST WASTEWATER COST ALLOCATION									
SCENARIO:	2025 10 02 -- Scenario I -- Status Quo								
Year	RESIDENTIAL SEWER	SEWER/MOTELS	COMMERCIAL SEWER - High	COMMERCIAL BASE RATE SE	SEWER/RV PARK	SEWER/PUBLI C BLDG.	SEWER/GOLF COURSE	Total	
TY 2026	\$ 840,508	\$ 11,450	\$ 54,314	\$ 4,725	\$ 16,688	\$ 53,103	\$ 1,933	\$ 982,723	
FY 2027	883,980	11,849	56,999	4,899	17,265	54,924	2,004	1,031,920	
FY 2028	929,569	12,263	59,812	5,078	17,864	56,814	2,078	1,083,479	
FY 2029	977,392	12,694	62,761	5,265	18,487	58,779	2,154	1,137,532	
FY 2030	1,027,574	13,141	65,853	5,460	19,134	60,820	2,234	1,194,216	
FY 2031	1,080,249	13,607	69,097	5,662	19,807	62,944	2,316	1,253,682	
FY 2032	1,135,560	14,091	72,500	5,872	20,508	65,154	2,402	1,316,087	
FY 2033	1,193,657	14,595	76,073	6,090	21,237	67,455	2,492	1,381,599	
FY 2034	1,254,703	15,120	79,825	6,318	21,997	69,851	2,585	1,450,398	
FY 2035	1,318,869	15,667	83,766	6,555	22,788	72,349	2,682	1,522,676	





*Section IV*

## SECTION IV

# Water and Wastewater Rate Design



Rate design involves determining charges for each class of customers that will generate a desired level of revenue. Over the course of the engagement, the project team participated in numerous conversations and meetings with Town staff at which alternative rate plans were discussed. As a result of these conversations and work sessions, the project team has developed the alternative long-term rate plans presented in this section.

The plans are designed to allow the Town to recover sufficient and equivalent revenues to meet all operating and capital obligations. Both plans are forecast to result in approximately the same amount

of revenue.

## Rate Design Scenarios

The Town last increased water and wastewater rates in early 2025. This section of the report presents two separate and distinct water and wastewater rate plan scenarios for the Town to consider. Each of the rate design alternatives contained in this section are forecast to recover sufficient revenues to fund current and future operating expenses.

Each scenario presents a five year rate plan, with the first adjustment scheduled for January 2026 and subsequent adjustments in January of each of the following years. The Council has the option of adopting the entire five year plan in one ordinance, or plans for a lesser number of years. Further, adopting a multi-year rate plan does not preclude the Council from revisiting and potentially amending the rate plan at a later date.

The two rate design Scenarios are:

- Scenario I – “**Status Quo**” – no change to existing rate structure, except the Golf Course rate that aligns with the residential rate beginning January 2028.
- Scenario II – “**Conservation**” – creating a three tier inclining block volume rate structure for residential water customers.

Each Scenario's assumptions, proposed rates and rate impacts are detailed in the next several pages.

## Rate Design – Scenario I – “Status Quo”

This rate plan applies uniform increases from January 2026 through January 2030 across the entire forecast period, while retaining the current rate structure, including a single usage tier for water. The minimum charge for residential customers would continue to include 2,000 gallons of water.

In January 2028, the sewer rates for Residential and Commercial customers will align with the Golf Course rate.

Table IV-1 summarizes the water rate recommendations for the period from Jan. 2026 – Jan. 2030.

Table IV-2 **presents the Town's proposed wastewater rate plan** for the same period.

Table IV-3 calculates the average impact on monthly water and wastewater bills of the proposed rate design at various usage levels. The results of the Scenario I – Status Quo analysis, including forecast revenues and expenses, are included in Appendix A.



Table IV-1

TOWN OF SNOWFLAKE				WATER RATE PLAN -- SCENARIO I					
				Effective					
				Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
<b>RESIDENTIAL AND NON-RESIDENTIAL</b>									
<b>Monthly Minimum Charge</b>									
	All Meters			\$ 29.49	\$ 32.14	\$ 34.07	\$ 35.78	\$ 36.49	\$ 37.22
<b>Volume Rate/1,000 Gal - Residential</b>									
	2,000 Above			1.99	2.17	2.30	2.41	2.46	2.51
<b>Volume Rate/1,000 Gal - Non - Residential</b>									
	1 Above			1.99	2.17	2.30	2.41	2.46	2.51
<b>CONSTRUCTION WATER</b>									
	Monthly Minimum Charge			5.00	5.45	5.78	6.07	6.19	6.31
	Volume Rate/1,000 Gal			5.00	5.45	5.78	6.07	6.19	6.31

Table IV-2

TOWN OF SNOWFLAKE				WASTEWATER RATE PLAN -- SCENARIO I					
				Effective					
				Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
<b>RESIDENTIAL SEWER</b>									
	Monthly Minimum Charge			\$ 41.36	\$ 43.07	\$ 46.95	\$ 51.17	\$ 54.24	\$ 56.95
	Volume Rate/1,000 Gal			-	-	-	-	-	-
<b>SEWER/MOTELS</b>									
	Monthly Minimum Charge			13.07	13.61	14.83	16.17	17.14	18.00
	Volume Rate/1,000 Gal			-	-	-	-	-	-
<b>COMMERCIAL SEWER - High Volume</b>									
	Monthly Minimum Charge			-	-	-	-	-	-
	Volume Rate/1,000 Gal			1.30	1.42	1.54	1.68	1.78	1.87
<b>COMMERCIAL BASE RATE SE</b>									
	Monthly Minimum Charge			41.36	43.07	46.95	51.17	54.24	56.95
	Volume Rate/1,000 Gal			-	-	-	-	-	-
<b>SEWER/RV PARK</b>									
	Monthly Minimum Charge			13.07	13.61	14.83	16.17	17.14	18.00
	Volume Rate/1,000 Gal			-	-	-	-	-	-
<b>SEWER/PUBLIC BLDG.</b>									
	Monthly Minimum Charge			70.83	73.76	80.40	87.63	92.89	97.54
	Volume Rate/1,000 Gal			-	-	-	-	-	-
<b>SEWER/GOLF COURSE</b>									
	Monthly Minimum Charge			29.36	37.50	45.00	51.17	54.24	56.95
	Volume Rate/1,000 Gal			-	-	-	-	-	-

Table IV-3

TOWN OF SNOWFLAKE		SCENARIO I -- IMPACT ON MONTHLY CHARGES					
		Effective					
Residential Standard Monthly Bill		Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
5,000 Gal	Total	\$ 76.81	\$ 81.71	\$ 87.90	\$ 94.18	\$ 98.11	\$ 101.70
Water & WW	Increase -- \$		4.90	6.19	6.27	3.93	3.59
	Increase -- %		6.4%	7.6%	7.1%	4.2%	3.7%
12,000 Gal	Total	90.71	96.87	103.97	111.05	115.31	119.25
Water; 5K WW	Increase -- \$		6.15	7.10	7.08	4.27	3.93
	Increase -- %		6.8%	7.3%	6.8%	3.8%	3.4%
30,000 Gal	Total	126.47	135.84	145.28	154.42	159.56	164.38
Water; 5K WW	Increase -- \$		9.37	9.44	9.14	5.14	4.82
	Increase -- %		7.4%	7.0%	6.3%	3.3%	3.0%
Commercial Standard Monthly Bill							
25,000 Gal	Total	\$ 120.60	\$ 129.44	\$ 138.50	\$ 147.30	\$ 152.30	\$ 156.97
Water & WW	Increase -- \$		8.84	9.06	8.80	4.99	4.67
	Increase -- %		7.3%	7.0%	6.4%	3.4%	3.1%
50,000 Gal	Total	170.35	183.67	195.98	207.66	213.86	219.76
Water & WW	Increase -- \$		13.32	12.31	11.68	6.20	5.90
	Increase -- %		7.8%	6.7%	6.0%	3.0%	2.8%

## Rate Design – Scenario II – “Conservation”

The concept involves implementing higher unit charges as water usage increases, applied only to residential customers. Under this approach, there would be no changes to the rate structure for non-residential water customers or to all wastewater customers.

The primary advantages are that it encourages more efficient use of water and minimizes bill impacts for customers with the lowest usage. However, the main challenge is that it would result in significantly higher costs for high-volume residential customers.

Table IV-4 summarizes the water rate recommendations for the period from Jan. 2026 – Jan. 2030 under this scenario.

Table IV-5 presents the Town's proposed wastewater rate plan for the same period as water.

Table IV-6 calculates the average impact on monthly water and wastewater bills of the proposed rate design at various usage levels. The results of the Scenario II – Conservation analysis are included in Appendix B.

Table IV-7 presents a comparison of residential monthly bill comparison between the two rate scenarios.

Table IV-4

TOWN OF SNOWFLAKE		WATER RATE PLAN -- SCENARIO II					
Scenario: 2025 10 02 -- Scenario II -- Conservation		Effective					
		Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
<b>Water Rates -- Residential and Commercial</b>							
<b>Monthly Minimum Charge --All Meters</b>		\$ 29.49	\$ 30.96	\$ 32.51	\$ 34.14	\$ 35.85	\$ 36.56
<b>Volume Rate/1,000 Gal -- Residential</b>							
2,000	12,000	1.99	2.09	2.19	2.30	2.42	2.47
12,001	25,000	1.99	2.61	2.74	2.88	3.02	3.08
25,001	Above	1.99	3.26	3.43	3.60	3.78	3.86
<b>Water Rates -- Commercial</b>							
<b>Monthly Minimum Charge --All Meters</b>		29.49	30.96	32.51	34.14	35.85	36.56
<b>Volume Rate Per 1,000 Gal</b>							
1	Above	1.99	2.09	2.19	2.30	2.42	2.47
<b>Water Rates -- Xonstruction</b>							
<b>Monthly Minimum Charge --All Meters</b>		5.00	5.25	5.51	5.79	6.08	6.20
<b>Volume Rate Per 1,000 Gal</b>		5.00	5.25	5.51	5.79	6.08	6.20

Table IV-5

TOWN OF SNOWFLAKE		WASTEWATER RATE PLAN -- SCENARIO II					
Wastewater Monthly Rates and Charges		Effective					
		Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
<b>RESIDENTIAL SEWER</b>							
Monthly Minimum Charge		\$ 41.36	\$ 43.07	\$ 46.95	\$ 51.17	\$ 54.24	\$ 56.95
Volume Rate/1,000 Gal		-	-	-	-	-	-
<b>SEWER/MOTELS</b>							
Monthly Minimum Charge		13.07	13.61	14.83	16.17	17.14	18.00
Volume Rate/1,000 Gal		-	-	-	-	-	-
<b>COMMERCIAL SEWER - High Volume</b>							
Monthly Minimum Charge		-	-	-	-	-	-
Volume Rate/1,000 Gal		1.30	1.42	1.54	1.68	1.78	1.87
<b>COMMERCIAL BASE RATE SE</b>							
Monthly Minimum Charge		41.36	43.07	46.95	51.17	54.24	56.95
Volume Rate/1,000 Gal		-	-	-	-	-	-
<b>SEWER/RV PARK</b>							
Monthly Minimum Charge		13.07	13.61	14.83	16.17	17.14	18.00
Volume Rate/1,000 Gal		-	-	-	-	-	-
<b>SEWER/PUBLIC BLDG.</b>							
Monthly Minimum Charge		70.83	73.76	80.40	87.63	92.89	97.54
Volume Rate/1,000 Gal		-	-	-	-	-	-
<b>SEWER/GOLF COURSE</b>							
Monthly Minimum Charge		29.36	37.50	45.00	51.17	54.24	56.95
Volume Rate/1,000 Gal		-	-	-	-	-	-

Table IV-6

TOWN OF SNOWFLAKE		SCENARIO II -- IMPACT ON MONTHLY CHARGES					
Scenario: 2025 10 02 -- Scenario II -- Conservation		Effective					
Residential Standard Monthly Bill		Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
5,000 Gal	Total	\$ 76.82	\$ 80.30	\$ 86.04	\$ 92.22	\$ 97.34	\$ 100.92
Water & WW	Increase -- \$		3.48	5.74	6.18	5.12	3.57
	Increase -- %		4.5%	7.1%	7.2%	5.6%	3.7%
12,000 Gal	Total	90.75	94.93	101.40	108.35	114.28	118.19
Water; 5K WW	Increase -- \$		4.18	6.47	6.95	5.93	3.91
	Increase -- %		4.6%	6.8%	6.9%	5.5%	3.4%
30,000 Gal	Total	126.57	145.21	154.19	163.78	172.48	177.56
Water; 5K WW	Increase -- \$		18.64	8.98	9.59	8.70	5.08
	Increase -- %		14.7%	6.2%	6.2%	5.3%	2.9%
Commercial Standard Monthly Bill							
25,000 Gal	Total	\$ 120.60	\$ 126.27	\$ 134.31	\$ 142.90	\$ 150.56	\$ 155.20
Water & WW	Increase -- \$		5.67	8.04	8.59	7.66	4.64
	Increase -- %		4.7%	6.4%	6.4%	5.4%	3.1%
50,000 Gal	Total	170.35	178.51	189.16	200.49	211.03	216.88
Water & WW	Increase -- \$		8.16	10.65	11.34	10.54	5.85
	Increase -- %		4.8%	6.0%	6.0%	5.3%	2.8%

Table IV-7

TOWN OF SNOWFLAKE		Effective					
Residential Standard Monthly Bill		Current	Jan-26	Jan-27	Jan-28	Jan-29	Jan-30
5,000 Gal	Water Only						
	Scen I -- Status Quo	\$ 35.46	\$ 38.64	\$ 40.96	\$ 43.01	\$ 43.87	\$ 44.74
	Scen II -- Conservation	35.46	37.23	39.09	41.05	43.10	43.96
	Difference	-	(1.41)	(1.86)	(1.96)	(0.76)	(0.78)
12,000 Gal	Water Only						
	Scen I -- Status Quo	49.39	53.80	57.02	59.87	61.07	62.29
	Scen II -- Conservation	49.39	51.86	54.45	57.18	60.03	61.23
	Difference	-	(1.94)	(2.57)	(2.70)	(1.04)	(1.06)
30,000 Gal	Water Only						
	Scen I -- Status Quo	85.21	92.77	98.34	103.25	105.32	107.42
	Scen II -- Conservation	85.21	102.14	107.24	112.61	118.24	120.60
	Difference	-	9.37	8.91	9.36	12.92	13.18

## Notes on Rate Recommendations

The forecast and recommendations presented in this study represent a combination of the best information **available from the Town and the project team's expertise. However, this forecast relies in part on assumptions** about future events and events beyond the control of the project team (such as account growth rates within the Town). The forecast and recommendations contained in this study may be subject to revision if any of the following events occurs:

- Actual growth in accounts and consumed volumes is less than (or significantly greater than) forecast
- Capital improvement plan funding costs increase significantly due to the rising cost of materials or other factors
- An unforeseen event impacts the Town, such as an extended recession, natural catastrophe, or terrorist attack
- Town budget levels or priorities change significantly from those forecast in this study

It should be noted that none of these events are foreseen by the project team or the Town at this time.

If any of these events occur, the Town may be compelled to consider further adjustments to its water and wastewater rates.









# Town of Snowflake

## Ten Year Rate Analysis and Pro Forma

### Fiscal Years 2026 - 2035



Utility System

Water  
Sewer  
Combined

Dashboard

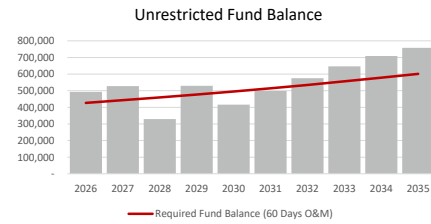
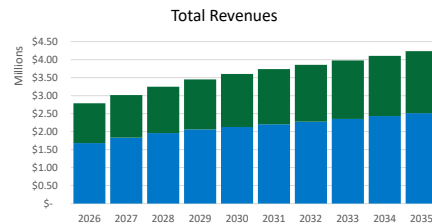
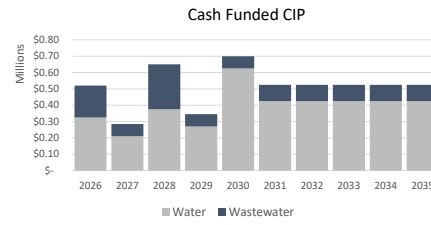
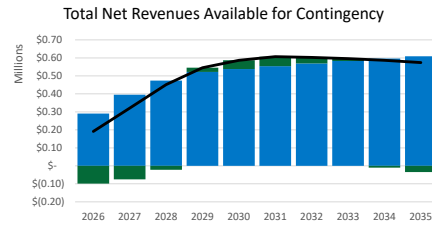
Projections  
Bill Comparison  
Comparable Utilities

Customer Class

All Classes

Years

10  
5



Water Sewer Combined Projections

Future Debt Term 25

Water Future Bond Issues		
	Alternative	Proposed
2026		\$ -
2027		\$ -
2028		\$ -
2029		\$ -
2030		\$ -
2031		\$ -
2032		\$ -
2033		\$ -
2034		\$ -
2035		\$ -

Sewer Future Bond Issues		
	Alternative	Proposed
2026		\$ -
2027		\$ -
2028		\$ -
2029		\$ -
2030		\$ -
2031		\$ -
2032		\$ -
2033		\$ -
2034		\$ -
2035		\$ -

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Jan-26 Jan-27 Jan-28 Jan-29 Jan-30 Jan-31 Jan-32 Jan-33 Jan-34 Jan-35

#### Water Rate Adjustments

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Meter Charge	9.00%	6.00%	5.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Volume Charge	9.00%	6.00%	5.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

#### Sewer Rate Adjustments

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Base Charge	9.00%	9.00%	9.00%	6.00%	5.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Volume Charge Residential	9.00%	9.00%	9.00%	6.00%	5.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Volume Charge Non-Residential	9.00%	9.00%	9.00%	6.00%	5.00%	2.00%	2.00%	2.00%	2.00%	2.00%

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL					
Current	Effective Jan-26	Effective Jan-27	Effective Jan-28	Effective Jan-29	Effective Jan-30

**Water Summary**

Scen: 2025 10 02 -- Scenario I -- Status Quo

**1 Water Monthly Rates and Charges****CITY Water Rate and Charges****W1 RESIDENTIAL**Monthly Minimum Charge

All Classes	\$	29.49	\$	32.14	\$	34.07	\$	35.78	\$	36.49	\$	37.22
-------------	----	-------	----	-------	----	-------	----	-------	----	-------	----	-------

Volume Rate/1,000 Gal

2,000	Above	1.99	2.17	2.30	2.41	2.46	2.51
-------	-------	------	------	------	------	------	------

**W2 MOTELS/PUBLIC BLDG.**Monthly Minimum Charge

All Classes	\$	29.49	\$	32.14	\$	34.07	\$	35.78	\$	36.49	\$	37.22
-------------	----	-------	----	-------	----	-------	----	-------	----	-------	----	-------

Volume Rate/1,000 Gal

1	Above	1.99	2.17	2.30	2.41	2.46	2.51
---	-------	------	------	------	------	------	------

**W3 COMMERCIAL**Monthly Minimum Charge

All Classes	\$	29.49	\$	32.14	\$	34.07	\$	35.78	\$	36.49	\$	37.22
-------------	----	-------	----	-------	----	-------	----	-------	----	-------	----	-------

Volume Rate/1,000 Gal

1	Above	1.99	2.17	2.30	2.41	2.46	2.51
---	-------	------	------	------	------	------	------

**W4 WATER/RV PARK**Monthly Minimum Charge

All Classes	\$	29.49	\$	32.14	\$	34.07	\$	35.78	\$	36.49	\$	37.22
-------------	----	-------	----	-------	----	-------	----	-------	----	-------	----	-------

Volume Rate/1,000 Gal

1	Above	1.99	2.17	2.30	2.41	2.46	2.51
---	-------	------	------	------	------	------	------

**W5 CONSTRUCTION WATER**Monthly Minimum Charge

All Classes	\$	5.00	\$	5.45	\$	5.78	\$	6.07	\$	6.19	\$	6.31
-------------	----	------	----	------	----	------	----	------	----	------	----	------

Volume Rate/1,000 Gal

1	Above	5.00	5.45	5.78	6.07	6.19	6.31
---	-------	------	------	------	------	------	------

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL						
	Current	Effective Jan-26	Effective Jan-27	Effective Jan-28	Effective Jan-29	Effective Jan-30

**Water Summary**

Scen: 2025 10 02 -- Scenario I -- Status Quo

**1 Water Monthly Rates and Charges****2 Wastewater Monthly Rates and Charges****RESIDENTIAL SEWER**Monthly Minimum Charge

All Classes	\$	41.36	\$	43.07	\$	46.95	\$	51.17	\$	54.24	\$	56.95
-------------	----	-------	----	-------	----	-------	----	-------	----	-------	----	-------

Volume Rate/1,000 Gal

1	Above	-	-	-	-	-	-	-	-
---	-------	---	---	---	---	---	---	---	---

**SEWER/MOTELS**Monthly Minimum Charge

All Classes	13.07	13.61	14.83	16.17	17.14	18.00
-------------	-------	-------	-------	-------	-------	-------

Volume Rate/1,000 Gal

1	Above	-	-	-	-	-	-
---	-------	---	---	---	---	---	---

**COMMERCIAL SEWER - High Volume**Monthly Minimum Charge

All Classes	-	-	-	-	-	-
-------------	---	---	---	---	---	---

Volume Rate/1,000 Gal

1	Above	1.30	1.42	1.54	1.68	1.78	1.87
---	-------	------	------	------	------	------	------

**COMMERCIAL BASE RATE SE**Monthly Minimum Charge

All Classes	41.36	43.07	46.95	51.17	54.24	56.95
-------------	-------	-------	-------	-------	-------	-------

Volume Rate/1,000 Gal

1	Above	-	-	-	-	-	-
---	-------	---	---	---	---	---	---

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL						
	Current	Effective Jan-26	Effective Jan-27	Effective Jan-28	Effective Jan-29	Effective Jan-30

Water Summary  
Scen: 2025 10 02 -- Scenario I -- Status Quo

1 Water Monthly Rates and Charges

SEWER/RV PARK								
<u>Monthly Minimum Charge</u>								
		All Classes	13.07	13.61	14.83	16.17	17.14	18.00
<u>Volume Rate/1,000 Gal</u>								
1		Above	-	-	-	-	-	-
-		-	-	-	-	-	-	-
SEWER/PUBLIC BLDG.								
<u>Monthly Minimum Charge</u>								
		All Classes	70.83	73.76	80.40	87.63	92.89	97.54
<u>Volume Rate/1,000 Gal</u>								
1		Above	-	-	-	-	-	-
SEWER/GOLF COURSE								
<u>Monthly Minimum Charge</u>								
		All Classes	29.36	37.50	45.00	51.17	54.24	56.95
<u>Volume Rate/1,000 Gal</u>								
1		Above	-	-	-	-	-	-

**Revenue Expense Summary**  
**Scenario:** 2025 10 02 -- Scenario I -- Status Quo

### Revenue Adequacy Tests

[illegible]

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL										
Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035

Revenue Expense Summary  
Scenario:                    2025 10 02 -- Scenario I -- Status Quo

Revenues and Expenses -- CASH BASIS																					
Water Revenues																					
<u>Water Rate Revenue</u>																					
W.1	RESIDENTIAL	\$	1,385,672	\$	1,517,197	\$	1,628,097	\$	1,715,956	\$	1,778,209	\$	1,842,266	\$	1,908,174	\$	1,975,982	\$	2,045,738	\$	2,117,495
W.2	MOTELS/PUBLIC BLD.		114,766		123,588		130,470		135,316		138,023		140,783		143,599		146,471		149,400		152,388
W.3	COMMERCIAL		127,041		138,618		148,251		155,741		160,880		166,162		171,590		177,170		182,903		188,796
W.4	WATER/RV PARK		1,942		2,091		2,207		2,289		2,335		2,382		2,429		2,478		2,528		2,578
W.5	CONSTRUCTION WATER		4,876		5,251		5,544		5,749		5,864		5,982		6,101		6,223		6,348		6,475
W.6	WATER- GOVERNMENTAL		-		-		-		-		-		-		-		-		-		-
W.7	Fire		-		-		-		-		-		-		-		-		-		-
W.8	0		-		-		-		-		-		-		-		-		-		-
W.9	0		-		-		-		-		-		-		-		-		-		-
W.10	Other3		-		-		-		-		-		-		-		-		-		-
			1,634,296		1,786,745		1,914,570		2,015,053		2,085,311		2,157,575		2,231,894		2,308,324		2,386,917		2,467,732
	Non-Rate Revenues		44,340		44,340		44,340		44,340		44,340		44,340		44,340		44,340		44,340		44,340
	<b>Total Revenues</b>		<b>1,678,636</b>		<b>1,831,085</b>		<b>1,958,909</b>		<b>2,059,392</b>		<b>2,129,651</b>		<b>2,201,914</b>		<b>2,276,234</b>		<b>2,352,663</b>		<b>2,431,257</b>		<b>2,512,071</b>
Water Cost of Service																					
<u>Budget Code</u>																					
P	Personnel	\$	440,000	\$	459,200	\$	479,456	\$	500,838	\$	523,421	\$	547,287	\$	572,522	\$	599,219	\$	627,478	\$	657,408
SU	Supplies		7,500		7,725		7,957		8,195		8,441		8,695		8,955		9,224		9,501		9,786
O&M	Operations & Maintenance		316,000		329,880		344,307		359,301		374,882		391,073		407,896		425,375		443,533		462,396
A	Administrative Expense		380,450		385,960		391,697		397,673		403,897		410,380		417,134		424,171		431,502		439,141
U	Utilities		194,000		202,491		211,316		220,487		230,017		239,919		250,207		260,895		271,998		283,531
O	Operations		-		-		-		-		-		-		-		-		-		-
MI	Miscellaneous		500		515		530		546		563		580		597		615		633		652
CO	Capital Outlays		-		-		-		-		-		-		-		-		-		-
CL	Capital Lease		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
			1,338,450		1,385,771		1,435,263		1,487,040		1,541,221		1,597,933		1,657,311		1,719,498		1,784,645		1,852,914
<u>Department Code</u>																					
W	Water Department	\$	1,338,450	\$	1,385,771	\$	1,435,263	\$	1,487,040	\$	1,541,221	\$	1,597,933	\$	1,657,311	\$	1,719,498	\$	1,784,645	\$	1,852,914
WW	Wastewater Department		-		-		-		-		-		-		-		-		-		-
NP	Non-Departmental		-		-		-		-		-		-		-		-		-		-
NR	Non-Rate Revenues		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
	<b>Total</b>		<b>1,338,450</b>		<b>1,385,771</b>		<b>1,435,263</b>		<b>1,487,040</b>		<b>1,541,221</b>		<b>1,597,933</b>		<b>1,657,311</b>		<b>1,719,498</b>		<b>1,784,645</b>		<b>1,852,914</b>
	<b>Total Operating Expenses</b>		<b>1,338,450</b>		<b>1,385,771</b>		<b>1,435,263</b>		<b>1,487,040</b>		<b>1,541,221</b>		<b>1,597,933</b>		<b>1,657,311</b>		<b>1,719,498</b>		<b>1,784,645</b>		<b>1,852,914</b>
	<b>Net Revenues for Transfers,Capital Outlays and Debt Service</b>		<b>340,186</b>		<b>445,314</b>		<b>523,646</b>		<b>572,352</b>		<b>588,430</b>		<b>603,981</b>		<b>618,923</b>		<b>633,166</b>		<b>646,612</b>		<b>659,157</b>

Scenario: 2025 10 02 -- Scenario I -- Status Quo

Debt Service -- Current	-	-	-	-	-	-	-	-	-
Debt Service -- Future	-	-	-	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-	-	-	-

[illegible]

Total Cost of Service	1,388,450	1,435,771	1,485,263	1,537,040	1,591,221	1,647,933	1,707,311	1,769,498	1,834,645	1,902,914
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Percent of COS	17.3%	21.6%	24.2%	25.4%	25.3%	25.2%	25.0%	24.8%	24.5%	24.2%
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[illegible]

(excludes Capital Outlays, G/F Transfers)



TOWN OF SNOWFLAKE											
WATER/WASTEWATER COST OF SERVICE MODEL											
	Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035

Revenue Expense Summary  
Scenario:                    2025 10 02 -- Scenario I -- Status Quo

5	Revenues and Expenses – CASH BASIS																				
Wastewater Revenues																					
Wastewater Rate Revenue																					
WW.1	RESIDENTIAL SEWER	\$	772,367	\$	833,735	\$	923,383	\$	1,010,097	\$	1,082,961	\$	1,140,414	\$	1,180,796	\$	1,222,336	\$	1,265,066	\$	1,309,016
WW.2	SEWER/MOTELS		11,487		12,200		13,298		14,320		15,118		15,679		15,993		16,313		16,639		16,972
WW.3	COMMERCIAL SEWER - High Volume		14,719		16,256		17,951		19,580		20,934		21,984		22,703		23,441		24,199		24,979
WW.4	COMMERCIAL BASE RATE SE		59,743		63,453		69,164		74,480		78,628		81,548		83,179		84,843		86,540		88,271
WW.5	SEWER/RV PARK		9,572		10,167		11,082		11,933		12,598		13,066		13,327		13,594		13,866		14,143
WW.6	SEWER/PUBLIC BLDG.		21,615		22,958		25,024		26,948		28,448		29,505		30,095		30,697		31,311		31,937
WW.7	SEWER/GOLF COURSE		19,029		23,603		27,639		30,474		32,171		33,366		34,033		34,714		35,408		36,116
WW.8	0		-		-		-		-		-		-		-		-		-		-
WW.9	0		-		-		-		-		-		-		-		-		-		-
WW.10	0		-		-		-		-		-		-		-		-		-		-
			908,532		982,372		1,087,540		1,187,832		1,270,858		1,335,563		1,380,126		1,425,937		1,473,029		1,521,434
	Non-Rate Revenues		200,660		200,660		200,660		200,660		200,660		200,660		200,660		200,660		200,660		200,660
	Total Revenues		1,109,192		1,183,032		1,288,201		1,388,492		1,471,518		1,536,223		1,580,786		1,626,598		1,673,689		1,722,094
Wastewater Cost of Service																					
Budget Code																					
P	Personnel	\$	515,000	\$	538,700	\$	563,771	\$	590,307	\$	618,409	\$	648,185	\$	679,753	\$	713,237	\$	748,773	\$	786,506
SU	Supplies		5,400		5,562		5,729		5,901		6,078		6,260		6,448		6,641		6,841		7,046
O&M	Operations & Maintenance		314,100		327,889		342,222		357,117		372,596		388,681		405,393		422,756		440,795		459,533
A	Administrative Expense		215,550		223,225		231,189		239,457		248,038		256,947		266,196		275,800		285,772		296,128
U	Utilities		107,500		112,201		117,087		122,164		127,440		132,922		138,618		144,535		150,681		157,066
O	Operations		-		-		-		-		-		-		-		-		-		-
MI	Miscellaneous		500		515		530		546		563		580		597		615		633		652
CL	Capital Lease		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
			1,158,050		1,208,092		1,260,528		1,315,492		1,373,124		1,433,575		1,497,004		1,563,584		1,633,495		1,706,931
Department Code																					
W	Water Department	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
WW	Wastewater Department		1,158,050		1,208,092		1,260,528		1,315,492		1,373,124		1,433,575		1,497,004		1,563,584		1,633,495		1,706,931
NP	Non-Departmental		-		-		-		-		-		-		-		-		-		-
NR	Non-Rate Revenues		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
	Total		1,158,050		1,208,092		1,260,528		1,315,492		1,373,124		1,433,575		1,497,004		1,563,584		1,633,495		1,706,931
Total Operating Expenses			1,158,050	1,208,092	1,260,528	1,315,492	1,373,124	1,433,575	1,497,004	1,563,584	1,633,495	1,706,931									
Net Revenues for Transfers,Capital Outlays and Debt Service			(48,858)	(25,060)	27,672	73,000	98,395	102,649	83,782	63,014	40,194	15,163									

**Scenario:** 2025 10 02 -- Scenario I -- Status Quo

[illegible]

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035
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**Forecast Summary****Scenario: 2025 10 02 -- Scenario I -- Status Quo****1 Water and Wastewater Rates****Water Rates -- Residential****Monthly Minimum Charge**

3/4"	\$	29.49	\$	32.14	\$	34.07	\$	35.78	\$	36.49	\$	37.22	\$	37.97	\$	38.73	\$	39.50	\$	40.29	\$	41.10
1"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
1 1/2"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
2"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
3"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
4"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
6"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10

**Volume Rate Per 1,000 Gal**

2,000 Above		1.99		2.17		2.30		2.41		2.46		2.51		2.56		2.61		2.66		2.71		2.77
Above Above		1.99		2.17		2.30		2.41		2.46		2.51		2.56		2.61		2.66		2.71		2.77
Above Above		1.99		2.17		2.30		2.41		2.46		2.51		2.56		2.61		2.66		2.71		2.77

**Water Rates -- Commercial****Monthly Minimum Charge**

3/4"	\$	29.49	\$	32.14	\$	34.07	\$	35.78	\$	36.49	\$	37.22	\$	37.97	\$	38.73	\$	39.50	\$	40.29	\$	41.10
1"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
1 1/2"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
2"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
3"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
4"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
6"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10
8"		29.49		32.14		34.07		35.78		36.49		37.22		37.97		38.73		39.50		40.29		41.10

**Volume Rate Per 1,000 Gal**

1 Above	\$	1.99	\$	2.17	\$	2.30	\$	2.41	\$	2.46	\$	2.51	\$	2.56	\$	2.61	\$	2.66	\$	2.71	\$	2.77
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**Wastewater Rates - Residential**

Monthly Minimum Charge	\$	41.36	\$	43.07	\$	46.95	\$	51.17	\$	54.24	\$	56.95	\$	58.09	\$	59.25	\$	60.44	\$	61.65	\$	62.88
Volume Rate/1,000 Gal		-		-		-		-		-		-		-		-		-		-		-

**Wastewater Rates - Commercial I**

Monthly Minimum Charge	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Volume Rate/1,000 Gal		1.30		1.42		1.54		1.68		1.78		1.87		1.91		1.95		1.99		2.03		2.07

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035
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**Forecast Summary****Scenario: 2025 10 02 -- Scenario I -- Status Quo****2 Residential Standard Monthly Bill -- 1" Meter**

5,000 Gal	Total	5/5	\$ 80.78	\$ 86.04	\$ 92.49	\$ 99.00	\$ 103.02	\$ 106.71	\$ 108.85	\$ 111.02	\$ 113.24	\$ 115.51	\$ 117.82
Water & WW	Increase -- \$		5.26	6.45	6.50	4.03	3.69	2.13	2.18	2.22	2.26	2.31	2.31
	Increase -- %		6.5%	7.5%	7.0%	4.1%	3.6%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
7,000 Gal	Total	7/5	84.75	90.37	97.08	103.82	107.94	111.73	113.96	116.24	118.56	120.94	123.35
Water; 5K WW	Increase -- \$		5.62	6.71	6.73	4.12	3.79	2.23	2.28	2.32	2.37	2.42	2.42
	Increase -- %		6.6%	7.4%	6.9%	4.0%	3.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
15,000 Gal	Total	15/10	100.65	107.69	115.45	123.10	127.60	131.78	134.42	137.11	139.85	142.65	145.50
Water; 10K W	Increase -- \$		7.05	7.75	7.65	4.51	4.18	2.64	2.69	2.74	2.80	2.85	2.85
	Increase -- %		7.0%	7.2%	6.6%	3.7%	3.3%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**Commercial Monthly Bill -- All Meters**

25,000 Gal	Total	\$ 111.65	\$ 121.70	\$ 130.06	\$ 138.11	\$ 142.56	\$ 146.75	\$ 149.68	\$ 152.67	\$ 155.73	\$ 158.84	\$ 162.02
Water & WW	Increase -- \$	10.05	8.36	8.05	4.45	4.19	2.93	2.99	3.05	3.11	3.18	3.18
	Increase -- %	9.0%	6.9%	6.2%	3.2%	2.9%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**TOWN OF SNOWFLAKE**  
**WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035
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**Forecast Summary****Scenario:** 2025 10 02 -- Scenario I -- Status Quo**3 Fund Balance, Revenues and Expenses**

Beginning of TY Fund Balance	\$	821,310																		
TY Transfer/Use		-																		
Revised Beginning Fund Balance	\$	821,310	\$	492,638	\$	527,893	\$	329,211	\$	529,563	\$	416,388	\$	498,018	\$	575,723	\$	646,902	\$	708,709
Revenues and Expenses				9.33%		7.15%		5.25%		3.49%		3.47%		3.44%						
Water Rate Revenues		1,634,296		1,786,745		1,914,570		2,015,053		2,085,311		2,157,575		2,231,894		2,308,324		2,386,917		2,467,732
WW Rate Revenues		908,532		982,372		1,087,540		1,187,832		1,270,858		1,335,563		1,380,126		1,425,937		1,473,029		1,521,434
Non-Rate Revenues		245,000		245,000		245,000		245,000		245,000		245,000		245,000		245,000		245,000		245,000
Total Revenues		2,787,828		3,014,117		3,247,110		3,447,884		3,601,170		3,738,138		3,857,020		3,979,261		4,104,946		4,234,165
Operating Expenses		2,496,500		2,593,863		2,695,792		2,802,532		2,914,345		3,031,508		3,154,316		3,283,082		3,418,140		3,559,845
Net Revenues for Transfers,Capital Outlays and Debt Service		291,328		420,254		551,318		645,352		686,825		706,630		702,705		696,179		686,806		674,320
Capital Outlays .		100,000		100,000		100,000		100,000		100,000		100,000		100,000		100,000		100,000		100,000
Net Revenues Available for Debt Service		191,328		320,254		451,318		545,352		586,825		606,630		602,705		596,179		586,806		574,320
Current Debt Service		-		-		-		-		-		-		-		-		-		-
Future Debt Service		-		-		-		-		-		-		-		-		-		-
Total Debt Service		-		-		-		-		-		-		-		-		-		-
Net Revenues for Contingencies and Transfers		191,328		320,254		451,318		545,352		586,825		606,630		602,705		596,179		586,806		574,320
Transfers																				
Total Contingencies & Transfers		-		-		-		-		-		-		-		-		-		-
Total Cost of Service		2,596,500		2,693,863		2,795,792		2,902,532		3,014,345		3,131,508		3,254,316		3,383,082		3,518,140		3,659,845
Net Revenues		191,328		320,254		451,318		545,352		586,825		606,630		602,705		596,179		586,806		574,320
Percent of COS		7.4%		11.9%		16.1%		18.8%		19.5%		19.4%		18.5%		17.6%		16.7%		15.7%
Drawdown Fund Balance for CIP	\$	520,000	\$	285,000	\$	650,000	\$	345,000	\$	700,000	\$	525,000	\$	525,000	\$	525,000	\$	525,000	\$	525,000
Ending Water & Sewer Combined Fund Balance	\$	492,638	\$	527,893	\$	329,211	\$	529,563	\$	416,388	\$	498,018	\$	575,723	\$	646,902	\$	708,709	\$	758,029

**Revenue Adequacy Tests**

<b>Total Exp (Budgetary Basis)</b>	2,596,500	2,693,863	2,795,792	2,902,532	3,014,345	3,131,508	3,254,316	3,383,082	3,518,140	3,659,845
<b>Expenses per Day</b>	7,114	7,380	7,660	7,952	8,258	8,579	8,916	9,269	9,639	10,027
<b>Required Fund Balance (60 Days O&amp;M)</b>	426,822	442,827	459,582	477,129	495,509	514,768	534,956	556,123	578,324	601,618
<b>Working Capital as % of Tot Exp.</b>	19%	20%	12%	18%	14%	16%	18%	19%	20%	21%
<b>Number of Working Capital Days</b>	69	72	43	67	50	58	65	70	74	76
Debt Coverage (excludes Capital Outlays and G/F Transfers)	-	-	-	-	-	-	-	-	-	-
Water& WW Repair & Repl. Fund Balance	-	100,000	200,000	300,000	400,000	500,000	600,000	700,000	800,000	900,000

**TOWN OF SNOWFLAKE**  
**WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035
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**Forecast Summary****Scenario:** 2025 10 02 -- Scenario I -- Status Quo**5 Total Accounts****Water Accounts**

Total Accounts	2,312	2,349	2,386	2,423	2,460	2,497	2,534	2,571	2,608	2,645
New Accounts	-	37	37	37	37	37	37	37	37	37
Avg. Annual Growth Rate		1.60%	1.57%	1.55%	1.53%	1.50%	1.48%	1.46%	1.44%	1.42%

**Wastewater Accounts**

Total Accounts	1,858	1,885	1,912	1,939	1,966	1,993	2,020	2,047	2,074	2,101
New Accounts	-	27	27	27	27	27	27	27	27	27
Avg. Annual Growth Rate		1.45%	1.43%	1.41%	1.39%	1.37%	1.36%	1.34%	1.32%	1.30%

**6 Annual Volume****Water Volume**

RESIDENTIAL	350,497,512	356,372,709	362,247,907	368,123,105	373,998,303	379,873,500	385,748,698	391,623,896	397,499,094	403,374,292
MOTELS/PUBLIC BLDs.	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000
COMMERCIAL	34,680,000	35,139,338	35,598,675	36,058,013	36,517,351	36,976,689	37,436,026	37,895,364	38,354,702	38,814,040
WATER/RV PARK	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000
CONSTRUCTION WATER	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000
WATER- GOVERNMENTAL	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000
Fire	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
Other3	-	-	-	-	-	-	-	-	-	-
Total System	450,597,512	456,932,047	463,266,583	469,601,118	475,935,654	482,270,189	488,604,725	494,939,260	501,273,796	507,608,331

**Wastewater Billing Units**

RESIDENTIAL SEWER	157,065,000	159,697,795	162,330,589	164,963,384	167,596,178	170,228,973	172,861,767	175,494,562	178,127,356	180,760,151
SEWER/MOTELS	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000
COMMERCIAL SEWER - High Volume	10,913,000	11,057,543	11,202,086	11,346,629	11,491,172	11,635,715	11,780,258	11,924,801	12,069,344	12,213,887
COMMERCIAL BASE RATE SE	-	-	-	-	-	-	-	-	-	-
SEWER/RV PARK	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000
SEWER/PUBLIC BLDG.	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
SEWER/GOLF COURSE	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845
0	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
Total System	188,056,845	190,834,182	193,611,520	196,388,857	199,166,195	201,943,533	204,720,870	207,498,208	210,275,545	213,052,883

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL											
	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

**Water Summary****Scen: 2025 10 02 -- Scenario I -- Status Quo****1 Water Monthly Rates and Charges****RESIDENTIAL****Monthly Minimum Charge**

All Classes	\$	29.49	\$	32.14	\$	34.07	\$	35.78	\$	36.49	\$	37.22	\$	37.97	\$	38.73	\$	39.50	\$	40.29	\$	41.10
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**Volume Rate/1,000 Gal**

2,000	Above	1.99	2.17	2.30	2.41	2.46	2.51	2.56	2.61	2.66	2.71	2.77
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**2.1 Residential Monthly Bill --**

5,000 Gallons	Total	\$	39.42	\$	42.97	\$	45.55	\$	47.83	\$	48.78	\$	49.76	\$	50.75	\$	51.77	\$	52.80	\$	53.86	\$	54.94
	Dollar Inc				3.55		2.58		2.28		0.96		0.98		1.00		1.02		1.04		1.06		1.08
	Percent Inc				9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%		2.0%		2.0%
10,000 Gallons	Total		49.35		53.80		57.02		59.87		61.07		62.29		63.54		64.81		66.11		67.43		68.78
	Dollar Inc				4.44		3.23		2.85		1.20		1.22		1.25		1.27		1.30		1.32		1.35
	Percent Inc				9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%		2.0%		2.0%
20,000 Gallons	Total		69.22		75.45		79.97		83.97		85.65		87.37		89.11		90.90		92.71		94.57		96.46
	Dollar Inc				6.23		4.53		4.00		1.68		1.71		1.75		1.78		1.82		1.85		1.89
	Percent Inc				9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%		2.0%		2.0%
30,000 Gallons	Total		89.08		97.10		102.93		108.07		110.23		112.44		114.69		116.98		119.32		121.71		124.14
	Dollar Inc				8.02		5.83		5.15		2.16		2.20		2.25		2.29		2.34		2.39		2.43
	Percent Inc				9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%		2.0%		2.0%

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

**Current      2026      2027      2028      2029      2030      2031      2032      2033      2034      2035**

**Water Summary****Scen: 2025 10 02 -- Scenario I -- Status Quo****3 Total Accounts**

<b>Total Accounts</b>	<b>2,312</b>	<b>2,349</b>	<b>2,386</b>	<b>2,423</b>	<b>2,460</b>	<b>2,497</b>	<b>2,534</b>	<b>2,571</b>	<b>2,608</b>	<b>2,645</b>
New Accounts	37	37	37	37	37	37	37	37	37	37
Avg. Annual Growth Rate		1.60%	1.57%	1.55%	1.53%	1.50%	1.48%	1.46%	1.44%	1.42%

**4 Annual Water Consumption**

W.1 RESIDENTIAL	350,497,512	356,372,709	362,247,907	368,123,105	373,998,303	379,873,500	385,748,698	391,623,896	397,499,094	403,374,292
W.2 MOTELS/PUBLIC BLDS.	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000
W.3 COMMERCIAL	34,680,000	35,139,338	35,598,675	36,058,013	36,517,351	36,976,689	37,436,026	37,895,364	38,354,702	38,814,040
W.4 WATER/RV PARK	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000
W.5 CONSTRUCTION WATER	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000
W.6 WATER- GOVERNMENTAL	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000
W.7 Fire	-	-	-	-	-	-	-	-	-	-
W.8	0	-	-	-	-	-	-	-	-	-
W.9	0	-	-	-	-	-	-	-	-	-
W.1C Other3	-	-	-	-	-	-	-	-	-	-
<b>Total System</b>	<b>450,597,512</b>	<b>456,932,047</b>	<b>463,266,583</b>	<b>469,601,118</b>	<b>475,935,654</b>	<b>482,270,189</b>	<b>488,604,725</b>	<b>494,939,260</b>	<b>501,273,796</b>	<b>507,608,331</b>



**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

**Current      2026      2027      2028      2029      2030      2031      2032      2033      2034      2035**

**Water Summary****Scen: 2025 10 02 -- Scenario I -- Status Quo****5 Revenues and Expenses -- CASH BASIS****Water Revenues**Water Rate Revenue

<u>Residential -- Scenario I</u>		1,385,672		1,517,197		1,628,097		1,715,956		1,778,209		1,842,266		1,908,174		1,975,982		2,045,738		2,117,495
W.1 RESIDENTIAL	\$	1,385,672	\$	1,517,197	\$	1,628,097	\$	1,715,956	\$	1,778,209	\$	1,842,266	\$	1,908,174	\$	1,975,982	\$	2,045,738	\$	2,117,495
W.2 MOTELS/PUBLIC BLDs.		114,766		123,588		130,470		135,316		138,023		140,783		143,599		146,471		149,400		152,388
W.3 COMMERCIAL		127,041		138,618		148,251		155,741		160,880		166,162		171,590		177,170		182,903		188,796
W.4 WATER/RV PARK		1,942		2,091		2,207		2,289		2,335		2,382		2,429		2,478		2,528		2,578
W.5 CONSTRUCTION WATER		4,876		5,251		5,544		5,749		5,864		5,982		6,101		6,223		6,348		6,475
W.6 WATER- GOVERNMENTAL		-		-		-		-		-		-		-		-		-		-
W.7 Fire		-		-		-		-		-		-		-		-		-		-
W.8 0		-		-		-		-		-		-		-		-		-		-
W.9 0		-		-		-		-		-		-		-		-		-		-
W.10 Other3		-		-		-		-		-		-		-		-		-		-
		1,634,296		1,786,745		1,914,570		2,015,053		2,085,311		2,157,575		2,231,894		2,308,324		2,386,917		2,467,732
Non-Rate Revenues		44,340		44,340		44,340		44,340		44,340		44,340		44,340		44,340		44,340		44,340
<b>Total Revenues</b>		<b>1,678,636</b>		<b>1,831,085</b>		<b>1,958,909</b>		<b>2,059,392</b>		<b>2,129,651</b>		<b>2,201,914</b>		<b>2,276,234</b>		<b>2,352,663</b>		<b>2,431,257</b>		<b>2,512,071</b>

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

**Current      2026      2027      2028      2029      2030      2031      2032      2033      2034      2035**

**Water Summary****Scen: 2025 10 02 -- Scenario I -- Status Quo****Water Cost of Service****Budget Code**

P Personnel	\$	440,000	\$	459,200	\$	479,456	\$	500,838	\$	523,421	\$	547,287	\$	572,522	\$	599,219	\$	627,478	\$	657,408
SU Supplies		7,500		7,725		7,957		8,195		8,441		8,695		8,955		9,224		9,501		9,786
O&M Operations & Maintenance		316,000		329,880		344,307		359,301		374,882		391,073		407,896		425,375		443,533		462,396
A Administrative Expense		380,450		385,960		391,697		397,673		403,897		410,380		417,134		424,171		431,502		439,141
U Utilities		194,000		202,491		211,316		220,487		230,017		239,919		250,207		260,895		271,998		283,531
O Operations		-		-		-		-		-		-		-		-		-		-
MI Miscellaneous		500		515		530		546		563		580		597		615		633		652
CO Capital Outlays		-		-		-		-		-		-		-		-		-		-
CL Capital Lease		-		-		-		-		-		-		-		-		-		-
<b>Total</b>		<b>1,338,450</b>		<b>1,385,771</b>		<b>1,435,263</b>		<b>1,487,040</b>		<b>1,541,221</b>		<b>1,597,933</b>		<b>1,657,311</b>		<b>1,719,498</b>		<b>1,784,645</b>		<b>1,852,914</b>

**Department Code**

W Water Department	\$	1,338,450	\$	1,385,771	\$	1,435,263	\$	1,487,040	\$	1,541,221	\$	1,597,933	\$	1,657,311	\$	1,719,498	\$	1,784,645	\$	1,852,914
WW Wastewater Department		-		-		-		-		-		-		-		-		-		-
NP Non-Departmental		-		-		-		-		-		-		-		-		-		-
NR Non-Rate Revenues		-		-		-		-		-		-		-		-		-		-
<b>Total</b>		<b>1,338,450</b>		<b>1,385,771</b>		<b>1,435,263</b>		<b>1,487,040</b>		<b>1,541,221</b>		<b>1,597,933</b>		<b>1,657,311</b>		<b>1,719,498</b>		<b>1,784,645</b>		<b>1,852,914</b>

**Total Operating Expenses**

**1,338,450      1,385,771      1,435,263      1,487,040      1,541,221      1,597,933      1,657,311      1,719,498      1,784,645      1,852,914**

**Net Revenues for Transfers,Capital Outlays and Debt Service**

**340,186      445,314      523,646      572,352      588,430      603,981      618,923      633,166      646,612      659,157**

**Capital Outlays**

**50,000      50,000      50,000      50,000      50,000      50,000      50,000      50,000      50,000      50,000**

**Debt Service**

Debt Service -- Current

**-      -      -      -      -      -      -      -      -      -**

Debt Service -- Future

**-      -      -      -      -      -      -      -      -      -**

Total Debt Service

**-      -      -      -      -      -      -      -      -      -**

**Net Revenues for Contingencies & Transfers**

**290,186      395,314      473,646      522,352      538,430      553,981      568,923      583,166      596,612      609,157**

**Transfers**

**0      -      -      -      -      -      -      -      -      -**

**0      -      -      -      -      -      -      -      -      -**

**0      -      -      -      -      -      -      -      -      -**

**Total Contingencies & Transfers**

**-      -      -      -      -      -      -      -      -      -**

**Total Cost of Service**

**1,388,450      1,435,771      1,485,263      1,537,040      1,591,221      1,647,933      1,707,311      1,769,498      1,834,645      1,902,914**

**Net Revenues**

**290,186      395,314      473,646      522,352      538,430      553,981      568,923      583,166      596,612      609,157**

Percent of COS

**17.3%      21.6%      24.2%      25.4%      25.3%      25.2%      25.0%      24.8%      24.5%      24.2%**

**Debt Coverage**

(excludes Capital Outlays, G/F Transfers)

**-      -      -      -      -      -      -      -      -      -**

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

**Current      2026      2027      2028      2029      2030      2031      2032      2033      2034      2035**

**Wastewater Summary****Scen: 2025 10 02 -- Scenario I -- Status Quo****1 Wastewater Monthly Rates and Charges****RESIDENTIAL SEWER**

Monthly Minimum Charge	\$	41.36	\$	43.07	\$	46.95	\$	51.17	\$	54.24	\$	56.95	\$	58.09	\$	59.25	\$	60.44	\$	61.65	\$	62.88
Volume Rate/1,000 Gal		-		-		-		-		-		-		-		-		-		-		-
<b>Commercial</b>																						
Monthly Minimum Charge	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Volume Rate Per 1,000 Gal	\$	1.30	\$	1.42	\$	1.54	\$	1.68	\$	1.78	\$	1.87	\$	1.91	\$	1.95	\$	1.99	\$	2.03	\$	2.07

**2.1 Residential Monthly Bill --**

5,000 Gallons	Total	\$	41.36	\$	43.07	\$	46.95	\$	51.17	\$	54.24	\$	56.95	\$	58.09	\$	59.25	\$	60.44	\$	61.65	\$	62.88
	Dollar Inc				1.71		3.88		4.23		3.07		2.71		1.14		1.16		1.19		1.21		1.23
	Percent Inc				4.1%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%
10,000 Gallons	Total		41.36		43.07		46.95		51.17		54.24		56.95		58.09		59.25		60.44		61.65		62.88
	Dollar Inc				1.71		3.88		4.23		3.07		2.71		1.14		1.16		1.19		1.21		1.23
	Percent Inc				4.1%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%
20,000 Gallons	Total		41.36		43.07		46.95		51.17		54.24		56.95		58.09		59.25		60.44		61.65		62.88
	Dollar Inc				1.71		3.88		4.23		3.07		2.71		1.14		1.16		1.19		1.21		1.23
	Percent Inc				4.1%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%
30,000 Gallons	Total		41.36		43.07		46.95		51.17		54.24		56.95		58.09		59.25		60.44		61.65		62.88
	Dollar Inc				1.71		3.88		4.23		3.07		2.71		1.14		1.16		1.19		1.21		1.23
	Percent Inc				4.1%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%

**2.2 Commercial Monthly Bill --**

10,000 Gallons 2"			13.00		14.17		15.45		16.84		17.85		18.74		19.11		19.49		19.88		20.28		20.69
					1.05		1.15		1.25		0.91		0.80		0.34		0.34		0.35		0.36		0.37
					9.0%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%
20,000 Gallons 2"			26.00		28.34		30.89		33.67		35.69		37.48		38.23		38.99		39.77		40.56		41.38
					2.22		2.42		2.64		1.92		1.70		0.71		0.73		0.74		0.76		0.77
					9.0%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%
50,000 Gallons 2"			65.00		70.85		77.23		84.18		89.23		93.69		95.56		97.47		99.42		101.41		103.44
					5.73		6.25		6.81		4.95		4.37		1.84		1.87		1.91		1.95		1.99
					9.0%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL											
	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Wastewater Summary</b>											
<b>Scen: 2025 10 02 -- Scenario I -- Status Quo</b>											
<b>3 Total Accounts</b>											
Total Accounts	1,858	1,885	1,912	1,939	1,966	1,993	2,020	2,047	2,074	2,101	
New Accounts		27	27	27	27	27	27	27	27	27	
Avg. Annual Growth Rate		1.45%	1.43%	1.41%	1.39%	1.37%	1.36%	1.34%	1.32%	1.30%	
<b>4 Annual Wastewater Billing Units</b>											
WW.1 RESIDENTIAL SEWER	157,065,000	159,697,795	162,330,589	164,963,384	167,596,178	170,228,973	172,861,767	175,494,562	178,127,356	180,760,151	
WW.2 SEWER/MOTELS	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	
WW.3 COMMERCIAL SEWER - High Volume	10,913,000	11,057,543	11,202,086	11,346,629	11,491,172	11,635,715	11,780,258	11,924,801	12,069,344	12,213,887	
WW.4 COMMERCIAL BASE RATE SE	-	-	-	-	-	-	-	-	-	-	
WW.5 SEWER/RV PARK	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	
WW.6 SEWER/PUBLIC BLDG.	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	
WW.7 SEWER/GOLF COURSE	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	
WW.8	0	-	-	-	-	-	-	-	-	-	
WW.9	0	-	-	-	-	-	-	-	-	-	
WW.10	0	-	-	-	-	-	-	-	-	-	
<b>Total System</b>	<b>188,056,845</b>	<b>190,834,182</b>	<b>193,611,520</b>	<b>196,388,857</b>	<b>199,166,195</b>	<b>201,943,533</b>	<b>204,720,870</b>	<b>207,498,208</b>	<b>210,275,545</b>	<b>213,052,883</b>	

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

**Current      2026      2027      2028      2029      2030      2031      2032      2033      2034      2035**

**Wastewater Summary****Scen: 2025 10 02 -- Scenario I -- Status Quo****5 Revenues and Expenses -- CASH BASIS****Wastewater Revenues**Wastewater Rate Revenue

WW.1	RESIDENTIAL SEWER	772,367	833,735	923,383	1,010,097	1,082,961	1,140,414	1,180,796	1,222,336	1,265,066	1,309,016
WW.2	SEWER/MOTELS	11,487	12,200	13,298	14,320	15,118	15,679	15,993	16,313	16,639	16,972
WW.3	COMMERCIAL SEWER - High Volume	14,719	16,256	17,951	19,580	20,934	21,984	22,703	23,441	24,199	24,979
WW.4	COMMERCIAL BASE RATE SE	59,743	63,453	69,164	74,480	78,628	81,548	83,179	84,843	86,540	88,271
WW.5	SEWER/RV PARK	9,572	10,167	11,082	11,933	12,598	13,066	13,327	13,594	13,866	14,143
WW.6	SEWER/PUBLIC BLDG.	21,615	22,958	25,024	26,948	28,448	29,505	30,095	30,697	31,311	31,937
WW.7	SEWER/GOLF COURSE	19,029	23,603	27,639	30,474	32,171	33,366	34,033	34,714	35,408	36,116
WW.8	0	-	-	-	-	-	-	-	-	-	-
WW.9	0	-	-	-	-	-	-	-	-	-	-
WW.10	0	-	-	-	-	-	-	-	-	-	-
		908,532	982,372	1,087,540	1,187,832	1,270,858	1,335,563	1,380,126	1,425,937	1,473,029	1,521,434

Non-Rate Revenues**Total Revenues**

	200,660	200,660	200,660	200,660	200,660	200,660	200,660	200,660	200,660	200,660	200,660
<b>Total Revenues</b>	<b>1,109,192</b>	<b>1,183,032</b>	<b>1,288,201</b>	<b>1,388,492</b>	<b>1,471,518</b>	<b>1,536,223</b>	<b>1,580,786</b>	<b>1,626,598</b>	<b>1,673,689</b>	<b>1,722,094</b>	

**Wastewater Cost of Service**Budget Code

P	Personnel	\$ 515,000	\$ 538,700	\$ 563,771	\$ 590,307	\$ 618,409	\$ 648,185	\$ 679,753	\$ 713,237	\$ 748,773	\$ 786,506
SU	Supplies	5,400	5,562	5,729	5,901	6,078	6,260	6,448	6,641	6,841	7,046
O&M	Operations & Maintenance	314,100	327,889	342,222	357,117	372,596	388,681	405,393	422,756	440,795	459,533
A	Administrative Expense	215,550	223,225	231,189	239,457	248,038	256,947	266,196	275,800	285,772	296,128
U	Utilities	107,500	112,201	117,087	122,164	127,440	132,922	138,618	144,535	150,681	157,066
O	Operations	-	-	-	-	-	-	-	-	-	-
MI	Miscellaneous	500	515	530	546	563	580	597	615	633	652
CL	Capital Lease	-	-	-	-	-	-	-	-	-	-
0	#N/A	-	-	-	-	-	-	-	-	-	-
0	#N/A	-	-	-	-	-	-	-	-	-	-
0	#N/A	-	-	-	-	-	-	-	-	-	-
0	#N/A	-	-	-	-	-	-	-	-	-	-
0	#N/A	-	-	-	-	-	-	-	-	-	-
0	#N/A	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>1,158,050</b>	<b>1,208,092</b>	<b>1,260,528</b>	<b>1,315,492</b>	<b>1,373,124</b>	<b>1,433,575</b>	<b>1,497,004</b>	<b>1,563,584</b>	<b>1,633,495</b>	<b>1,706,931</b>

Department Code

W	Water Department	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WW	Wastewater Department	1,158,050	1,208,092	1,260,528	1,315,492	1,373,124	1,433,575	1,497,004	1,563,584	1,633,495	1,706,931
NP	Non-Departmental	-	-	-	-	-	-	-	-	-	-
NR	Non-Rate Revenues	-	-	-	-	-	-	-	-	-	-
0	#N/A	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>1,158,050</b>	<b>1,208,092</b>	<b>1,260,528</b>	<b>1,315,492</b>	<b>1,373,124</b>	<b>1,433,575</b>	<b>1,497,004</b>	<b>1,563,584</b>	<b>1,633,495</b>	<b>1,706,931</b>

**Total Operating Expenses**

<b>1,158,050</b>	<b>1,208,092</b>	<b>1,260,528</b>	<b>1,315,492</b>	<b>1,373,124</b>	<b>1,433,575</b>	<b>1,497,004</b>	<b>1,563,584</b>	<b>1,633,495</b>	<b>1,706,931</b>	
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**Net Revenues for Transfers,Capital Outlays and Debt Service**

(48,858)	(25,060)	27,672	73,000	98,395	102,649	83,782	63,014	40,194	15,163	
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TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL												
	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
<b>Wastewater Summary</b>												
<b>Scen: 2025 10 02 -- Scenario I -- Status Quo</b>												
Capital Outlays		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
<b>Debt Service</b>												
Debt Service -- Current		-	-	-	-	-	-	-	-	-	-	
Debt Service -- Future		-	-	-	-	-	-	-	-	-	-	
Total Debt Service		-	-	-	-	-	-	-	-	-	-	
Net Revenues for Contingencies & Transfers		(98,858)	(75,060)	(22,328)	23,000	48,395	52,649	33,782	13,014	(9,806)	(34,837)	
<b>Transfers</b>												
0	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
0		-	-	-	-	-	-	-	-	-	-	
0		-	-	-	-	-	-	-	-	-	-	
Total Contingencies & Transfers		-	-	-	-	-	-	-	-	-	-	
Total Cost of Service		1,208,050	1,258,092	1,310,528	1,365,492	1,423,124	1,483,575	1,547,004	1,613,584	1,683,495	1,756,931	
Net Revenues		(98,858)	(75,060)	(22,328)	23,000	48,395	52,649	33,782	13,014	(9,806)	(34,837)	
Percent of COS		-8.9%	-6.3%	-1.7%	1.7%	3.3%	3.4%	2.1%	0.8%	-0.6%	-2.0%	
Debt Coverage		-	-	-	-	-	-	-	-	-	-	
(excludes Debt, Cap Outlays, G/F Transfers)												





# Town of Snowflake

## Ten Year Rate Analysis and Pro Forma

### Fiscal Years 2026 - 2035



Utility System

Water  
Sewer  
Combined

Dashboard

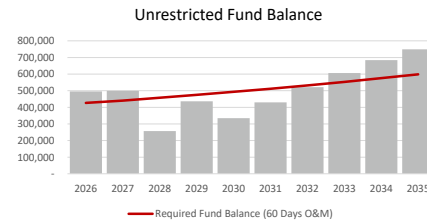
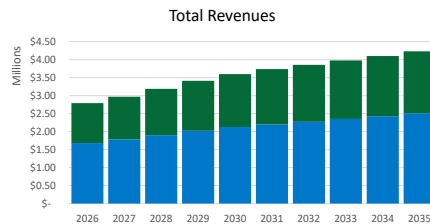
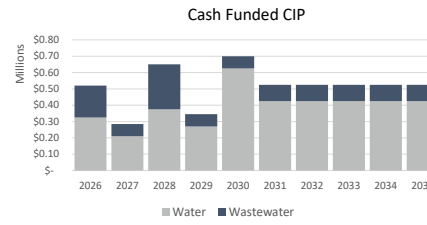
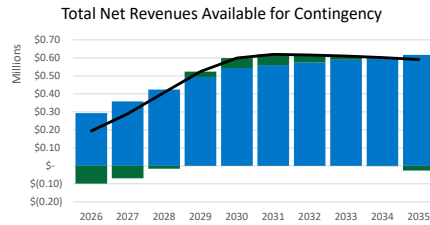
Projections  
Bill Comparison  
Comparable Utilities

Customer Class

All Classes

Years

10  
5



Water Sewer Combined Projections

Future Debt Term 25

Water Future Bond Issues		
	Alternative	Proposed
2026		\$ -
2027		\$ -
2028		\$ -
2029		\$ -
2030		\$ -
2031		\$ -
2032		\$ -
2033		\$ -
2034		\$ -
2035		\$ -

Sewer Future Bond Issues		
	Alternative	Proposed
2026		\$ -
2027		\$ -
2028		\$ -
2029		\$ -
2030		\$ -
2031		\$ -
2032		\$ -
2033		\$ -
2034		\$ -
2035		\$ -

#### Water Rate Adjustments

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Meter Charge	5.00%	5.00%	5.00%	5.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Volume Charge	5.00%	5.00%	5.00%	5.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

#### Sewer Rate Adjustments

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Base Charge	9.00%	9.00%	9.00%	6.00%	5.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Volume Charge Residential	9.00%	9.00%	9.00%	6.00%	5.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Volume Charge Non-Residential	9.00%	9.00%	9.00%	6.00%	5.00%	2.00%	2.00%	2.00%	2.00%	2.00%



TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL						
	Current	Effective Jan-26	Effective Jan-27	Effective Jan-28	Effective Jan-29	Effective Jan-30

**Water Summary****Scen: 2025 10 02 -- Scenario II -- Conservation****1 Water Monthly Rates and Charges****CITY Water Rate and Charges****W1 RESIDENTIAL**Monthly Minimum Charge

All Classes	\$	29.49	\$	30.96	\$	32.51	\$	34.14	\$	35.85	\$	36.56
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Volume Rate/1,000 Gal

2,000	12,000	1.99	2.09	2.19	2.30	2.42	2.47
12,001	25,000	1.99	2.61	2.74	2.88	3.02	3.08
25,001	Above	1.99	3.26	3.43	3.60	3.78	3.86

**W2 MOTELS/PUBLIC BLDG.**Monthly Minimum Charge

All Classes	\$	29.49	\$	30.96	\$	32.51	\$	34.14	\$	35.85	\$	36.56
-------------	----	-------	----	-------	----	-------	----	-------	----	-------	----	-------

Volume Rate/1,000 Gal

1	Above	1.99	2.09	2.19	2.30	2.42	2.47
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**W3 COMMERCIAL**Monthly Minimum Charge

All Classes	\$	29.49	\$	30.96	\$	32.51	\$	34.14	\$	35.85	\$	36.56
-------------	----	-------	----	-------	----	-------	----	-------	----	-------	----	-------

Volume Rate/1,000 Gal

1	Above	1.99	2.09	2.19	2.30	2.42	2.47
---	-------	------	------	------	------	------	------

**W4 WATER/RV PARK**Monthly Minimum Charge

All Classes	\$	29.49	\$	30.96	\$	32.51	\$	34.14	\$	35.85	\$	36.56
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Volume Rate/1,000 Gal

1	Above	1.99	2.09	2.19	2.30	2.42	2.47
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**W5 CONSTRUCTION WATER**Monthly Minimum Charge

All Classes	\$	5.00	\$	5.25	\$	5.51	\$	5.79	\$	6.08	\$	6.20
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Volume Rate/1,000 Gal

1	Above	5.00	5.25	5.51	5.79	6.08	6.20
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TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL						
	Current	Effective Jan-26	Effective Jan-27	Effective Jan-28	Effective Jan-29	Effective Jan-30

**Water Summary****Scen: 2025 10 02 -- Scenario II -- Conservation****2 Wastewater Monthly Rates and Charges****RESIDENTIAL SEWER**Monthly Minimum Charge

All Classes	\$	41.36	\$	43.07	\$	46.95	\$	51.17	\$	54.24	\$	56.95
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Volume Rate/1,000 Gal

1	Above	-	-	-	-	-	-
---	-------	---	---	---	---	---	---

**SEWER/MOTELS**Monthly Minimum Charge

All Classes	13.07	13.61	14.83	16.17	17.14	18.00
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Volume Rate/1,000 Gal

1	Above	-	-	-	-	-
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**COMMERCIAL SEWER - High Volume**Monthly Minimum Charge

All Classes	-	-	-	-	-	-
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Volume Rate/1,000 Gal

1	Above	1.30	1.42	1.54	1.68	1.78	1.87
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			TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL					
			Current	Effective Jan-26	Effective Jan-27	Effective Jan-28	Effective Jan-29	Effective Jan-30
<b>Water Summary</b>								
<b>Scen: 2025 10 02 -- Scenario II -- Conservation</b>								
<b>COMMERCIAL BASE RATE SE</b>								
<u>Monthly Minimum Charge</u>		All Classes	41.36	43.07	46.95	51.17	54.24	56.95
<u>Volume Rate/1,000 Gal</u>	1	Above	-	-	-	-	-	-
<b>SEWER/RV PARK</b>								
<u>Monthly Minimum Charge</u>		All Classes	13.07	13.61	14.83	16.17	17.14	18.00
<u>Volume Rate/1,000 Gal</u>	1	Above	-	-	-	-	-	-
<b>SEWER/PUBLIC BLDG.</b>								
<u>Monthly Minimum Charge</u>		All Classes	70.83	73.76	80.40	87.63	92.89	97.54
<u>Volume Rate/1,000 Gal</u>	1	Above	-	-	-	-	-	-
<b>SEWER/GOLF COURSE</b>								
<u>Monthly Minimum Charge</u>		All Classes	29.36	37.50	45.00	51.17	54.24	56.95
<u>Volume Rate/1,000 Gal</u>	1	Above	-	-	-	-	-	-

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL										
Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035

**Revenue Expense Summary****Scenario: 2025 10 02 -- Scenario II -- Conservation**

Fund Balance, Revenues and Expenses																				
Beginning of TY Fund Balance	\$	821,310																		
TY Transfer/Use		-																		
<b>Revised Beginning Fund Balance</b>	<b>\$</b>	<b>821,310</b>	<b>\$</b>	<b>495,446</b>	<b>\$</b>	<b>499,580</b>	<b>\$</b>	<b>257,268</b>	<b>\$</b>	<b>435,960</b>	<b>\$</b>	<b>335,061</b>	<b>\$</b>	<b>429,672</b>	<b>\$</b>	<b>521,093</b>	<b>\$</b>	<b>606,755</b>	<b>\$</b>	<b>683,845</b>
<b>Revenues and Expenses</b>																				
Water Rate Revenues	1,637,104	1,742,711	1,857,359	1,979,115	2,082,587	2,154,799	2,229,067	2,305,444	2,383,984	2,464,743										
WW Rate Revenues	908,532	982,372	1,087,540	1,187,832	1,270,858	1,335,563	1,380,126	1,425,937	1,473,029	1,521,434										
Non-Rate Revenues	245,000	245,000	245,000	245,000	245,000	245,000	245,000	245,000	245,000	245,000										
Total Revenues	2,790,636	2,970,082	3,189,899	3,411,947	3,598,445	3,735,362	3,854,193	3,976,381	4,102,013	4,231,177										
Operating Expenses	2,496,500	2,580,949	2,682,211	2,788,256	2,899,344	3,015,752	3,137,772	3,265,719	3,399,923	3,540,739										
Net Revenues for Transfers,Capital Outlays and Debt Service	294,136	389,133	507,689	623,692	699,101	719,611	716,421	710,662	702,090	690,438										
Capital Outlays .	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000										
Net Revenues Available for Debt Service	194,136	289,133	407,689	523,692	599,101	619,611	616,421	610,662	602,090	590,438										
Current Debt Service	-	-	-	-	-	-	-	-	-	-										
Future Debt Service	-	-	-	-	-	-	-	-	-	-										
Total Debt Service	-	-	-	-	-	-	-	-	-	-										
Net Revenues for Contingencies and Transfers	194,136	289,133	407,689	523,692	599,101	619,611	616,421	610,662	602,090	590,438										
<b>Transfers</b>																				
<b>Total Contingencies &amp; Transfers</b>	-	-	-	-	-	-	-	-	-	-										
<b>Total Cost of Service</b>	2,596,500	2,680,949	2,782,211	2,888,256	2,999,344	3,115,752	3,237,772	3,365,719	3,499,923	3,640,739										
<b>Net Revenues</b>	<b>194,136</b>	<b>289,133</b>	<b>407,689</b>	<b>523,692</b>	<b>599,101</b>	<b>619,611</b>	<b>616,421</b>	<b>610,662</b>	<b>602,090</b>	<b>590,438</b>										
Percent of COS	7.5%	10.8%	14.7%	18.1%	20.0%	19.9%	19.0%	18.1%	17.2%	16.2%										
<b>Drawdown Fund Balance for CIP</b>	<b>\$</b>	<b>520,000</b>	<b>\$</b>	<b>285,000</b>	<b>\$</b>	<b>650,000</b>	<b>\$</b>	<b>345,000</b>	<b>\$</b>	<b>700,000</b>	<b>\$</b>	<b>525,000</b>	<b>\$</b>	<b>525,000</b>	<b>\$</b>	<b>525,000</b>	<b>\$</b>	<b>525,000</b>	<b>\$</b>	<b>525,000</b>
<b>Ending Water &amp; Sewer Combined Fund Balance</b>	<b>\$</b>	<b>495,446</b>	<b>\$</b>	<b>499,580</b>	<b>\$</b>	<b>257,268</b>	<b>\$</b>	<b>435,960</b>	<b>\$</b>	<b>335,061</b>	<b>\$</b>	<b>429,672</b>	<b>\$</b>	<b>521,093</b>	<b>\$</b>	<b>606,755</b>	<b>\$</b>	<b>683,845</b>	<b>\$</b>	<b>749,283</b>
<b>Revenue Adequacy Tests</b>																				
Total Exp (Budgetary Basis)	2,596,500	2,680,949	2,782,211	2,888,256	2,999,344	3,115,752	3,237,772	3,365,719	3,499,923	3,640,739										
Expenses per Day	7,114	7,345	7,622	7,913	8,217	8,536	8,871	9,221	9,589	9,975										
Required Fund Balance (60 Days O&M)	426,822	440,704	457,350	474,782	493,043	512,178	532,237	553,269	575,330	598,478										
Working Capital as % of Tot Exp.	19%	19%	9%	15%	11%	14%	16%	18%	20%	21%										
Number of Working Capital Days	70	68	34	55	41	50	59	66	71	75										
Debt Coverage (excludes Capital Outlays and G/F Transfers)	-	-	-	-	-	-	-	-	-	-										

TOWN OF SNOWFLAKE										
WATER/WASTEWATER COST OF SERVICE MODEL										
Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035

Revenue Expense Summary  
Scenario: 2025 10 02 -- Scenario II -- Conservation

5	Revenues and Expenses -- CASH BASIS																				
Water Revenues																					
<u>Water Rate Revenue</u>																					
W.1	RESIDENTIAL	\$	1,392,303	\$	1,483,931	\$	1,583,815	\$	1,689,977	\$	1,780,722	\$	1,844,869	\$	1,910,870	\$	1,978,774	\$	2,048,629	\$	2,120,486
W.2	MOTELS/PUBLIC BLD.		113,090		118,745		124,682		130,916		135,779		138,494		141,264		144,089		146,971		149,910
W.3	COMMERCIAL		125,000		132,989		141,463		150,453		158,029		163,217		168,550		174,030		179,662		185,450
W.4	WATER/RV PARK		1,913		2,009		2,109		2,215		2,297		2,343		2,390		2,438		2,486		2,536
W.5	CONSTRUCTION WATER		4,798		5,038		5,290		5,554		5,760		5,876		5,993		6,113		6,235		6,360
W.6	WATER- GOVERNMENTAL		-		-		-		-		-		-		-		-		-		-
W.7	Fire		-		-		-		-		-		-		-		-		-		-
W.8	0		-		-		-		-		-		-		-		-		-		-
W.9	0		-		-		-		-		-		-		-		-		-		-
W.10	Other3		-		-		-		-		-		-		-		-		-		-
			1,637,104		1,742,711		1,857,359		1,979,115		2,082,587		2,154,799		2,229,067		2,305,444		2,383,984		2,464,743
	Non-Rate Revenues		44,340		44,340		44,340		44,340		44,340		44,340		44,340		44,340		44,340		44,340
	<b>Total Revenues</b>		<b>1,681,444</b>		<b>1,787,051</b>		<b>1,901,699</b>		<b>2,023,455</b>		<b>2,126,927</b>		<b>2,199,139</b>		<b>2,273,407</b>		<b>2,349,784</b>		<b>2,428,324</b>		<b>2,509,083</b>
Water Cost of Service																					
<u>Budget Code</u>																					
P	Personnel	\$	440,000	\$	459,200	\$	479,456	\$	500,838	\$	523,421	\$	547,287	\$	572,522	\$	599,219	\$	627,478	\$	657,408
SU	Supplies		7,500		7,725		7,957		8,195		8,441		8,695		8,955		9,224		9,501		9,786
O&M	Operations & Maintenance		316,000		325,480		339,679		354,436		369,771		385,704		402,259		419,459		437,326		455,886
A	Administrative Expense		380,450		385,960		391,697		397,673		403,897		410,380		417,134		424,171		431,502		439,141
U	Utilities		194,000		199,820		208,507		217,534		226,914		236,660		246,785		257,303		268,230		279,579
O	Operations		-		-		-		-		-		-		-		-		-		-
MI	Miscellaneous		500		515		530		546		563		580		597		615		633		652
CO	Capital Outlays		-		-		-		-		-		-		-		-		-		-
CL	Capital Lease		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
			1,338,450		1,378,700		1,427,827		1,479,223		1,533,007		1,589,306		1,648,253		1,709,990		1,774,670		1,842,452
<u>Department Code</u>																					
W	Water Department	\$	1,338,450	\$	1,378,700	\$	1,427,827	\$	1,479,223	\$	1,533,007	\$	1,589,306	\$	1,648,253	\$	1,709,990	\$	1,774,670	\$	1,842,452
WW	Wastewater Department		-		-		-		-		-		-		-		-		-		-
NP	Non-Departmental		-		-		-		-		-		-		-		-		-		-
NR	Non-Rate Revenues		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
	<b>Total</b>		<b>1,338,450</b>		<b>1,378,700</b>		<b>1,427,827</b>		<b>1,479,223</b>		<b>1,533,007</b>		<b>1,589,306</b>		<b>1,648,253</b>		<b>1,709,990</b>		<b>1,774,670</b>		<b>1,842,452</b>
	<b>Total Operating Expenses</b>		<b>1,338,450</b>		<b>1,378,700</b>		<b>1,427,827</b>		<b>1,479,223</b>		<b>1,533,007</b>		<b>1,589,306</b>		<b>1,648,253</b>		<b>1,709,990</b>		<b>1,774,670</b>		<b>1,842,452</b>
	<b>Net Revenues for Transfers,Capital Outlays and Debt Service</b>		<b>342,994</b>		<b>408,351</b>		<b>473,872</b>		<b>544,233</b>		<b>593,920</b>		<b>609,834</b>		<b>625,154</b>		<b>639,793</b>		<b>653,654</b>		<b>666,631</b>

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL										
Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035

Revenue Expense Summary  
Scenario: 2025 10 02 -- Scenario II -- Conservation

Capital Outlays	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Debt Service										
Debt Service -- Current	-	-	-	-	-	-	-	-	-	-
Debt Service -- Future	-	-	-	-	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-	-	-	-	-
Net Revenues for Contingencies & Transfers	292,994	358,351	423,872	494,233	543,920	559,834	575,154	589,793	603,654	616,631
Transfers										
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
Total Contingencies & Transfers	-	-	-	-	-	-	-	-	-	-
Total Cost of Service	1,388,450	1,428,700	1,477,827	1,529,223	1,583,007	1,639,306	1,698,253	1,759,990	1,824,670	1,892,452
Net Revenues	292,994	358,351	423,872	494,233	543,920	559,834	575,154	589,793	603,654	616,631
Percent of COS	17.4%	20.1%	22.3%	24.4%	25.6%	25.5%	25.3%	25.1%	24.9%	24.6%
Debt Coverage (excludes Capital Outlays, G/F Transfers)	-	-	-	-	-	-	-	-	-	-

**TOWN OF SNOWFLAKE**  
**WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035
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**Revenue Expense Summary****Scenario:** 2025 10 02 -- Scenario II -- Conservation5 **Revenues and Expenses -- CASH BASIS****Wastewater Revenues****Wastewater Rate Revenue**

WW.1	RESIDENTIAL SEWER	\$	772,367	\$	833,735	\$	923,383	\$	1,010,097	\$	1,082,961	\$	1,140,414	\$	1,180,796	\$	1,222,336	\$	1,265,066	\$	1,309,016
WW.2	SEWER/MOTELS		11,487		12,200		13,298		14,320		15,118		15,679		15,993		16,313		16,639		16,972
WW.3	COMMERCIAL SEWER - High Volume		14,719		16,256		17,951		19,580		20,934		21,984		22,703		23,441		24,199		24,979
WW.4	COMMERCIAL BASE RATE SE		59,743		63,453		69,164		74,480		78,628		81,548		83,179		84,843		86,540		88,271
WW.5	SEWER/RV PARK		9,572		10,167		11,082		11,933		12,598		13,066		13,327		13,594		13,866		14,143
WW.6	SEWER/PUBLIC BLDG.		21,615		22,958		25,024		26,948		28,448		29,505		30,095		30,697		31,311		31,937
WW.7	SEWER/GOLF COURSE		19,029		23,603		27,639		30,474		32,171		33,366		34,033		34,714		35,408		36,116
WW.8	0		-		-		-		-		-		-		-		-		-		-
WW.9	0		-		-		-		-		-		-		-		-		-		-
WW.10	0		-		-		-		-		-		-		-		-		-		-
			908,532		982,372		1,087,540		1,187,832		1,270,858		1,335,563		1,380,126		1,425,937		1,473,029		1,521,434
	Non-Rate Revenues		200,660		200,660		200,660		200,660		200,660		200,660		200,660		200,660		200,660		200,660
	<b>Total Revenues</b>		<b>1,109,192</b>		<b>1,183,032</b>		<b>1,288,201</b>		<b>1,388,492</b>		<b>1,471,518</b>		<b>1,536,223</b>		<b>1,580,786</b>		<b>1,626,598</b>		<b>1,673,689</b>		<b>1,722,094</b>

**Wastewater Cost of Service****Budget Code**

P	Personnel	\$	515,000	\$	538,700	\$	563,771	\$	590,307	\$	618,409	\$	648,185	\$	679,753	\$	713,237	\$	748,773	\$	786,506
SU	Supplies		5,400		5,562		5,729		5,901		6,078		6,260		6,448		6,641		6,841		7,046
O&M	Operations & Maintenance		314,100		323,523		337,630		352,290		367,524		383,353		399,800		416,886		434,635		453,073
A	Administrative Expense		215,550		223,225		231,189		239,457		248,038		256,947		266,196		275,800		285,772		296,128
U	Utilities		107,500		110,725		115,535		120,532		125,726		131,121		136,727		142,550		148,599		154,882
O	Operations		-		-		-		-		-		-		-		-		-		-
MI	Miscellaneous		500		515		530		546		563		580		597		615		633		652
CL	Capital Lease		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
			1,158,050		1,202,250		1,254,384		1,309,033		1,366,337		1,426,446		1,489,520		1,555,728		1,625,253		1,698,287

**Department Code**

W	Water Department	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
WW	Wastewater Department		1,158,050		1,202,250		1,254,384		1,309,033		1,366,337		1,426,446		1,489,520		1,555,728		1,625,253		1,698,287
NP	Non-Departmental		-		-		-		-		-		-		-		-		-		-
NR	Non-Rate Revenues		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
	<b>Total</b>		<b>1,158,050</b>		<b>1,202,250</b>		<b>1,254,384</b>		<b>1,309,033</b>		<b>1,366,337</b>		<b>1,426,446</b>		<b>1,489,520</b>		<b>1,555,728</b>		<b>1,625,253</b>		<b>1,698,287</b>

<b>Total Operating Expenses</b>		<b>1,158,050</b>	<b>1,202,250</b>	<b>1,254,384</b>	<b>1,309,033</b>	<b>1,366,337</b>	<b>1,426,446</b>	<b>1,489,520</b>	<b>1,555,728</b>	<b>1,625,253</b>	<b>1,698,287</b>
<b>Net Revenues for Transfers,Capital Outlays and Debt Service</b>		(48,858)	(19,218)	33,816	79,459	105,181	109,777	91,266	70,869	48,436	23,807

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL										
Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035
<b>Revenue Expense Summary</b>										
<b>Scenario: 2025 10 02 -- Scenario II -- Conservation</b>										
Capital Outlays	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
<b>Debt Service</b>										
Debt Service -- Current	-	-	-	-	-	-	-	-	-	-
Debt Service -- Future	-	-	-	-	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-	-	-	-	-
Net Revenues for Contingencies & Transfers	(98,858)	(69,218)	(16,184)	29,459	55,181	59,777	41,266	20,869	(1,564)	(26,193)
<b>Transfers</b>										
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
Total Contingencies & Transfers	-	-	-	-	-	-	-	-	-	-
Total Cost of Service	1,208,050	1,252,250	1,304,384	1,359,033	1,416,337	1,476,446	1,539,520	1,605,728	1,675,253	1,748,287
Net Revenues	(98,858)	(69,218)	(16,184)	29,459	55,181	59,777	41,266	20,869	(1,564)	(26,193)
Percent of COS	-8.9%	-5.9%	-1.3%	2.1%	3.7%	3.9%	2.6%	1.3%	-0.1%	-1.5%
Debt Coverage (excludes Debt, Cap Outlays, G/F Transfers)	-	-	-	-	-	-	-	-	-	-



**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035
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**Forecast Summary****Scenario: 2025 10 02 -- Scenario II -- Conservation****1 Water and Wastewater Rates****Water Rates -- Residential****Monthly Minimum Charge**

3/4"	\$	29.49	\$	30.96	\$	32.51	\$	34.14	\$	35.85	\$	36.56	\$	37.29	\$	38.04	\$	38.80	\$	39.58	\$	40.37
1"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
1 1/2"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
2"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
3"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
4"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
6"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37

**Volume Rate Per 1,000 Gal**

2,000		1.99		2.09		2.19		2.30		2.42		2.47		2.52		2.57		2.62		2.67		2.72
12,001		1.99		2.61		2.74		2.88		3.02		3.08		3.15		3.21		3.27		3.34		3.41
25,001		1.99		3.26		3.43		3.60		3.78		3.86		3.93		4.01		4.09		4.17		4.26

**Water Rates -- Commercial****Monthly Minimum Charge**

3/4"	\$	29.49	\$	30.96	\$	32.51	\$	34.14	\$	35.85	\$	36.56	\$	37.29	\$	38.04	\$	38.80	\$	39.58	\$	40.37
1"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
1 1/2"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
2"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
3"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
4"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
6"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37
8"		29.49		30.96		32.51		34.14		35.85		36.56		37.29		38.04		38.80		39.58		40.37

**Volume Rate Per 1,000 Gal**

1	Above	\$	1.99	\$	2.09	\$	2.19	\$	2.30	\$	2.42	\$	2.47	\$	2.52	\$	2.57	\$	2.62	\$	2.67	\$	2.72
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**Wastewater Rates - Residential**

Monthly Minimum Charge	\$	41.36	\$	43.07	\$	46.95	\$	51.17	\$	54.24	\$	56.95	\$	58.09	\$	59.25	\$	60.44	\$	61.65	\$	62.88
Volume Rate/1,000 Gal		-		-		-		-		-		-		-		-		-		-		-

**Wastewater Rates - Commercial I**

Monthly Minimum Charge	\$	41.36	\$	43.07	\$	46.95	\$	51.17	\$	54.24	\$	56.95	\$	58.09	\$	59.25	\$	60.44	\$	61.65	\$	62.88
Volume Rate/1,000 Gal		-		-		-		-		-		-		-		-		-		-		-

**TOWN OF SNOWFLAKE**  
**WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035
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**Forecast Summary****Scenario:** 2025 10 02 -- Scenario II -- Conservation**2 Residential Standard Monthly Bill -- 1" Meter**

5,000 Gal	Total	5/5	\$ 76.82	\$ 80.30	\$ 86.04	\$ 92.22	\$ 97.34	\$ 100.92	\$ 102.94	\$ 104.99	\$ 107.09	\$ 109.24	\$ 111.42
Water & WW	Increase -- \$		3.48	5.74	6.18	5.12	3.57	2.02	2.06	2.10	2.14	2.18	2.18
	Increase -- %		4.5%	7.1%	7.2%	5.6%	3.7%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
7,000 Gal	Total	7/5	80.80	84.48	90.43	96.83	102.18	105.85	107.97	110.13	112.33	114.58	116.87
Water; 5K WW	Increase -- \$		3.68	5.95	6.40	5.35	3.67	2.12	2.16	2.20	2.25	2.29	2.29
	Increase -- %		4.6%	7.0%	7.1%	5.5%	3.6%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
15,000 Gal	Total	15/10	96.72	102.77	109.63	116.99	123.35	127.44	129.99	132.59	135.24	137.95	140.70
Water; 10K W	Increase -- \$		6.05	6.86	7.36	6.36	4.09	2.55	2.60	2.65	2.70	2.76	2.76
	Increase -- %		6.3%	6.7%	6.7%	5.4%	3.3%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**Commercial Monthly Bill -- All Meters**

25,000 Gal	Total	\$ 120.60	\$ 126.27	\$ 134.31	\$ 142.90	\$ 150.56	\$ 155.20	\$ 158.30	\$ 161.47	\$ 164.70	\$ 167.99	\$ 171.35
Water & WW	Increase -- \$		5.67	8.04	8.59	7.66	4.64	3.10	3.17	3.23	3.29	3.36
	Increase -- %		4.7%	6.4%	6.4%	5.4%	3.1%	2.0%	2.0%	2.0%	2.0%	2.0%

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035
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**Forecast Summary****Scenario: 2025 10 02 -- Scenario II -- Conservation****3 Fund Balance, Revenues and Expenses**

Beginning of TY Fund Balance	\$	821,310																		
TY Transfer/Use		-																		
Revised Beginning Fund Balance	\$	821,310	\$	495,446	\$	499,580	\$	257,268	\$	435,960	\$	335,061	\$	429,672	\$	521,093	\$	606,755	\$	683,845
Revenues and Expenses				6.45%		6.58%		6.56%		5.23%		3.47%		3.45%						
Water Rate Revenues		1,637,104		1,742,711		1,857,359		1,979,115		2,082,587		2,154,799		2,229,067		2,305,444		2,383,984		2,464,743
WW Rate Revenues		908,532		982,372		1,087,540		1,187,832		1,270,858		1,335,563		1,380,126		1,425,937		1,473,029		1,521,434
Non-Rate Revenues		245,000		245,000		245,000		245,000		245,000		245,000		245,000		245,000		245,000		245,000
Total Revenues		2,790,636		2,970,082		3,189,899		3,411,947		3,598,445		3,735,362		3,854,193		3,976,381		4,102,013		4,231,177
Operating Expenses		2,496,500		2,580,949		2,682,211		2,788,256		2,899,344		3,015,752		3,137,772		3,265,719		3,399,923		3,540,739
Net Revenues for Transfers,Capital Outlays and Debt Service		294,136		389,133		507,689		623,692		699,101		719,611		716,421		710,662		702,090		690,438
Capital Outlays		100,000		100,000		100,000		100,000		100,000		100,000		100,000		100,000		100,000		100,000
Net Revenues Available for Debt Service		194,136		289,133		407,689		523,692		599,101		619,611		616,421		610,662		602,090		590,438
Current Debt Service		-		-		-		-		-		-		-		-		-		-
Future Debt Service		-		-		-		-		-		-		-		-		-		-
Total Debt Service		-		-		-		-		-		-		-		-		-		-
Net Revenues for Contingencies and Transfers		194,136		289,133		407,689		523,692		599,101		619,611		616,421		610,662		602,090		590,438
Transfers																				
Total Contingencies & Transfers		-		-		-		-		-		-		-		-		-		-
Total Cost of Service		2,596,500		2,680,949		2,782,211		2,888,256		2,999,344		3,115,752		3,237,772		3,365,719		3,499,923		3,640,739
Net Revenues		194,136		289,133		407,689		523,692		599,101		619,611		616,421		610,662		602,090		590,438
Percent of COS		7.5%		10.8%		14.7%		18.1%		20.0%		19.9%		19.0%		18.1%		17.2%		16.2%
Drawdown Fund Balance for CIP	\$	520,000	\$	285,000	\$	650,000	\$	345,000	\$	700,000	\$	525,000	\$	525,000	\$	525,000	\$	525,000	\$	525,000
Ending Water & Sewer Combined Fund Balance	\$	495,446	\$	499,580	\$	257,268	\$	435,960	\$	335,061	\$	429,672	\$	521,093	\$	606,755	\$	683,845	\$	749,283
Revenue Adequacy Tests																				
Total Exp (Budgetary Basis)		2,596,500		2,680,949		2,782,211		2,888,256		2,999,344		3,115,752		3,237,772		3,365,719		3,499,923		3,640,739
Expenses per Day		7,114		7,345		7,622		7,913		8,217		8,536		8,871		9,221		9,589		9,975
Required Fund Balance (60 Days O&M)		426,822		440,704		457,350		474,782		493,043		512,178		532,237		553,269		575,330		598,478
Working Capital as % of Tot Exp.		19%		19%		9%		15%		11%		14%		16%		18%		20%		21%
Number of Working Capital Days		70		68		34		55		41		50		59		66		71		75
Debt Coverage (excludes Capital Outlays and G/F Transfers)		-		-		-		-		-		-		-		-		-		-
Water& WW Repair & Repl. Fund Balance		-		100,000		200,000		300,000		400,000		500,000		600,000		700,000		800,000		900,000

**TOWN OF SNOWFLAKE**  
**WATER/WASTEWATER COST OF SERVICE MODEL**

Current	Jan-26 2026	Jan-27 2027	Jan-28 2028	Jan-29 2029	Jan-30 2030	Jan-31 2031	Jan-32 2032	Jan-33 2033	Jan-34 2034	Jan-35 2035
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**Forecast Summary****Scenario: 2025 10 02 -- Scenario II -- Conservation****5 Total Accounts****Water Accounts**

Total Accounts	2,312	2,349	2,386	2,423	2,460	2,497	2,534	2,571	2,608	2,645
New Accounts	-	37	37	37	37	37	37	37	37	37
Avg. Annual Growth Rate		1.60%	1.57%	1.55%	1.53%	1.50%	1.48%	1.46%	1.44%	1.42%

**Wastewater Accounts**

Total Accounts	1,858	1,885	1,912	1,939	1,966	1,993	2,020	2,047	2,074	2,101
New Accounts	-	27	27	27	27	27	27	27	27	27
Avg. Annual Growth Rate		1.45%	1.43%	1.41%	1.39%	1.37%	1.36%	1.34%	1.32%	1.30%

**6 Annual Volume****Water Volume**

RESIDENTIAL	350,497,512	338,554,074	344,135,512	349,716,950	355,298,388	360,879,825	366,461,263	372,042,701	377,624,139	383,205,577
MOTELS/PUBLIC BLDs.	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000
COMMERCIAL	34,680,000	35,139,338	35,598,675	36,058,013	36,517,351	36,976,689	37,436,026	37,895,364	38,354,702	38,814,040
WATER/RV PARK	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000
CONSTRUCTION WATER	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000
WATER- GOVERNMENTAL	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000
Fire	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
Other3	-	-	-	-	-	-	-	-	-	-
Total System	450,597,512	439,113,412	445,154,187	451,194,963	457,235,739	463,276,514	469,317,290	475,358,065	481,398,841	487,439,617

**Wastewater Billing Units**

RESIDENTIAL SEWER	157,065,000	159,697,795	162,330,589	164,963,384	167,596,178	170,228,973	172,861,767	175,494,562	178,127,356	180,760,151
SEWER/MOTELS	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000
COMMERCIAL SEWER - High Volume	10,913,000	11,057,543	11,202,086	11,346,629	11,491,172	11,635,715	11,780,258	11,924,801	12,069,344	12,213,887
COMMERCIAL BASE RATE SE	-	-	-	-	-	-	-	-	-	-
SEWER/RV PARK	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000
SEWER/PUBLIC BLDG.	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
SEWER/GOLF COURSE	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845
0	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
Total System	188,056,845	190,834,182	193,611,520	196,388,857	199,166,195	201,943,533	204,720,870	207,498,208	210,275,545	213,052,883

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

**Current      2026      2027      2028      2029      2030      2031      2032      2033      2034      2035**

**Water Summary****Scen: 2025 10 02 -- Scenario II -- Conservation****1 Water Monthly Rates and Charges****RESIDENTIAL****Monthly Minimum Charge**

	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
All Classes	\$ 29.49	\$ 30.96	\$ 32.51	\$ 34.14	\$ 35.85	\$ 36.56	\$ 37.29	\$ 38.04	\$ 38.80	\$ 39.58	\$ 40.37

**Volume Rate/1,000 Gal**

	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2,000	1.99	2.09	2.19	2.30	2.42	2.47	2.52	2.57	2.62	2.67	2.72
12,001	1.99	2.61	2.74	2.88	3.02	3.08	3.15	3.21	3.27	3.34	3.41
25,001	1.99	3.26	3.43	3.60	3.78	3.86	3.93	4.01	4.09	4.17	4.26

**2.1 Residential Monthly Bill --**

	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
5,000 Gallons											
Total	\$ 35.46	\$ 37.23	\$ 39.09	\$ 41.05	\$ 43.10	\$ 43.96	\$ 44.84	\$ 45.74	\$ 46.65	\$ 47.59	\$ 48.54
Dollar Inc		1.77	1.86	1.95	2.05	0.86	0.88	0.90	0.91	0.93	0.95
Percent Inc		5.0%	5.0%	5.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
10,000 Gallons											
Total	45.41	47.68	50.06	52.57	55.20	56.30	57.43	58.57	59.75	60.94	62.16
Dollar Inc		2.27	2.38	2.50	2.63	1.10	1.13	1.15	1.17	1.19	1.22
Percent Inc		5.0%	5.0%	5.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
20,000 Gallons											
Total	65.31	72.75	76.39	80.21	84.22	85.91	87.63	89.38	91.17	92.99	94.85
Dollar Inc		7.44	3.64	3.82	4.01	1.68	1.72	1.75	1.79	1.82	1.86
Percent Inc		11.4%	5.0%	5.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
30,000 Gallons											
Total	85.21	102.14	107.24	112.61	118.24	120.60	123.01	125.47	127.98	130.54	133.15
Dollar Inc		16.93	5.11	5.36	5.63	2.36	2.41	2.46	2.51	2.56	2.61
Percent Inc		19.9%	5.0%	5.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

**Current      2026      2027      2028      2029      2030      2031      2032      2033      2034      2035**

**Water Summary****Scen: 2025 10 02 -- Scenario II -- Conservation****3 Total Accounts**

<b>Total Accounts</b>	<b>2,312</b>	<b>2,349</b>	<b>2,386</b>	<b>2,423</b>	<b>2,460</b>	<b>2,497</b>	<b>2,534</b>	<b>2,571</b>	<b>2,608</b>	<b>2,645</b>
New Accounts	37	37	37	37	37	37	37	37	37	37
Avg. Annual Growth Rate	1.60%	1.57%	1.55%	1.53%	1.50%	1.48%	1.46%	1.44%	1.42%	

**4 Annual Water Consumption**

W.1 RESIDENTIAL	350,497,512	338,554,074	344,135,512	349,716,950	355,298,388	360,879,825	366,461,263	372,042,701	377,624,139	383,205,577
W.2 MOTELS/PUBLIC BLDS.	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000	45,711,000
W.3 COMMERCIAL	34,680,000	35,139,338	35,598,675	36,058,013	36,517,351	36,976,689	37,436,026	37,895,364	38,354,702	38,814,040
W.4 WATER/RV PARK	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000	764,000
W.5 CONSTRUCTION WATER	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000	892,000
W.6 WATER- GOVERNMENTAL	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000	18,053,000
W.7 Fire	-	-	-	-	-	-	-	-	-	-
W.8	0	-	-	-	-	-	-	-	-	-
W.9	0	-	-	-	-	-	-	-	-	-
W.10 Other3	-	-	-	-	-	-	-	-	-	-
<b>Total System</b>	<b>450,597,512</b>	<b>439,113,412</b>	<b>445,154,187</b>	<b>451,194,963</b>	<b>457,235,739</b>	<b>463,276,514</b>	<b>469,317,290</b>	<b>475,358,065</b>	<b>481,398,841</b>	<b>487,439,617</b>

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

**Current      2026      2027      2028      2029      2030      2031      2032      2033      2034      2035**

**Water Summary****Scen: 2025 10 02 -- Scenario II -- Conservation****5 Revenues and Expenses -- CASH BASIS****Water Revenues**Water Rate Revenue

W.1 RESIDENTIAL	\$	1,392,303	\$	1,483,931	\$	1,583,815	\$	1,689,977	\$	1,780,722	\$	1,844,869	\$	1,910,870	\$	1,978,774	\$	2,048,629	\$	2,120,486
W.2 MOTELS/PUBLIC BLDs.		113,090		118,745		124,682		130,916		135,779		138,494		141,264		144,089		146,971		149,910
W.3 COMMERCIAL		125,000		132,989		141,463		150,453		158,029		163,217		168,550		174,030		179,662		185,450
W.4 WATER/RV PARK		1,913		2,009		2,109		2,215		2,297		2,343		2,390		2,438		2,486		2,536
W.5 CONSTRUCTION WATER		4,798		5,038		5,290		5,554		5,760		5,876		5,993		6,113		6,235		6,360
W.6 WATER- GOVERNMENTAL		-		-		-		-		-		-		-		-		-		-
W.7 Fire		-		-		-		-		-		-		-		-		-		-
W.8 0		-		-		-		-		-		-		-		-		-		-
W.9 0		-		-		-		-		-		-		-		-		-		-
W.10 Other3		-		-		-		-		-		-		-		-		-		-
		<u>1,637,104</u>		<u>1,742,711</u>		<u>1,857,359</u>		<u>1,979,115</u>		<u>2,082,587</u>		<u>2,154,799</u>		<u>2,229,067</u>		<u>2,305,444</u>		<u>2,383,984</u>		<u>2,464,743</u>
Non-Rate Revenues		<u>44,340</u>		<u>44,340</u>		<u>44,340</u>		<u>44,340</u>		<u>44,340</u>		<u>44,340</u>		<u>44,340</u>		<u>44,340</u>		<u>44,340</u>		<u>44,340</u>
<b>Total Revenues</b>		<b>1,681,444</b>		<b>1,787,051</b>		<b>1,901,699</b>		<b>2,023,455</b>		<b>2,126,927</b>		<b>2,199,139</b>		<b>2,273,407</b>		<b>2,349,784</b>		<b>2,428,324</b>		<b>2,509,083</b>

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

**Current      2026      2027      2028      2029      2030      2031      2032      2033      2034      2035**

**Water Summary****Scen: 2025 10 02 -- Scenario II -- Conservation****Water Cost of Service****Budget Code**

P Personnel	\$	440,000	\$	459,200	\$	479,456	\$	500,838	\$	523,421	\$	547,287	\$	572,522	\$	599,219	\$	627,478	\$	657,408
SU Supplies		7,500		7,725		7,957		8,195		8,441		8,695		8,955		9,224		9,501		9,786
O&M Operations & Maintenance		316,000		325,480		339,679		354,436		369,771		385,704		402,259		419,459		437,326		455,886
A Administrative Expense		380,450		385,960		391,697		397,673		403,897		410,380		417,134		424,171		431,502		439,141
U Utilities		194,000		199,820		208,507		217,534		226,914		236,660		246,785		257,303		268,230		279,579
O Operations		-		-		-		-		-		-		-		-		-		-
MI Miscellaneous		500		515		530		546		563		580		597		615		633		652
CO Capital Outlays		-		-		-		-		-		-		-		-		-		-
CL Capital Lease		-		-		-		-		-		-		-		-		-		-
0 #N/A		-		-		-		-		-		-		-		-		-		-
<b>Total</b>		<b>1,338,450</b>		<b>1,378,700</b>		<b>1,427,827</b>		<b>1,479,223</b>		<b>1,533,007</b>		<b>1,589,306</b>		<b>1,648,253</b>		<b>1,709,990</b>		<b>1,774,670</b>		<b>1,842,452</b>

**Department Code**

W Water Department	\$	1,338,450	\$	1,378,700	\$	1,427,827	\$	1,479,223	\$	1,533,007	\$	1,589,306	\$	1,648,253	\$	1,709,990	\$	1,774,670	\$	1,842,452
WW Wastewater Department		-		-		-		-		-		-		-		-		-		-
NP Non-Departmental		-		-		-		-		-		-		-		-		-		-
NR Non-Rate Revenues		-		-		-		-		-		-		-		-		-		-
0 #N/A		-		-		-		-		-		-		-		-		-		-
<b>Total</b>		<b>1,338,450</b>		<b>1,378,700</b>		<b>1,427,827</b>		<b>1,479,223</b>		<b>1,533,007</b>		<b>1,589,306</b>		<b>1,648,253</b>		<b>1,709,990</b>		<b>1,774,670</b>		<b>1,842,452</b>

**Total Operating Expenses**

**1,338,450      1,378,700      1,427,827      1,479,223      1,533,007      1,589,306      1,648,253      1,709,990      1,774,670      1,842,452**

**Net Revenues for Transfers,Capital Outlays and Debt Service**

**342,994      408,351      473,872      544,233      593,920      609,834      625,154      639,793      653,654      666,631**

**Capital Outlays**

**50,000      50,000      50,000      50,000      50,000      50,000      50,000      50,000      50,000      50,000**

**Debt Service**

Debt Service -- Current

**-      -      -      -      -      -      -      -      -      -**

Debt Service -- Future

**-      -      -      -      -      -      -      -      -      -**

Total Debt Service

**-      -      -      -      -      -      -      -      -      -**

**Net Revenues for Contingencies & Transfers**

**292,994      358,351      423,872      494,233      543,920      559,834      575,154      589,793      603,654      616,631**

**Transfers**

0

**\$ -      \$ -      \$ -      \$ -      \$ -      \$ -      \$ -      \$ -      \$ -      \$ -**

0

**-      -      -      -      -      -      -      -      -      -**

0

**-      -      -      -      -      -      -      -      -      -**

**Total Contingencies & Transfers**

**-      -      -      -      -      -      -      -      -      -**

**Total Cost of Service**

**1,388,450      1,428,700      1,477,827      1,529,223      1,583,007      1,639,306      1,698,253      1,759,990      1,824,670      1,892,452**

**Net Revenues**

**292,994      358,351      423,872      494,233      543,920      559,834      575,154      589,793      603,654      616,631**

Percent of COS

**17.4%      20.1%      22.3%      24.4%      25.6%      25.5%      25.3%      25.1%      24.9%      24.6%**

**Debt Coverage**

(excludes Capital Outlays, G/F Transfers)

**-      -      -      -      -      -      -      -      -      -**



TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL											
	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

**Wastewater Summary****Scen: 2025 10 02 -- Scenario II -- Conservation****1 Wastewater Monthly Rates and Charges****RESIDENTIAL SEWER**

Monthly Minimum Charge	\$	41.36	\$	43.07	\$	46.95	\$	51.17	\$	54.24	\$	56.95	\$	58.09	\$	59.25	\$	60.44	\$	61.65	\$	62.88
Volume Rate/1,000 Gal		-		-		-		-		-		-		-		-		-		-		-

**Commercial**

Monthly Minimum Charge	\$	41.36	\$	43.07	\$	46.95	\$	51.17	\$	54.24	\$	56.95	\$	58.09	\$	59.25	\$	60.44	\$	61.65	\$	62.88
Volume Rate Per 1,000 Gal	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-

**2.1 Residential Monthly Bill --**

5,000 Gallons	Total	\$	41.36	\$	43.07	\$	46.95	\$	51.17	\$	54.24	\$	56.95	\$	58.09	\$	59.25	\$	60.44	\$	61.65	\$	62.88
	Dollar Inc				1.71		3.88		4.23		3.07		2.71		1.14		1.16		1.19		1.21		1.23
	Percent Inc				4.1%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%
10,000 Gallons	Total		41.36		43.07		46.95		51.17		54.24		56.95		58.09		59.25		60.44		61.65		62.88
	Dollar Inc				1.71		3.88		4.23		3.07		2.71		1.14		1.16		1.19		1.21		1.23
	Percent Inc				4.1%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%
20,000 Gallons	Total		41.36		43.07		46.95		51.17		54.24		56.95		58.09		59.25		60.44		61.65		62.88
	Dollar Inc				1.71		3.88		4.23		3.07		2.71		1.14		1.16		1.19		1.21		1.23
	Percent Inc				4.1%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%
30,000 Gallons	Total		41.36		43.07		46.95		51.17		54.24		56.95		58.09		59.25		60.44		61.65		62.88
	Dollar Inc				1.71		3.88		4.23		3.07		2.71		1.14		1.16		1.19		1.21		1.23
	Percent Inc				4.1%		9.0%		9.0%		6.0%		5.0%		2.0%		2.0%		2.0%		2.0%		2.0%

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL											
	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

**Wastewater Summary****Scen: 2025 10 02 -- Scenario II -- Conservation****2.2 Commercial Monthly Bill --**

10,000 Gallons											
2"	41.36	43.07	46.95	51.17	54.24	56.95	58.09	59.25	60.44	61.65	62.88
		1.71	3.88	4.23	3.07	2.71	1.14	1.16	1.19	1.21	1.23
		4.1%	9.0%	9.0%	6.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%
20,000 Gallons											
2"	41.36	43.07	46.95	51.17	54.24	56.95	58.09	59.25	60.44	61.65	62.88
		1.71	3.88	4.23	3.07	2.71	1.14	1.16	1.19	1.21	1.23
		4.1%	9.0%	9.0%	6.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%
50,000 Gallons											
2"	41.36	43.07	46.95	51.17	54.24	56.95	58.09	59.25	60.44	61.65	62.88
		1.71	3.88	4.23	3.07	2.71	1.14	1.16	1.19	1.21	1.23
		4.1%	9.0%	9.0%	6.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**TOWN OF SNOWFLAKE  
WATER/WASTEWATER COST OF SERVICE MODEL**

**Current      2026      2027      2028      2029      2030      2031      2032      2033      2034      2035**

**Wastewater Summary****Scen: 2025 10 02 -- Scenario II -- Conservation****3 Total Accounts**

<b>Total Accounts</b>	<b>1,858</b>	<b>1,885</b>	<b>1,912</b>	<b>1,939</b>	<b>1,966</b>	<b>1,993</b>	<b>2,020</b>	<b>2,047</b>	<b>2,074</b>	<b>2,101</b>
New Accounts	27	27	27	27	27	27	27	27	27	27
Avg. Annual Growth Rate		1.45%	1.43%	1.41%	1.39%	1.37%	1.36%	1.34%	1.32%	1.30%

**4 Annual Wastewater Billing Units**

WW.1	RESIDENTIAL SEWER	157,065,000	159,697,795	162,330,589	164,963,384	167,596,178	170,228,973	172,861,767	175,494,562	178,127,356	180,760,151
WW.2	SEWER/MOTELS	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000	1,728,000
WW.3	COMMERCIAL SEWER - High Volume	10,913,000	11,057,543	11,202,086	11,346,629	11,491,172	11,635,715	11,780,258	11,924,801	12,069,344	12,213,887
WW.4	COMMERCIAL BASE RATE SE	-	-	-	-	-	-	-	-	-	-
WW.5	SEWER/RV PARK	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000	2,880,000
WW.6	SEWER/PUBLIC BLDG.	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
WW.7	SEWER/GOLF COURSE	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845	4,970,845
WW.8	0	-	-	-	-	-	-	-	-	-	-
WW.9	0	-	-	-	-	-	-	-	-	-	-
WW.10	0	-	-	-	-	-	-	-	-	-	-
<b>Total System</b>		<b>188,056,845</b>	<b>190,834,182</b>	<b>193,611,520</b>	<b>196,388,857</b>	<b>199,166,195</b>	<b>201,943,533</b>	<b>204,720,870</b>	<b>207,498,208</b>	<b>210,275,545</b>	<b>213,052,883</b>

**5 Revenues and Expenses -- CASH BASIS****Wastewater Revenues**Wastewater Rate Revenue

WW.1	RESIDENTIAL SEWER	772,367	833,735	923,383	1,010,097	1,082,961	1,140,414	1,180,796	1,222,336	1,265,066	1,309,016
WW.2	SEWER/MOTELS	11,487	12,200	13,298	14,320	15,118	15,679	15,993	16,313	16,639	16,972
WW.3	COMMERCIAL SEWER - High Volume	14,719	16,256	17,951	19,580	20,934	21,984	22,703	23,441	24,199	24,979
WW.4	COMMERCIAL BASE RATE SE	59,743	63,453	69,164	74,480	78,628	81,548	83,179	84,843	86,540	88,271
WW.5	SEWER/RV PARK	9,572	10,167	11,082	11,933	12,598	13,066	13,327	13,594	13,866	14,143
WW.6	SEWER/PUBLIC BLDG.	21,615	22,958	25,024	26,948	28,448	29,505	30,095	30,697	31,311	31,937
WW.7	SEWER/GOLF COURSE	19,029	23,603	27,639	30,474	32,171	33,366	34,033	34,714	35,408	36,116
WW.8	0	-	-	-	-	-	-	-	-	-	-
WW.9	0	-	-	-	-	-	-	-	-	-	-
WW.10	0	-	-	-	-	-	-	-	-	-	-
		<b>908,532</b>	<b>982,372</b>	<b>1,087,540</b>	<b>1,187,832</b>	<b>1,270,858</b>	<b>1,335,563</b>	<b>1,380,126</b>	<b>1,425,937</b>	<b>1,473,029</b>	<b>1,521,434</b>

**Non-Rate Revenues**

		<b>200,660</b>	<b>200,660</b>	<b>200,660</b>	<b>200,660</b>	<b>200,660</b>	<b>200,660</b>	<b>200,660</b>	<b>200,660</b>	<b>200,660</b>	<b>200,660</b>
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<b>Total Revenues</b>		<b>1,109,192</b>	<b>1,183,032</b>	<b>1,288,201</b>	<b>1,388,492</b>	<b>1,471,518</b>	<b>1,536,223</b>	<b>1,580,786</b>	<b>1,626,598</b>	<b>1,673,689</b>	<b>1,722,094</b>
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TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL										
Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Scen: 2025 10 02 -- Scenario II -- Conservation

**Budget Code**

P	Personnel	\$	515,000	\$	538,700	\$	563,771	\$	590,307	\$	618,409	\$	648,185	\$	679,753	\$	713,237	\$	748,773	\$	786,506
SU	Supplies		5,400		5,562		5,729		5,901		6,078		6,260		6,448		6,641		6,841		7,046
O&M	Operations & Maintenance		314,100		323,523		337,630		352,290		367,524		383,353		399,800		416,886		434,635		453,073
A	Administrative Expense		215,550		223,225		231,189		239,457		248,038		256,947		266,196		275,800		285,772		296,128
U	Utilities		107,500		110,725		115,535		120,532		125,726		131,121		136,727		142,550		148,599		154,882
O	Operations		-		-		-		-		-		-		-		-		-		-
MI	Miscellaneous		500		515		530		546		563		580		597		615		633		652
CL	Capital Lease		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
0	#N/A		-		-		-		-		-		-		-		-		-		-
	<b>Total</b>		1,158,050		1,202,250		1,254,384		1,309,033		1,366,337		1,426,446		1,489,520		1,555,728		1,625,253		1,698,287

## Water Department

W	Water Department	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-				
WW	Wastewater Department		1,158,050		1,202,250		1,254,384		1,309,033		1,366,337		1,426,446		1,489,520		1,555,728		1,625,253		1,698,287
NP	Non-Departmental		-		-		-		-		-		-		-		-		-		-
NR	Non-Rate Revenues		-		-		-		-		-		-		-		-		-		-
O	#N/A		-		-		-		-		-		-		-		-		-		-
	<b>Total</b>		1,158,050		1,202,250		1,254,384		1,309,033		1,366,337		1,426,446		1,489,520		1,555,728		1,625,253		1,698,287

**Total Operating Expenses**

Net Revenues for Transfers, Capital Outlays and Debt Service

TOWN OF SNOWFLAKE WATER/WASTEWATER COST OF SERVICE MODEL												
	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
<b>Wastewater Summary</b>												
<b>Scen: 2025 10 02 -- Scenario II -- Conservation</b>												
Capital Outlays		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
<b>Debt Service</b>												
Debt Service -- Current		-	-	-	-	-	-	-	-	-	-	
Debt Service -- Future		-	-	-	-	-	-	-	-	-	-	
Total Debt Service		-	-	-	-	-	-	-	-	-	-	
Net Revenues for Contingencies & Transfers		(98,858)	(69,218)	(16,184)	29,459	55,181	59,777	41,266	20,869	(1,564)	(26,193)	
<b>Transfers</b>												
0	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
0		-	-	-	-	-	-	-	-	-	-	
0		-	-	-	-	-	-	-	-	-	-	
Total Contingencies & Transfers		-	-	-	-	-	-	-	-	-	-	
Total Cost of Service		1,208,050	1,252,250	1,304,384	1,359,033	1,416,337	1,476,446	1,539,520	1,605,728	1,675,253	1,748,287	
Net Revenues		(98,858)	(69,218)	(16,184)	29,459	55,181	59,777	41,266	20,869	(1,564)	(26,193)	
Percent of COS		-8.9%	-5.9%	-1.3%	2.1%	3.7%	3.9%	2.6%	1.3%	-0.1%	-1.5%	
Debt Coverage		-	-	-	-	-	-	-	-	-	-	
(excludes Debt, Cap Outlays, G/F Transfers)												

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