



CITY OF CAÑON CITY

City Council

City Council Chambers
128 Main St., Cañon City, CO 81212
(719) 269-9011 • www.canoncity.org

GENERAL GOVERNMENT COMMITTEE MEETING

February 5, 2025

6:00 p.m.

AGENDA

1. **CALL TO ORDER:** City Council Chambers
2. **ROLL CALL:** COUNCIL MEMBERS DENNEHY,
MELONI, SCHMISSEUR, STEIN, TRACY,
WORTHINGTON, MAYOR PRO TEM HAMRICK,
MAYOR TROUTMAN.
3. **DISCUSSION:**
 - A. Water Rates/Customer Classes
4. **ADJOURN:** The next regular meeting is scheduled for March 7,
2025.

Posted pursuant to code on Wednesday, January 29, 2025.
Cindy Foster Owens, City Clerk



CITY OF CAÑON CITY

City Administrator

P.O. Box 1460 • 128 Main Street
Cañon City, CO 81215-1460
(719) 269-9011 • www.canoncity.org

TO: Mayor and City Council
FROM: Ryan Stevens, City Administrator
PREPARED BY: Travis R. Payne
DATE: 02/05/2025
RE: Discussion on Water Rates/Customer Classes

SUMMARY: * The February General Government meeting will consist of a discussion on water rate structure and customer classes. Several policy decisions will need to be considered including- should the new customer cost of service be adopted for all customer classes, should pump zone surcharges be updated, should private fire line customer class be created and monthly charges applied, and should Municipal and Group user rates be combined.

There are three options when it comes to the cost of service discussion.

1. Adopt the full customer cost across all customer classes. This would mean some customer classes get a reduction in rates while others increase.
2. Retain the greater or existing customer rates. This would mean if a customer class should be paying more they will but if the study shows a reduction in rates there would be no reduction. The added revenue would be kept for additional capital spending like water main replacements.
3. Adopt an adjusted cost of service. This would include retaining the greater or existing customer rates but the added revenue would offset some of the increases in other customer classes.

Raftelis and City staff will be at the meeting to give a presentation and answer questions.

REVIEWED BY ☐ Yes ☒ No
LEGAL?

RECOMMENDED ACTION: Recommendations will be used to create an Ordinance for implementation

of attachments 2

Cañon City, CO

Water Cost of Service and Rates Results

January 29, 2025





Agenda



Study goals and objectives



Rate study process



Cost of service discussion

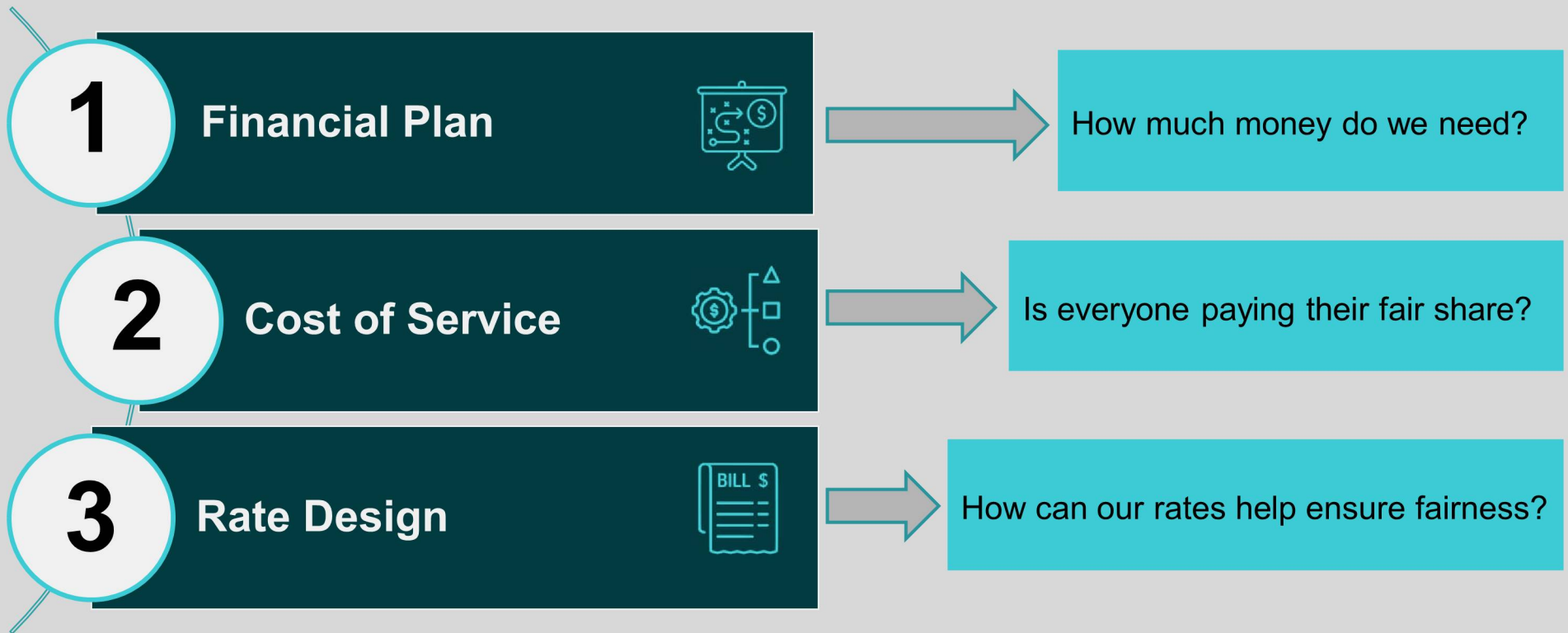


Proposed rates



**Bill comparison and utility
survey**

The City's rate study process



Financial plan study recap



- Equal annual adjustments of 7% in 2025 - 2034



- SRF funding and main replacement and Galvanized Service Line Repl.



- Fund \$51.5 million in capital improvements



- Maintain debt service coverage and target reserves



- Tap fee analysis indicates no changes are required

Cost of Service





What is a cost of service analysis?



- Determines amount of revenue to be recovered from each customer class
- Considers the number of customers and usage demands they impose on the system



- Recognizes the different demand and customer characteristics of each class:
 - Average day demand
 - Peak demands
 - Number of customers
 - Number of meters by size



- Cost to provide service will vary by class



What is a cost of service analysis?



- Determine the revenue requirement



- Assign costs based on system facility or function in system which drives that expense



- Allocate functionalized costs based on how facilities are designed or are operated in the system



- Distribute allocated costs to customer classes based on their customer and demand characteristics



Cost of service – areas of focus



- Zone surcharge analysis



- Equitable allocation of Golf Course and City parks costs



- Private fire protection rates



- Combining Group User rate class with Municipal class



Cost of service – policy considerations



- Should cost of service rates be adopted for all classes (i.e. monthly service charges and volume rates)?



- Commercial and Commercial Multi-unit volume rates will decrease slightly.
- Monthly service charges 1”-6” and greater will decrease



Cost of service – policy considerations



- Should cost of service rates be adopted for all classes (i.e. monthly service charges and volume rates)?



No

- Option 1 – Cost of Service : Retain the greater of existing or cost of service rates
- Additional reserves used for future capital funding



No

- Option 2 – Adjusted Cost of Service: Retain the greater of existing or cost of service rates
- Additional recovery to mitigate cost of service impacts on other customer classes facing increases



Cost of service – policy considerations



- Should private fire protection line rates be adopted?
- Approximately 85 commercial accounts
- Total cost recovery: \$38,000
- Distributes cost to provide service otherwise allocated among all other classes



- Should cost of service pumping charges be adopted?
- Last changed over 5 years ago
- Realigns individual pumping zone costs to those customers who require service
- Cost recovery requirement will increase from \$154k to \$417k



Cost of service – policy considerations



- Should the Group Use class be combined with the Municipal class
- Group user class has very few customers – large diversity of demand
- Calculated cost of service shows a decrease in their costs
- Current rate is similar with the proposed municipal rate, \$4.68 per 1,000 gallons. Combined, this rate would reduce slightly.



Comparison of cost of service to revenue at 2025 rates

Class	2025 Cost of Service	2025 Revenue at Existing Rates	Change - \$	Change - %
Residential	\$4,821,701	\$4,762,104	\$59,597	1.3%
Commercial	\$2,361,250	\$2,562,932	(\$201,682)	-7.9%
Commercial - Multi-Unit	\$757,754	\$1,232,053	(\$474,299)	-38.5%
Cotter Water Diversion	\$33,189	\$33,189	\$0	0.0%
Municipal	\$479,021	\$303,791	\$175,230	57.7%
Group User Rate	\$60,219	\$65,570	(\$5,351)	-8.2%
Pumping	\$417,327	\$154,346	\$262,981	170.4%
Golf Course	\$349,062	\$203,507	\$145,555	71.5%
Private Fire Protection	\$37,970	N/A	\$37,970	N/A
Total	\$9,317,491	\$9,317,491	\$0	0%



Comparison of adjusted cost of service to revenue at 2025 rates

Class	2025 Adjusted Cost of Service	2025 Revenue at Existing Rates	Change - \$	Change - %
Residential	\$4,762,104	\$4,762,104	\$0	0%
Commercial	\$2,562,932	\$2,562,932	\$0	0%
Commercial - Multi-Unit	\$1,232,053	\$1,232,053	\$0	0%
Cotter Water Diversion	\$33,189	\$33,189	\$0	0%
Municipal	\$303,791	\$303,791	\$0	0%
Group User Rate	\$65,570	\$65,570	\$0	0%
Pumping	\$154,346	\$154,346	\$0	0%
Golf Course	\$203,507	\$203,507	\$0	0%
Private Fire Protection	\$37,970	N/A	\$37,970	N/A
Total	\$9,355,461	\$9,317,491	\$37,970	0.4%

Rate Design





Rate structure cost recovery

Service Charge \$ per bill

- Meter maintenance and meter reading
- Customer service, billing, and collection (general admin)
- A component of capital costs = depreciation
- Total service charge revenue recovers ~30% of total rate revenue

Volume-Related Costs \$ per Kgal

- Costs to collect, treat, and distribute water to customers
- Transmission and distribution system to move water
- Storage and pumping facilities
- Public fire protection costs



Comparison of existing and proposed service charges, \$ per bill

Meter Size	2025 Rates ^[1,2]	2025 Cost of Service	2025 Adjusted Cost of Service
5/8 - Inch	\$18.26	\$18.60	\$18.60
3/4 - Inch	\$18.26	\$18.60	\$18.60
1 - Inch	\$28.48	\$24.58	\$28.48
1 1/2 - Inch	\$54.21	\$44.50	\$54.21
2 - Inch	\$83.78	\$70.05	\$83.78
3 - Inch	\$155.68	\$133.87	\$155.68
4 - Inch	\$252.77	\$187.51	\$252.77
6 - Inch	\$501.35	\$346.23	\$501.35
8 - Inch	\$798.30	\$925.03	\$925.03
10 - Inch	\$1,149.99	\$1,372.45	\$1,372.45

[1] Outside City service charges are 1.5 times Inside City

[2] 2025 Ordinance 12, page 4 lists the 5/8" and 3/4" meter charge as \$18.26 while all other meter charge schedules list a fee of \$18.25 for inside City



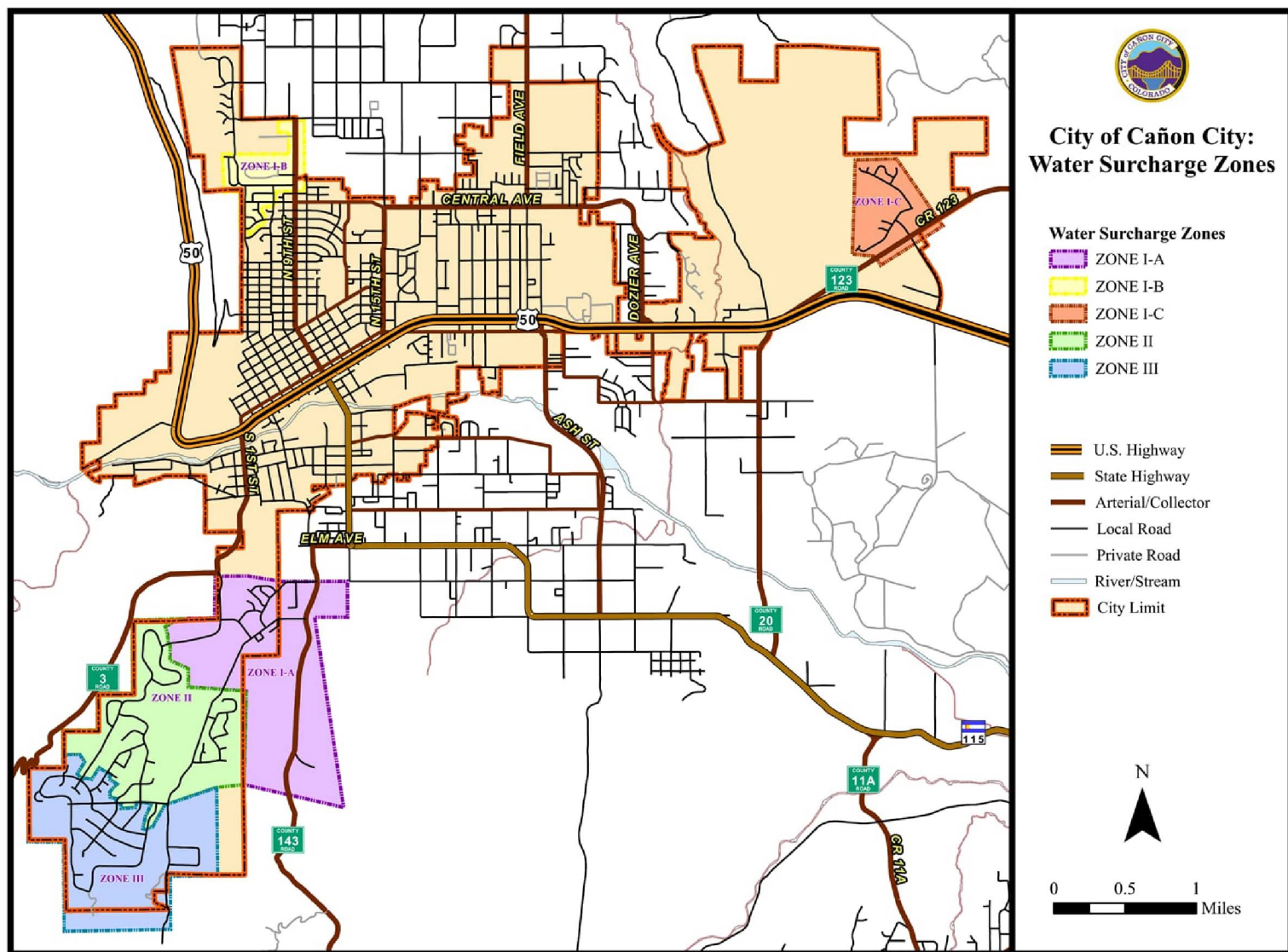
Comparison of existing and proposed volume rates, \$ per 1,000 gallons

Meter Size	Threshold	2025 Rates	2025 Cost of Service	2025 Adjusted Cost of Service
Residential				
Tier 1	0 – 4,000 gal	\$2.17	\$2.33	\$2.27
Tier 2	5,000 – 12,000 gal	\$4.32	\$4.64	\$4.52
Tier 3	> 12,000 gal	\$6.49	\$6.97	\$6.80
Commercial, all usage		\$3.52	\$3.20	\$3.52
Comm Multi-Unit, all usage		\$5.81	\$3.25	\$5.81
Municipal, all usage		\$2.76	\$4.68	\$2.77
Golf Course, all usage		\$2.76	\$4.82	\$2.76
Group User, all usage		\$4.80	\$4.86	\$4.80
[1] Outside City volume rates are 1.5 times Inside City				



Comparison of existing and proposed pumping rates, \$ per 1,000 gallons

Pumping Zone	2025 Rates	2025 Cost of Service	2025 Adjusted Cost of Service
PS 1A – Lower Dawson	\$0.82	\$1.30	\$0.82
PS 2 – Mid Dawson	\$1.16	\$1.39	\$1.16
PS 3 – Upper Dawson	\$1.79	\$3.17	\$1.79
PS 1B – North 9 th	\$0.57	\$2.06	\$0.76
PS 1C – Four Mile Ranch	\$0.57	\$1.01	\$0.57



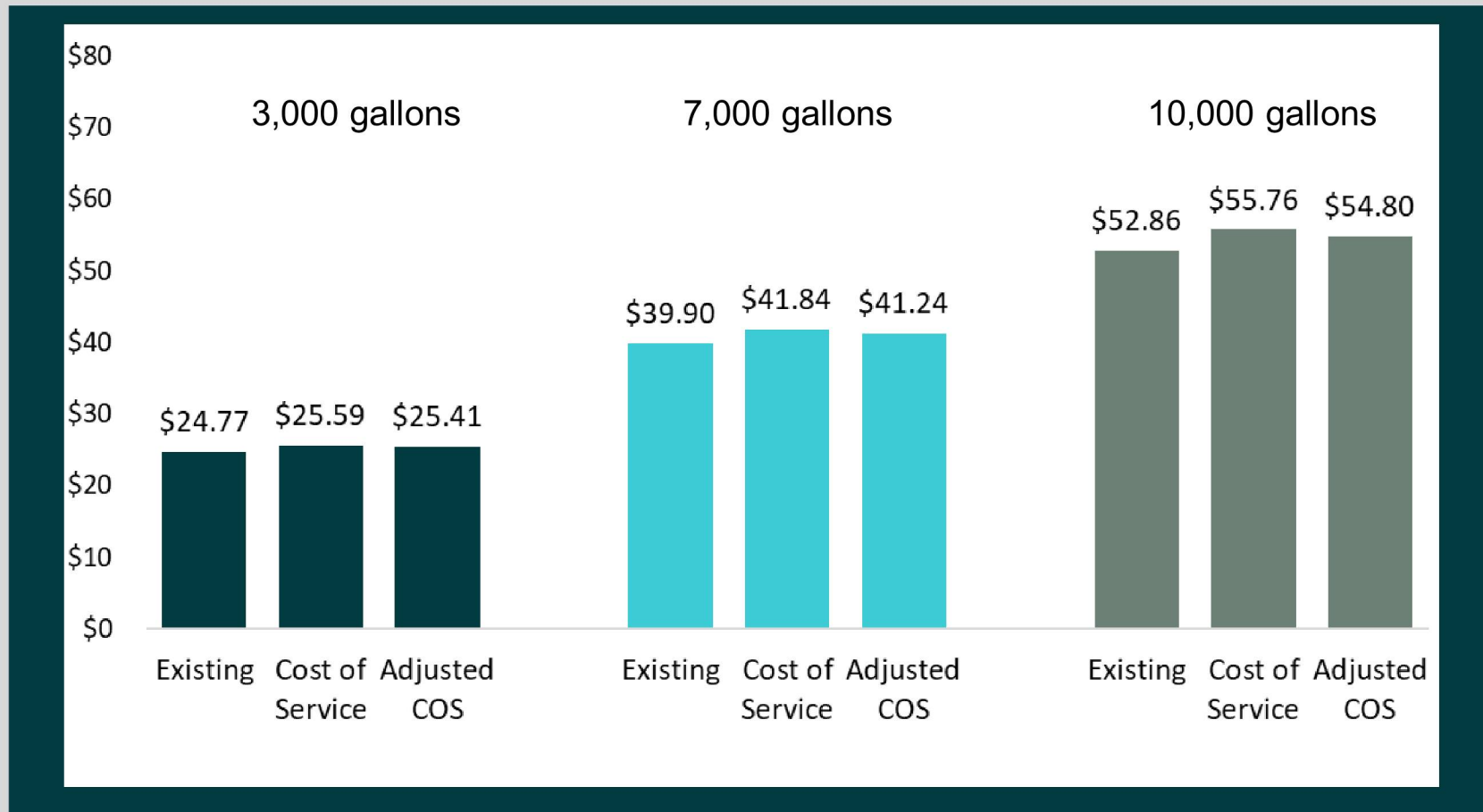


Proposed private fire line rates, \$ per bill, inside City only

Private Fireline Size	Proposed
1.5 inch	\$0.97
2 inch	\$2.07
3 inch	\$6.01
4 inch	\$12.82
6 inch	\$37.23
8 inch	\$79.33
10 inch	\$142.66
12 inch	\$230.43



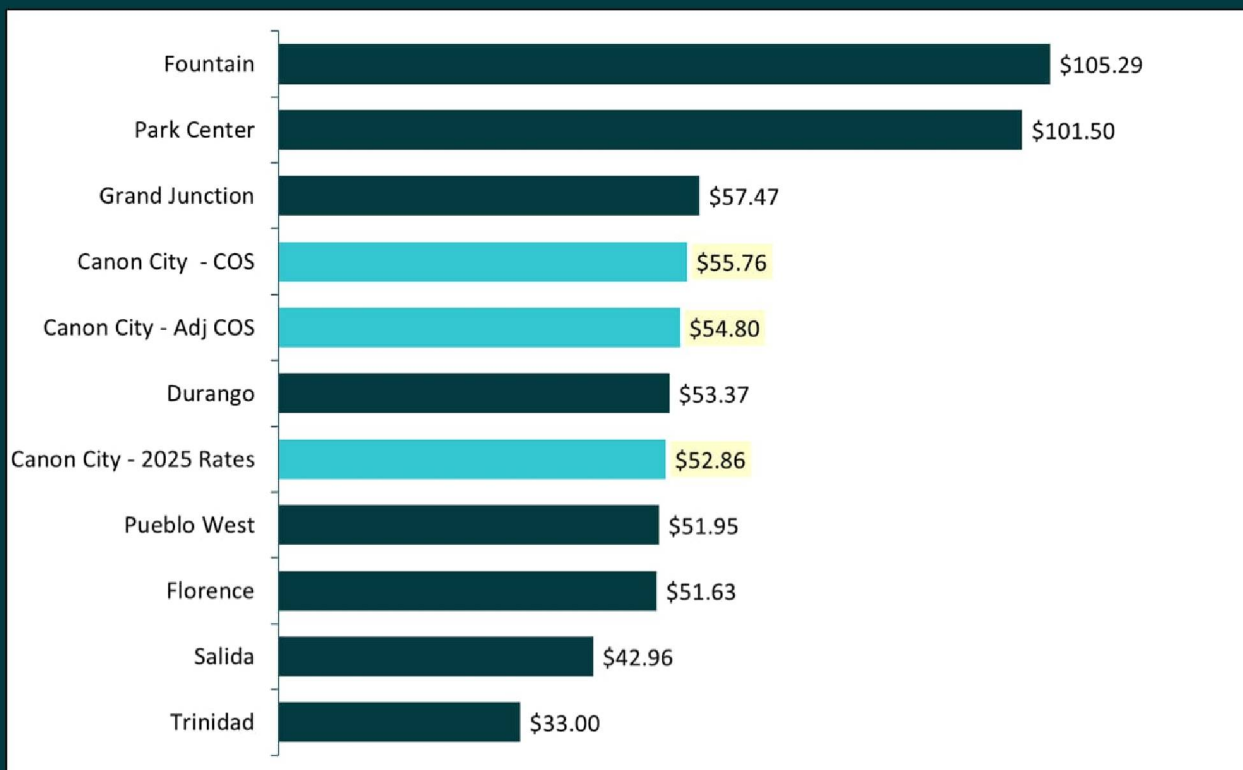
Residential ¾” meter bill impacts at various levels of consumption, inside City





Peer utility bill survey

Residential 3/4" meter, 10,000 gals/month, inside City





Thank you!

Contact: Todd Cristiano

303 305 1138 / tcristiano@raftelis.com

City of **Cañon City**

Water Financial Plan, Cost of Service, and Rate Design Study

Draft Report / January 27, 2025

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January 27, 2025

Mr. Travis Payne
Water Superintendent
City of Cañon City,
103 Tunnel Drive
Cañon City, CO 81212-1460

Subject: Water Financial Plan, Cost of Service, and Rate Study

Mr. Payne:

Raftelis is pleased to provide this water rate report prepared for the City of Cañon City (City). This study was completed through a collaborative effort with the City's staff. The primary goal of this study was to develop a new water rate structure that incorporated maintaining revenue stability, wise use of water and conservation, and proportional cost distribution between classes. This study included the following components:

- A 10-year financial plan cash flow for the water utility. This forecast determined the required amount of rate revenues needed to fund operation and maintenance (O&M) expenses, debt service, and capital projects net of connection fees, loans, and grants while maintaining debt service coverage and adequate reserves.
- A cost of service analysis to determine each customer classes' proportionate share of costs incurred to provide service.
- Rate structures which recover the customer class cost of service and incorporate the rate structure pricing objectives identified by City staff.

It has been a pleasure working with you, and we thank you and the City staff for the support provided during this study.

Sincerely,

A handwritten signature in black ink that reads 'Todd Cristiano'.

Todd Cristiano
Vice President

A handwritten signature in black ink that reads 'Cameron Okie'.

Cameron Okie
Manager

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1. Executive Summary

Introduction

The City of Cañon City (City) provides service to approximately 8,980 water customers. The City is financially self-sufficient with funding from capital and operating requirements derived primarily from rate revenues and other miscellaneous income. The City authorized this study to ensure that an adequate level of income from water rates is maintained to finance daily operations and to make sure rates are fair and aligned with the City's goals and community values. This study included the development of:

- A water financial plan for the 10-year study period, 2025 through 2034
- A water cost of service analysis to determine the cost to provide service to each customer class
- Rate design which incorporates the following pricing objectives: revenue stability, wise use of water and conservation, equitable distribution of costs between classes, and equitable distribution of costs between customers within a class

Raftelis used industry standard methodologies supported by the American Water Works Association (AWWA) *Principles of Water Rates, Fees, and Charges* M1 manual (M1 Manual) and Raftelis' expertise to develop these findings. Appendix A includes the detailed tables of the financial plan, cost of service, and rate design.

Findings and Conclusions

Financial Plan

Revenue from rates should be sufficient to fund operation and maintenance (O&M) expenses; payments on existing debt service; fund capital net of connection fees, grants, and loans; and meet target reserves and debt service coverage. To meet these requirements, equal annual revenue adjustments of 7.0% are needed in 2025 through 2034.

Cost of Service

The cost of service analysis determines the cost of providing water service to each customer class and provides guidance for the design of the proposed rates. Raftelis completed a comprehensive cost of service analysis for 2025 using standard methods supported by the AWWA in its M1 manual. Raftelis used the cost of service analysis to develop cost of service rates for the municipal and golf courses classes as well as private fireline rates which is a new class for the water utility. The independence of these classes in the cost of service analysis ensures that costs are recovered equitably and ensures that there are no subsidies between classes.

For the purposes of this study, Raftelis developed two cost of service schedules: cost of service and adjusted cost of service. Both schedules are based on the industry-accepted principles. However, the adjusted cost of service incorporates a policy objective that no customer classes' cost will be lower than the recovery from current 2025 rates. This over recovery is distributed to those classes that are experiencing an increase. Raftelis developed the class cost of service for both options (i.e., cost of service and adjusted cost of service) as well as the accompanying rate schedules.

Rate Design

In the development of the water rates schedules, a basic consideration is to establish equitable charges for customers commensurate with the cost of providing service. The existing rate structure includes a monthly service charge which varies by meter size and a volumetric rate. The volumetric rate for residential customers is a 3-tiered structure. Commercial, commercial multi-unit, parks, golf course, and municipal classes are assessed a uniform volumetric rate. Proposed rates retain the existing rate structure. Raftelis updated the current rate structure with the 2025 cost of service and adjusted cost of service rates. The adjusted cost of service rates are the greater of existing rates or the calculated adjusted cost of service rates. Outside City rates are 1.5 times inside City rates.

**Table 1: 2025 Rates, Cost of Service, and Adjusted Cost of Service Meter Charges
Inside City, \$ per bill**

Meter Size	2025 Rates ^[1,2]	2025 Cost of Service	2025 Adjusted Cost of Service
5/8 inch	\$18.26 [2]	\$18.60	\$18.60
3/4 inch	\$18.26	\$18.60	\$18.60
1 inch	\$28.48	\$24.58	\$28.48
1.5 inch	\$54.21	\$44.50	\$54.21
2 inch	\$83.78	\$70.05	\$83.78
3 inch	\$155.68	\$133.87	\$155.68
4 inch	\$252.77	\$187.51	\$252.77
6 inch	\$501.35	\$346.23	\$501.35
8 inch	\$798.30	\$925.03	\$925.03
10 inch	\$1,149.99	\$1,372.45	\$1,372.45

[1] Outside City rates are 1.5 times inside City
 [2] 2025 Ordinance 12, page 4 lists the 5/8" and 3/4" meter charge as \$18.26 while all other meter charge schedules list a fee of \$18.25 for inside City

**Table 2: 2025 Rates, Cost of Service, and Adjusted Cost of Service Volumetric Rates
Inside City, \$ per 1,000 gallons**

Class/Tier	Threshold	2025 Rates	2025 Cost of Service	2025 Adjusted Cost of Service
Residential				
Tier 1	0 – 4 kgal	\$2.17	\$2.33	\$2.27
Tier 2	5 - 12 kgal	\$4.32	\$4.64	\$4.52
Tier 3	Over 12 kgal	\$6.49	\$6.97	\$6.80
Commercial	All usage	\$3.52	\$3.20	\$3.52
Commercial Multi-Unit	All usage	\$5.81	\$3.25	\$5.81
Municipal, Parks	All usage	\$2.76	\$4.68	\$2.77
Golf Course	All usage	\$2.76	\$4.82	\$2.76
Group User	All usage	\$4.80	\$4.86	\$4.80

Outside City rates are 1.5 times Inside City

Table 3: 2025 and Cost of Service Pumping Zone Rates
\$ per 1,000 gallons

Pumping Zone	2025 Pumping Zone Rates	2025 Cost of Service Pumping Zone Rates	2025 Adjusted Cost of Service Pumping Zone Rates
PS 1A – Lower Dawson	\$0.82	\$1.30	\$0.82
PS 2 – Mid Dawson	\$1.16	\$1.39	\$1.16
PS 3 – Upper Dawson	\$1.79	\$3.17	\$1.79
PS 1B – North 9th	\$0.57	\$2.06	\$0.76
PS 1C – Four Mile Ranch	\$0.57	\$1.01	\$0.57

Table 4: Cost of Service Private Fireline Rates

Private Fireline Connection Size	2025 Cost of Service Rates
1.5 inch	\$0.97
2 inch	\$2.07
3 inch	\$6.01
4 inch	\$12.82
6 inch	\$37.23
8 inch	\$79.33
10 inch	\$142.66
12 inch	\$230.43
Inside City only	
Private fireline charges are the same under the cost of service and adjusted cost of service schedule	

Reliance on City-Provided Data

During this project, the City (and/or its representatives) provided Raftelis with a variety of technical information, including cost and revenue data. Raftelis did not independently assess or test the accuracy of such data – historic or projected. Raftelis has relied on this data in the formulation of our findings and subsequent recommendations, as well as in the preparation of this report. Raftelis also relied on cost allocation data provided by the City to complete the cost of service analysis.

There are often differences between actual and projected data. Some of the assumptions used for projections in this report will not be realized, and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between the data or results projected in this report and actual results achieved, and those differences may be material. As a result, Raftelis takes no responsibility for the accuracy of data or projections provided by or prepared on behalf of the City, nor do we have any responsibility for updating this report for events occurring after the date of this report.

DRAFT

2. Assumptions

Introduction

This study is based on numerous assumptions. Changes in these assumptions could materially affect the study findings. Below are general assumptions used for the water utility:

- The fiscal year is January 1 through December 31st
- The study period forecast is for the 10-year period, 2025 through 2034¹
- Customer growth rate is approximately 20 new ¾" accounts per year
- Costs will change as follows:
 - Capital costs will experience an annual increase of 4% due to inflation, as provided by the City's engineering consultant
 - The expected inflation rates for O&M expenses are:
 - General: 4.0%
 - Salary: 5.0%
 - Benefits: 5.0%
 - Utilities: 18.0% for year 2025 and 5% thereafter
- Proposed minimum reserve levels for each utility are as follows:
 - Operating fund: 110 days annual O&M
 - Capital reserve: \$1,600,000
 - Debt Service Reserve: 1-year of debt service payments
- Debt service:
 - The coverage requirement is to maintain the minimum of: 1) 10% of the proceeds of the 2017 Refunding and Improvement Certificates of Participation (COP) 2) the maximum annual debt service payment, or 3) 125% of the average annual debt service payments based on the revenue bond issuance requirements
 - State Revolving Fund (SRF) terms: assumed State Loan, 3.8% interest rate, 20-year term

¹ The cash flow tables include 2025 as the base year, or the year in which the model was developed, and is based on a combination of budgetary information and estimated values. The study forecast is for 2026 through 2034.

3. Water Utility

Introduction

The water utility is a self-supporting enterprise fund with funding sufficient to meet annual operating expenses, debt service, capital project costs, reserve targets, and debt service coverage.

The water utility currently serves a population of approximately 34,800 and maintains 156 miles of water mains, five pump stations, four finished storage tanks, 85 private fireline connections, and 1,086 public fire hydrants. Daily treated water is approximately 4.6 million gallons and increases to 6.8 million gallons during June to August.

Financial Plan

Total Utility Fund

Beginning Balance

The cash balance includes required reserves and unrestricted carryover monies from previous years. The estimated beginning fund balance is \$10.9 million at the beginning of 2025.

Sources of Funds

Of the estimated \$10.9 million beginning fund balance, \$1.43 million is reserved for water rights acquisitions and the remainder is for funding the annual operations of the utility. Major sources of revenue include rate revenue, tap fees, bulk water sales, interest income, and other operating revenue. For the budget year 2025, revenue at 2024 rates was projected to be \$8.7 million. At the time of this report, City Council had adopted a 7% increase to the 2024 rates. The projected revenue for 2025 is \$9.3 million. Revenue at the 2025 rates will increase annually by approximately \$11,000 based on the growth in the number of accounts. Tap fee revenue is projected to increase nominally over the study period. The sum of tap fees and all other non-rate revenues is projected to increase approximately \$10,000 annually. Interest income is calculated based on the average fund balance using a 4.5% effective interest rate.

Proceeds from tap fees and water rights fees are projected to have nominal increases through the study period. All other revenues remain constant throughout the study period. Interest income is calculated based on the average fund balance using a 4.5% effective interest rate.

SRF loans are anticipated for the Drinking Water Revolving Fund (DWRF) Grant Project and the Galvanized Service Line Replacement (GSLR) Project. The DWRF Grant Project loan totals \$5.0 million in 2025. The GSLR begins in 2028 with loans projected every other year: 2030, 2032, and 2034. SRF loans for the project total \$ 24.6 million. The disbursements for these loans will be spread across two years equal to the annual project costs.

Uses of Funds

Uses of funds include annual O&M expense, payments on existing and proposed debt, the capital improvement program (CIP), payment in lieu of taxes (PILOT), and other transfers out. Annual O&M expenses recover the cost to collect, treat, and deliver water to customers. O&M expense is projected to increase from \$7.7 million in 2025 to

\$10.5 million in 2034 or 3.5% annual increase. General fund transfers will decrease from \$1.1 million in 2027 to \$500,000 beginning in 2028. PILOT average \$375,000 annually.

Payments on the 2017 COP debt service average \$877,000 annually with the final payment in 2032. Payments on the proposed debt service begin in 2025. The 2025 proposed debt service payment is projected to be a half years' payment with full payments beginning in the following year. The proposed debt service payments will increase as the City draws down on funds for the GSLR Project.

Projects include main repair and replacement, treated storage projects, and other miscellaneous improvements. Main replacements make up a majority of the costs and total \$5.3 million over the study period. The CIP was developed by JVA Engineers. Raw water purchases are for the acquisition of water rights to support augmentation plans and drought emergencies.

Revenue Requirements

Revenue requirements include O&M, debt service, and CIP costs. O&M includes the cost to collect, treat, and distribute water to customers. Major O&M expenses include salaries and wages, benefits, chemicals and lab expenses, and utilities. Salaries, wages, and benefits will increase from \$4 million in 2025 to \$6 million in 2034. Salaries and wages include an annual inflation of 5.0%.

The 2017 Refunding and Improvement COP is the only outstanding debt issues for the water utility. Payments for this debt will be relatively constant at \$880 thousand in 2025 to 2032. This debt obligation will end in 2032.

Capital projects include main repair replacement, raw water purchases, vehicle replacements, storage tank rehabilitation, and equipment condition assessments. The 10-year CIP totals \$51.5 million. The CIP will be funded by SRF loans, reserves, and rate revenues.

Reserves and Debt Service Coverage

The City requires a minimum fund balance of 75 days of annual O&M expenses for operating reserves, \$1.6 MM for capital reserves, and one year of the annual debt service payments for the debt service reserves. The operating reserve tracks and adjusts based on changes in O&M, and the debt service reserve changes based on current debt payments. The primary goal of the operating reserve is to absorb cash flow fluctuations due to the variability in monthly expenditures and the inflow of revenues. Per the 2017 COP debt issue, the City is also required to maintain the minimum of: 1) 10% of the proceeds of the 2017 Series, 2) the maximum annual debt service payment, or 3) 125% of the average annual debt service payments. Reserves and debt service coverage are adequate through the study period, and the City is meeting all three of the requirements listed above in the 2017 COP debt issue.

Combined, these reserves strengthen the utility's financial health and ability to weather unexpected operating costs or capital interruptions. Maintaining adequate funds also prevents the utility from reactively having to adjust rates in response to unforeseen events.

Indicated Revenue Adjustments

Rate revenue should be sufficient to meet annual O&M, debt service, capital project costs, debt service coverage, and target reserves. Equal annual adjustments of 7% are needed in 2025 through 2034. Figure 1 below summarizes total revenues versus total expenditures. Figure 2 below summarizes the operating and raw water fund results.

Figure 1: Water Revenues and Expenditures

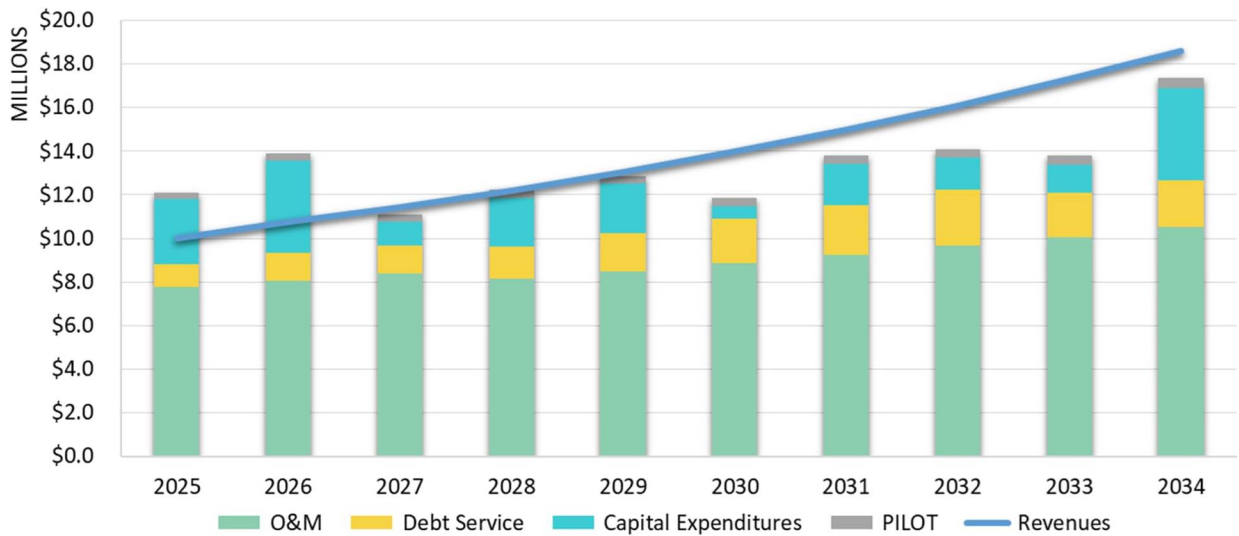
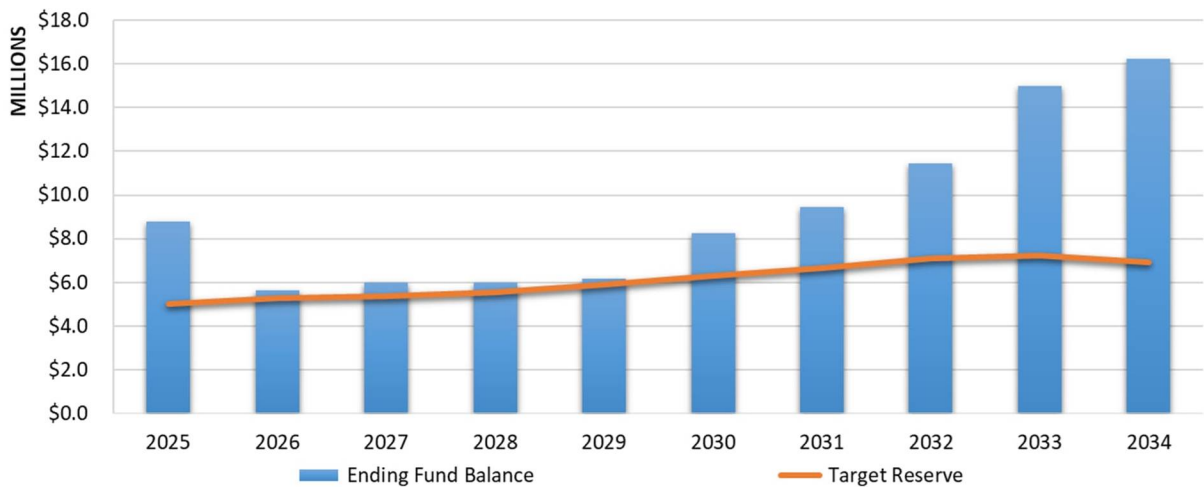


Figure 2: Ending Fund Balance and Target Reserves



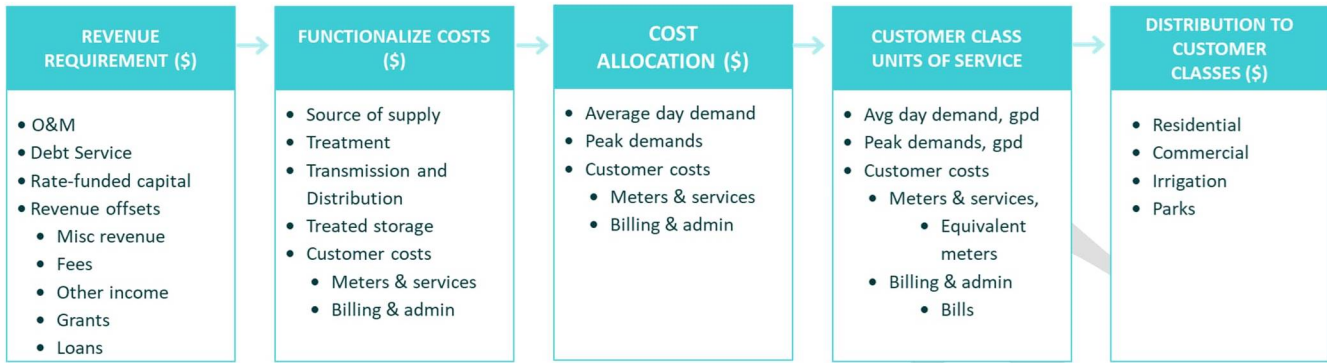
Cost of Service

Raftelis completed this comprehensive cost of service analysis by standard methods supported by the AWWA in its M1 manual. This analysis determines the cost of providing water service to each customer class and guides the design of the proposed rates. The general steps of the cost of service analysis are:

1. **Revenue requirement.** Determine the level of revenue required from rates. The revenue requirement includes expenditures in the operating fund: O&M, capital repair and replacement costs, reserves, and changes in fund balance.
2. **Cost functionalization.** Assign the detailed costs in the revenue requirements to functional areas in the system. Functional areas or facilities include water treatment, transmission and distribution, storage, source of supply, meters and services, and billing and administrative costs. Costs are functionalized based on the facility that has the most influence on that expense. For example, chemical costs are most influenced by treatment processes so those costs would be allocated to the water treatment category.
3. **Demand parameters and customer characteristics** Functional costs can be allocated to demand parameters and customer characteristics based on the design or operational parameter of the facility. Demand parameters include average day demands and peak demands. Average day refers to the average demands on the system, and peak demand represents the highest rate of use of a particular time period. Customer characteristics include the number of accounts by meter size and bills. Each facility is designed to meet specific design requirements in the system. Water treatment facilities are designed and operated to meet maximum day demands. As a result, a portion of water treatment costs would be allocated to the average day demand category and a portion to the peak demand category.
4. **Units of service** The units of service capture the demand and customer characteristics for each customer class and for the total system. These characteristics include average day demand, peak demand, number of accounts by meter size, and the number of bills.
5. **Distribution of costs to customer classes** Because customer classes are defined by their demand parameters (average day and peak demands) and the account makeup (meters by meter sizes), the allocated costs can be proportionately distributed to each class based on their specific demand and customer characteristics. For example, if the residential customer class represents 50% of total peak day demands, they would be allocated 50% of the allocated peak day demand costs.

The Figure 3 below illustrates the cost allocation process for the water utility.

Figure 3: Water Cost of Service Process



This study includes cost of service rates and an *adjusted* cost of service alternative set of rates. Both schedules are based on the industry-accepted principles. The cost of service rates are rates based on the cost to serve those customers. The *adjusted* cost of service incorporates a policy objective that no customer classes' cost will be lower than the recovery from current 2025 rates. This over recovery is distributed to those classes that are experiencing an increase. Raftelis developed the class cost of service for both options (i.e., cost of service and *adjusted* cost of service) as well as the accompanying rate schedules.

Table 5 compares the 2025 cost of service by customer class to 2025 revenue under 2025 rates which incorporates a 7% increase that was adopted by the City Council in December 2024 and implemented in January 1, 2025.

Table 5: Comparison of Test Year 2025 Cost of Service to Revenue Under 2025 Rates

Customer Class	2025 Cost of Service	2025 Revenue at Existing Rates	Change - \$	Change - %
Residential	\$4,821,701	\$4,762,104	\$59,597	1.3%
Commercial	\$2,361,250	\$2,562,932	(\$201,682)	-7.9%
Commercial - Multi-Unit	\$757,754	\$1,232,053	(\$474,299)	-38.5%
Cotter Water Diversion	\$33,189	\$33,189	\$0	0.0%
Municipal	\$479,021	\$303,791	\$175,230	57.7%
Group User Rate	\$60,219	\$65,570	(\$5,351)	-8.2%
Pumping	\$417,327	\$154,346	\$262,981	170.4%
Golf Course	\$349,062	\$203,507	\$145,555	71.5%
Private Fire	\$37,970	N/A	\$37,970	N/A
Total	\$9,317,491	\$9,317,491	\$0	0%

Table 6 compares the 2025 adjusted cost of service alternative by customer class to 2025 revenue under 2025 rates which incorporates a 7% increase that was adopted by the City Council in December 2024 and implemented in January 1, 2025. The cost of service analysis showed the commercial, commercial multi-unit, and group user rates were over recovering by approximately \$681,332 under the 2025 rates. This amount was redistributed to the customer classes whose cost of service was greater than the revenue at 2025 rates. A portion of the \$643,363 was allocated to residential, municipal, pumping, and golf course customer classes. This credit effectively reduced the

change in the cost of service to 0% for each class. Because the \$681,332 over-recovery exceeded the amount required to reduce the cost of service to 0% for the other classes, there is a slight over-recovery in the total revenue requirement.

Table 6: Comparison of Test Year 2025 *Adjusted* Cost of Service Alternative to Revenue Under 2025 Rates

Customer Class	2025 Adjusted Cost of Service	2025 Revenue at Existing Rates	Change - \$	Change - %
Residential	\$4,762,104	\$4,762,104	\$0	0%
Commercial	\$2,562,932	\$2,562,932	\$0	0%
Commercial - Multi-Unit	\$1,232,053	\$1,232,053	\$0	0%
Cotter Water Diversion	\$33,189	\$33,189	\$0	0%
Municipal	\$303,791	\$303,791	\$0	0%
Group User Rate	\$65,570	\$65,570	\$0	0%
Pumping	\$154,346	\$154,346	\$0	0%
Golf Course	\$203,507	\$203,507	\$0	0%
Private Fire Protection	\$37,970	N/A	\$37,970	N/A
Total	\$9,355,461	\$9,317,491	\$37,970	0.4%

Rate Design

In the development of schedules of water rates, a basic consideration is to establish equitable charges to customers commensurate with the cost of providing service. Raftelis developed rates for 2025 based on the cost of service analysis. The residential and commercial customer classes contain inside City and outside City rates, and outside City rates are 1.5 times inside City rates.

The existing rate structure includes a monthly service charge by meter size. The volumetric rate is a 3-tiered structure for the residential class. The first tier includes usage between 0 and 4,000 gallons, the second tier includes usage between 5,000 and 12,000 gallons, and third tier includes usage above 12,000 gallons. The volumetric rate for all other classes is a uniform rate. In addition, there are five pumping zone rates charged on a per 1,000 gallon basis. This study also includes private fireline rates which are new rates for the City to recover costs related to private fire protection. Tables 7, 8, 9, and 10 compare the 2025 rates, 2025 cost of service rates, and 2025 adjusted cost of service rates. The adjusted cost of service rates are the greater of existing rates or the calculated adjusted cost of service rates.

**Table 7: 2025 Rates, Cost of Service, and Adjusted Cost of Service Meter Charges
Inside City, \$ per bill**

Meter Size	2025 Rates ^[1,2]	2025 Cost of Service	2025 Adjusted Cost of Service
5/8 inch	\$18.26 [2]	\$18.60	\$18.60
3/4 inch	\$18.26	\$18.60	\$18.60
1 inch	\$28.48	\$24.58	\$28.48
1.5 inch	\$54.21	\$44.50	\$54.21
2 inch	\$83.78	\$70.05	\$83.78
3 inch	\$155.68	\$133.87	\$155.68
4 inch	\$252.77	\$187.51	\$252.77
6 inch	\$501.35	\$346.23	\$501.35
8 inch	\$798.30	\$925.03	\$925.03
10 inch	\$1,149.99	\$1,372.45	\$1,372.45

[1] Outside City rates are 1.5 times inside City

[2] 2025 Ordinance 12, page 4 lists the 5/8" and 3/4" meter charge as \$18.26 while all other meter charge schedules list a fee of \$18.25 for inside City

**Table 8: 2025 Rates, Cost of Service, and Adjusted Cost of Service Volumetric Rates
Inside City, \$ per 1,000 gallons**

Class/Tier	Threshold	2025 Rates	2025 Cost of Service	2025 Adjusted Cost of Service
Residential				
Tier 1	0 – 4 kgal	\$2.17	\$2.33	\$2.27
Tier 2	5 - 12 kgal	\$4.32	\$4.64	\$4.52
Tier 3	Over 12 kgal	\$6.49	\$6.97	\$6.80
Commercial	All usage	\$3.52	\$3.20	\$3.52
Commercial Multi-Unit	All usage	\$5.81	\$3.25	\$5.81
Municipal, Parks	All usage	\$2.76	\$4.68	\$2.77
Golf Course	All usage	\$2.76	\$4.82	\$2.76
Group User	All usage	\$4.80	\$4.86	\$4.80

Outside City rates are 1.5 times Inside City

**Table 9: 2025 and Cost of Service Pumping Zone Rates
\$ per 1,000 gallons**

Pumping Zone	2025 Pumping Zone Rates	2025 Cost of Service Pumping Zone Rates	2025 Adjusted Cost of Service Pumping Zone Rates
PS 1A – Lower Dawson	\$0.82	\$1.30	\$0.82
PS 2 – Mid Dawson	\$1.16	\$1.39	\$1.16
PS 3 – Upper Dawson	\$1.79	\$3.17	\$1.79
PS 1B – North 9th	\$0.57	\$2.06	\$0.76
PS 1C – Four Mile Ranch	\$0.57	\$1.01	\$0.57

Figure 4: Water Pump Zone Map

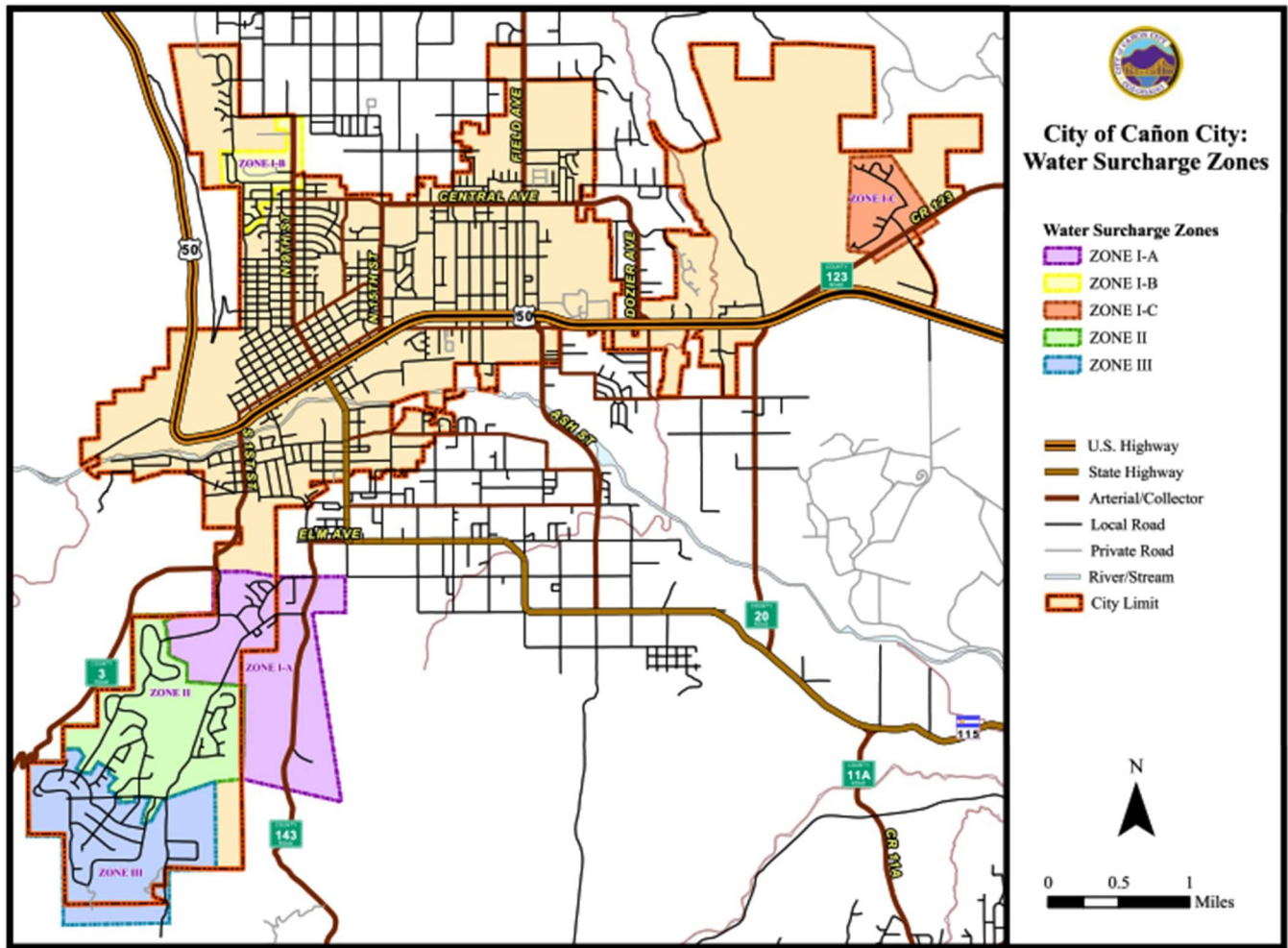


Table 10: Cost of Service Private Fireline Rates

Private Fireline Connection Size	2025 Cost of Service Rates
1.5 inch	\$0.97
2 inch	\$2.07
3 inch	\$6.01
4 inch	\$12.82
6 inch	\$37.23
8 inch	\$79.33
10 inch	\$142.66
12 inch	\$230.43
Inside City only Private fireline charges are the same under the cost of service and adjusted cost of service schedule	

APPENDIX A:

Financial Plan

Canon City, CO Water Rate and Fee Study Water Utility Operations Subfund Cash Flow								TABLE: SCHEDULE: DATE: RANGE:		A-1 WTR CASH FLOW 1/27/2025 PRT_WCashFlow01	
Line No.	Description	Estimate	Projected								
		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues											
1	Revenue at Existing Rates	8,707,936	8,718,736	8,729,577	8,740,459	8,751,382	8,762,347	8,773,353	8,784,401	8,795,490	8,806,621
2	Additional Rate Revenue Required	609,556	1,263,345	1,964,530	2,716,500	3,522,884	4,387,573	5,314,735	6,308,835	7,374,660	8,517,336
3	Total Rate Revenues	9,317,491	9,982,081	10,694,107	11,456,959	12,274,267	13,149,920	14,088,088	15,093,236	16,170,150	17,323,957
4	Hydrant Sales	37,450	40,072	42,877	45,878	49,089	52,526	56,202	60,137	64,346	68,850
5	Account Maintenance Fees	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
6	Interdepartmental Sale	0	0	0	0	0	0	0	0	0	0
7	Bulk Water Sales	107,000	114,490	122,504	131,080	140,255	150,073	160,578	171,819	183,846	196,715
8	Augmentation Water Sales	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
9	Other Revenues	91,550	91,556	91,562	91,568	91,574	91,580	91,587	91,593	91,599	91,605
10	Interest Income	217,084	258,165	192,992	197,582	198,511	246,882	318,224	387,013	507,955	612,106
11	Total Revenues	9,803,076	10,518,864	11,176,542	11,955,567	12,786,196	13,723,481	14,747,179	15,836,297	17,050,396	18,325,733
Operating Expenditures											
12	Admin	49,950	51,948	54,026	56,187	58,434	60,772	63,203	65,731	68,360	71,094
13	Labor	3,959,354	4,154,482	4,359,252	4,574,143	4,799,656	5,036,316	5,284,676	5,545,317	5,818,845	6,105,901
14	Operations	984,750	1,024,281	1,065,400	1,108,172	1,152,662	1,198,940	1,247,077	1,297,149	1,349,234	1,403,411
15	Capital/Equipment	881,900	917,176	953,863	992,018	1,031,698	1,072,966	1,115,885	1,160,520	1,206,941	1,255,219
16	Transfer to General Fund	1,102,484	1,102,484	1,102,484	500,000	500,000	500,000	500,000	500,000	500,000	500,000
17	Other	783,450	819,883	858,028	897,966	939,783	983,568	1,029,413	1,077,417	1,127,683	1,180,318
18	Unallocated	0	0	0	0	0	0	0	0	0	0
19	Total Operating Expenditures	7,761,888	8,070,254	8,393,054	8,128,486	8,482,233	8,852,561	9,240,254	9,646,134	10,071,063	10,515,943
20	Net Revenue Available for Debt Service	2,041,188	2,448,610	2,783,489	3,827,081	4,303,963	4,870,920	5,506,925	6,190,163	6,979,333	7,809,790
Debt Service											
21	Existing Bond Debt Service	879,361	879,550	874,178	878,384	871,877	874,969	877,349	879,026	0	0
22	Proposed Debt Service	194,743	389,486	389,486	637,362	885,239	1,153,337	1,421,436	1,711,412	2,001,388	2,155,134
23	Total Debt Service	1,074,103	1,269,036	1,263,663	1,515,746	1,757,116	2,028,306	2,298,784	2,590,438	2,001,388	2,155,134
24	Payment In Lieu of Taxes	(312,000)	(324,480)	(337,459)	(350,958)	(364,996)	(379,596)	(394,780)	(410,571)	(426,994)	(444,073)
25	Transfer to Tap Fee Subfund (Optional)										
26	Transfer from Tap Fee Subfund for Growth-Related Debt Service										
24	Transfer to Capital Subfund for Non-Growth-Relate	(2,768,931)	(4,027,059)	(906,982)	(2,031,761)	(2,069,174)	(425,880)	(1,679,717)	(1,265,511)	(1,099,398)	(4,033,230)
25	Net Cashflow	(2,113,846)	(3,171,965)	275,385	(71,384)	112,677	2,037,138	1,133,644	1,923,644	3,451,554	1,177,353
27	Beginning of Year Cash	9,436,828	7,322,982	4,151,016	4,426,401	4,355,017	4,467,695	6,504,832	7,638,477	9,562,120	13,013,674
28	Restricted Cash	0	0	0	0	0	0	0	0	0	0
29	Beginning Fund Balance	9,436,828	7,322,982	4,151,016	4,426,401	4,355,017	4,467,695	6,504,832	7,638,477	9,562,120	13,013,674
30	Ending Balance	7,322,982	4,151,016	4,426,401	4,355,017	4,467,695	6,504,832	7,638,477	9,562,120	13,013,674	14,191,027
Utility Fund Ending Balance and Reserves											
31	Operating Fund Ending Balance	7,322,982	4,151,016	4,426,401	4,355,017	4,467,695	6,504,832	7,638,477	9,562,120	13,013,674	14,191,027
32	Raw Water Fund Ending Balance	1,452,390	1,507,677	1,565,605	1,626,295	1,689,876	1,756,480	1,826,247	1,899,324	1,975,862	2,056,022
33	Total Water Utility Fund Balance	8,775,371	5,658,693	5,992,006	5,981,312	6,157,570	8,261,312	9,464,724	11,461,444	14,989,536	16,247,049
Target Reserves											
33	Operating	2,328,566	2,421,076	2,517,916	2,438,546	2,544,670	2,655,768	2,772,076	2,893,840	3,021,319	3,154,783
35	Debt Service	1,074,103	1,269,036	1,263,663	1,515,746	1,757,116	2,028,306	2,298,784	2,590,438	2,590,438	2,155,134
36	Capital Reserve	1,600,000	1,600,003	1,600,004	1,600,005	1,600,006	1,600,007	1,600,008	1,600,009	1,600,010	1,600,011
37	Total Target Reserves	5,002,670	5,290,115	5,381,583	5,554,296	5,901,792	6,284,082	6,670,869	7,084,287	7,211,766	6,909,928
38	Unrestricted Reserves (Line 32 - Line 36)	3,772,701	368,578	610,422	427,016	255,779	1,977,231	2,793,855	4,377,157	7,777,770	9,337,121
39	DSC – Annual Debt Service	190%	193%	220%	252%	245%	240%	240%	239%	349%	362%
40	Annual Revenue Adjustments	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
41	Cumulative Revenue Adjustments	7.0%	14.5%	22.5%	31.1%	40.3%	50.1%	60.6%	71.8%	83.8%	96.7%

Canon City, CO Water Rate and Fee Study Water Utility Capital Improvement Subfund Cash Flow								TABLE: SCHEDULE: DATE: RANGE:		A-2 CASH FLOW 1/27/2025	
Line No.	Description	Estimate	Projected								
		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenue											
1	Transfer from Operations Subfund	2,768,931	4,027,059	906,982	2,031,761	2,069,174	425,880	1,679,717	1,265,511	1,099,398	4,033,230
2	Tap Fees	175,662	176,326	176,993	177,663	178,335	179,009	179,686	180,366	181,048	181,733
3	Interest Income	0	0	0	0	0	0	0	0	0	0
4	Total Revenue	2,944,593	4,203,386	1,083,975	2,209,424	2,247,509	604,889	1,859,403	1,445,876	1,280,445	4,214,963
Capital Expenditures											
5	Transfer to Raw Water Acquisition Subfund	24,593	24,686	24,779	24,873	24,967	25,061	25,156	25,251	25,347	25,443
6	CIP	7,920,000	4,178,700	1,059,196	5,304,251	5,467,042	3,954,028	5,343,447	5,070,225	5,050,599	8,136,920
7	Total Capital Expenditures	7,944,593	4,203,386	1,083,975	5,329,124	5,492,009	3,979,089	5,368,603	5,095,476	5,075,945	8,162,363
Capital Funding											
8	Net Bond Proceeds	5,000,000	0	0	3,119,700	3,244,500	3,374,200	3,509,200	3,649,600	3,795,500	3,947,400
9	Grants	0	0	0	0	0	0	0	0	0	0
10	Total Capital Funding Sources	5,000,000	0	0	3,119,700	3,244,500	3,374,200	3,509,200	3,649,600	3,795,500	3,947,400
11	Net Cashflow	0	0	0	0	0	0	0	0	0	0
12	Beginning of Year Cash	0	0	0	0	0	0	0	0	0	0
13	End of Year Cash	0	0	0	0	0	0	0	0	0	0
14	Unspent Bond Proceeds	0	0	0	0	0	0	0	0	0	0
15	End of Year Cash - Unrestricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Canon City, CO Water Rate and Fee Study Water Utility Raw Water Acquisition Subfund Cash Flow									TABLE: SCHEDULE: DATE: RANGE:		A-3 WTR - CASH FLOW 1/27/2025
Line No.	Description	Estimate	Projected								
		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues											
1	Raw Water Revenue from Tap Fees	\$24,593	\$24,686	\$24,779	\$24,873	\$24,967	\$25,061	\$25,156	\$25,251	\$25,347	\$25,443
2	Other Income										
3	Interest Income	32,916	66,601	69,149	71,818	74,614	77,543	80,611	83,825	87,192	90,717
4	Total Revenues	57,509	91,287	93,928	96,691	99,581	102,604	105,767	109,077	112,538	116,160
Uses of Funds											
5	Raw Water Purchases	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000
5	Capital Outlay										
6	Total Uses of Funds	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
7	Net Cashflow	21,509	55,287	57,928	60,691	63,581	66,604	69,767	73,077	76,538	80,160
8	Beginning of Year Cash	1,430,881	1,452,390	1,507,677	1,565,605	1,626,295	1,689,876	1,756,480	1,826,247	1,899,324	1,975,862
9	End of Year Cash	1,452,390	1,507,677	1,565,605	1,626,295	1,689,876	1,756,480	1,826,247	1,899,324	1,975,862	2,056,022
10	Reserves	0	0	0	0	0	0	0	0	0	0
11	End of Year Cash - Unrestricted	\$1,452,390	\$1,507,677	\$1,565,605	\$1,626,295	\$1,689,876	\$1,756,480	\$1,826,247	\$1,899,324	\$1,975,862	\$2,056,022
12	Percent of Tap Fees to Raw Water Fund	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%

Canon City, CO Water Rate and Fee Study O&M - Water Utility										TABLE: Schedule: Date: Range:		A-4 Water - O&M 1/27/2025 PRT_W_OM	
Budget Code	Description	Escalation	Budget 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034	
Water Administration													
50-490-913-110	Salaries & Wages	Labor	\$577,350	606,218	636,528	668,355	701,773	736,861	773,704	812,389	853,009	895,659	
50-490-913-121	Overtime-Permanent	Labor	0	0	0	0	0	0	0	0	0	0	
50-490-913-134	PTO Cash Out	Labor	0	0	0	0	0	0	0	0	0	0	
50-490-913-135	Longevity Pay	Labor	3,450	3,623	3,804	3,994	4,193	4,403	4,623	4,854	5,097	5,352	
50-490-913-137	Uniform/Boot Allowance	Labor	0	0	0	0	0	0	0	0	0	0	
50-490-913-141	Unemployment Insurance	Labor	0	0	0	0	0	0	0	0	0	0	
50-490-913-142	Workers' Compensation	Labor	1,000	1,050	1,103	1,158	1,216	1,276	1,340	1,407	1,477	1,551	
50-490-913-143	Life & Health Insurance	Labor	155,204	162,964	171,112	179,668	188,651	198,084	207,988	218,388	229,307	240,772	
50-490-913-144	FICA Taxes	Labor	56,875	59,719	62,705	65,840	69,132	72,589	76,218	80,029	84,030	88,232	
50-490-913-145	City Retirement	Labor	28,675	30,109	31,614	33,195	34,855	36,597	38,427	40,349	42,366	44,484	
50-490-913-200	Office Supplies	Inflation	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423	
50-490-913-205	Small Items of Equipment	Inflation	500	520	541	562	585	608	633	658	684	712	
50-490-913-210	Operating Supplies - General	Inflation	100	104	108	112	117	122	127	132	137	142	
50-490-913-300	Professional Services	Inflation	125,000	130,000	135,200	140,608	146,232	152,082	158,165	164,491	171,071	177,914	
50-490-913-305	Contracted Services - General	Inflation	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423	
50-490-913-312	Software Titles	Inflation	32,000	33,280	34,611	35,996	37,435	38,933	40,490	42,110	43,794	45,546	
50-490-913-320	Printing	Inflation	0	0	0	0	0	0	0	0	0	0	
50-490-913-325	Publications/Advertising	Inflation	3,000	3,120	3,245	3,375	3,510	3,650	3,796	3,948	4,106	4,270	
50-490-913-330	Subscriptions/Membership Fees	Inflation	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423	
50-490-913-335	Travel & Training	Inflation	4,000	4,160	4,326	4,499	4,679	4,867	5,061	5,264	5,474	5,693	
50-490-913-337	Tuition Reimbursement	Inflation	10,000	10,400	10,816	11,249	11,699	12,167	12,653	13,159	13,686	14,233	
50-490-913-350	Other Fees & Charges	Inflation	300,000	312,000	324,480	337,459	350,958	364,996	379,596	394,780	410,571	426,994	
50-490-913-355	Insurance Bonds	Inflation	315,000	327,600	340,704	354,332	368,505	383,246	398,575	414,519	431,099	448,343	
50-490-913-356	Property/Casulaty Insurance Deductibles	Inflation	10,000	10,400	10,816	11,249	11,699	12,167	12,653	13,159	13,686	14,233	
50-490-913-380	Telephone/Voice/Data	Inflation	0	0	0	0	0	0	0	0	0	0	
50-490-913-726	GIS Authority	Inflation	56,000	58,240	60,570	62,992	65,512	68,133	70,858	73,692	76,640	79,705	
50-490-913-741	Bad Debt Expense	Inflation	500	520	541	562	585	608	633	658	684	712	
Utility Billing													
50-490-914-110	Salaries & Wages	Labor	96,000	100,800	105,840	111,132	116,689	122,523	128,649	135,082	141,836	148,928	
50-490-914-121	Overtime-Permanent	Labor	0	0	0	0	0	0	0	0	0	0	
50-490-914-134	PTO Payoff	Labor	0	0	0	0	0	0	0	0	0	0	
50-490-914-135	Longevity Pay	Labor	0	0	0	0	0	0	0	0	0	0	
50-490-914-142	Workers' Compensation	Labor	200	210	221	232	243	255	268	281	295	310	
50-490-914-143	Life & Health Insurance	Labor	33,000	34,650	36,383	38,202	40,112	42,117	44,223	46,434	48,756	51,194	
50-490-914-144	FICA Taxes	Labor	7,400	7,770	8,159	8,566	8,995	9,444	9,917	10,413	10,933	11,480	
50-490-914-145	City Retirement	Labor	4,800	5,040	5,292	5,557	5,834	6,126	6,432	6,754	7,092	7,446	
50-490-914-200	Office Supplies	Inflation	500	520	541	562	585	608	633	658	684	712	
50-490-914-205	Small Items of Equipment	Inflation	750	780	811	844	877	912	949	987	1,026	1,067	
50-490-914-300	Professional Services	Inflation	0	0	0	0	0	0	0	0	0	0	
50-490-914-305	Contracted Services-General	Inflation	30,000	31,200	32,448	33,746	35,096	36,500	37,960	39,478	41,057	42,699	
50-490-914-312	Software Titles	Inflation	0	0	0	0	0	0	0	0	0	0	
50-490-914-315	Postage/Freight	Inflation	60,000	62,400	64,896	67,492	70,192	72,999	75,919	78,956	82,114	85,399	
50-490-914-320	Printing	Inflation	500	520	541	562	585	608	633	658	684	712	
50-490-914-330	Subscriptions/Membership Fees	Inflation	250	260	270	281	292	304	316	329	342	356	
50-490-914-335	Travel & Training	Inflation	4,000	4,160	4,326	4,499	4,679	4,867	5,061	5,264	5,474	5,693	
50-490-914-350	Other Fees & Charges	Inflation	175,000	182,000	189,280	196,851	204,725	212,914	221,431	230,288	239,500	249,080	

Canon City, CO
Water Rate and Fee Study
O&M - Water Utility

TABLE:
Schedule:
Date:
Range:

A-4
Water - O&M
1/27/2025
PRT_W_OM

Budget Code	Description	Escalation	Budget 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034
Water Treatment												
50-490-922-110	Salaries & Wages	Inflation										
50-490-922-121	Overtime-Permanent	Labor	848,000	890,400	934,920	981,666	1,030,749	1,082,287	1,136,401	1,193,221	1,252,882	1,315,526
50-490-922-123	Holiday Pay	Labor	23,000	24,150	25,358	26,625	27,957	29,354	30,822	32,363	33,981	35,681
50-490-922-134	Vacation/Sick Leave Payoff	Labor	0	0	0	0	0	0	0	0	0	0
50-490-922-135	Longevity Pay	Labor	0	0	0	0	0	0	0	0	0	0
50-490-922-137	Uniform/Boot Allowance	Labor	6,600	6,930	7,277	7,640	8,022	8,423	8,845	9,287	9,751	10,239
50-490-922-142	Workers' Compensation	Labor	2,400	2,520	2,646	2,778	2,917	3,063	3,216	3,377	3,546	3,723
50-490-922-143	Life & Health Insurance	Labor	25,000	26,250	27,563	28,941	30,388	31,907	33,502	35,178	36,936	38,783
50-490-922-144	FICA Taxes	Labor	235,000	246,750	259,088	272,042	285,644	299,926	314,922	330,669	347,202	364,562
50-490-922-145	City Retirement	Labor	65,500	68,775	72,214	75,824	79,616	83,596	87,776	92,165	96,773	101,612
50-490-922-200	Office Supplies	Labor	83,300	87,465	91,838	96,430	101,252	106,314	111,630	117,211	123,072	129,226
50-490-922-205	Small Items of Equipment	Inflation	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423
50-490-922-210	Operating Supplies-General	Inflation	13,600	14,144	14,710	15,298	15,910	16,546	17,208	17,897	18,613	19,357
50-490-922-215	Operating Supplies-Equip/Maint.	Inflation	25,800	26,832	27,905	29,021	30,182	31,390	32,645	33,951	35,309	36,721
50-490-922-220	Operating Supplies-Bldg. Materials	Inflation	0	0	0	0	0	0	0	0	0	0
50-490-922-225	Vehicle Equip Parts	Inflation	0	0	0	0	0	0	0	0	0	0
50-490-922-235	Chem, Lab & Medical Supplies	Inflation	7,500	7,800	8,112	8,436	8,774	9,125	9,490	9,869	10,264	10,675
50-490-922-237	Uniform Purchases	Inflation	257,500	267,800	278,512	289,652	301,239	313,288	325,820	338,852	352,407	366,503
50-490-922-245	Gas & Diesel Fuel	Inflation	5,200	5,408	5,624	5,849	6,083	6,327	6,580	6,843	7,117	7,401
50-490-922-250	Oil, grease, etc.	Inflation	7,500	7,800	8,112	8,436	8,774	9,125	9,490	9,869	10,264	10,675
50-490-922-255	Tires, Tubes, etc.	Inflation	1,300	1,352	1,406	1,462	1,521	1,582	1,645	1,711	1,779	1,850
50-490-922-260	Repair Parts-Water	Inflation	2,000	2,080	2,163	2,250	2,340	2,433	2,531	2,632	2,737	2,847
50-490-922-265	Specialized Equipment	Inflation	0	0	0	0	0	0	0	0	0	0
50-490-922-280	Janitorial Supplies	Inflation	50,000	52,000	54,080	56,243	58,493	60,833	63,266	65,797	68,428	71,166
50-490-922-300	Professional Services	Inflation	50	52	54	56	58	61	63	66	68	71
50-490-922-305	Contracted Services-General	Inflation	0	0	0	0	0	0	0	0	0	0
50-490-922-310	Contracted Services-Repair/Maint.	Inflation	200,000	208,000	216,320	224,973	233,972	243,331	253,064	263,186	273,714	284,662
50-490-922-312	Software Titles	Inflation	0	0	0	0	0	0	0	0	0	0
50-490-922-315	Postage/Freight	Inflation	16,800	17,472	18,171	18,898	19,654	20,440	21,257	22,108	22,992	23,912
50-490-922-320	Printing	Inflation	2,000	2,080	2,163	2,250	2,340	2,433	2,531	2,632	2,737	2,847
50-490-922-325	Publications/Advertising	Inflation	200	208	216	225	234	243	253	263	274	285
50-490-922-330	Subscriptions/Membership Fees	Inflation	250	260	270	281	292	304	316	329	342	356
50-490-922-335	Travel & Training	Inflation	2,000	2,080	2,163	2,250	2,340	2,433	2,531	2,632	2,737	2,847
50-490-922-340	Material/Equipment Rental	Inflation	6,000	6,240	6,490	6,749	7,019	7,300	7,592	7,896	8,211	8,540
50-490-922-342	Workers' Comp. Deductible	Inflation	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423
50-490-922-365	Electric	Utilities	1,200	1,248	1,298	1,350	1,404	1,460	1,518	1,579	1,642	1,708
50-490-922-370	Gas	Utilities	480,000	504,000	529,200	555,660	583,443	612,615	643,246	675,408	709,179	744,638
50-490-922-380	Telephone/Voice/Data	Inflation	12,500	13,125	13,781	14,470	15,194	15,954	16,751	17,589	18,468	19,392
50-490-922-387	Lab Tests	Inflation	4,800	4,992	5,192	5,399	5,615	5,840	6,074	6,316	6,569	6,832
50-490-922-390	Stormwater	Utilities	22,000	22,880	23,795	24,747	25,737	26,766	27,837	28,950	30,109	31,313
			17,000	17,850	18,743	19,680	20,664	21,697	22,782	23,921	25,117	26,373
Distribution												
50-490-923-110	Salaries & Wages	Inflation										
50-490-923-121	Overtime-Permanent	Labor	908,300	953,715	1,001,401	1,051,471	1,104,044	1,159,247	1,217,209	1,278,069	1,341,973	1,409,071
50-490-923-135	Longevity Pay	Labor	17,000	17,850	18,743	19,680	20,664	21,697	22,782	23,921	25,117	26,373
50-490-923-137	Uniform/Boot Allowance	Labor	2,850	2,993	3,142	3,299	3,464	3,637	3,819	4,010	4,211	4,421
50-490-923-141	Unemployment Ins	Labor	3,000	3,150	3,308	3,473	3,647	3,829	4,020	4,221	4,432	4,654
			0	0	0	0	0	0	0	0	0	0

Canon City, CO
Water Rate and Fee Study
O&M - Water Utility

TABLE:
Schedule:
Date:
Range:

A-4
Water - O&M
1/27/2025
PRT_W_OM

Budget Code	Description	Escalation	Budget 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034
50-490-923-142	Workers' Compensation	Labor	27,000	28,350	29,768	31,256	32,819	34,460	36,183	37,992	39,891	41,886
50-490-923-143	Life & Health Insurance	Labor	305,100	320,355	336,373	353,191	370,851	389,394	408,863	429,306	450,772	473,310
50-490-923-144	FICA Taxes	Labor	70,000	73,500	77,175	81,034	85,085	89,340	93,807	98,497	103,422	108,593
50-490-923-145	City Retirement	Labor	89,350	93,818	98,508	103,434	108,605	114,036	119,738	125,724	132,011	138,611
50-490-923-200	Office Supplies	Inflation	1,500	1,560	1,622	1,687	1,755	1,825	1,898	1,974	2,053	2,135
50-490-923-205	Small Items of Equipment	Inflation	17,500	18,200	18,928	19,685	20,473	21,291	22,143	23,029	23,950	24,908
50-490-923-210	Operating Supplies-General	Inflation	91,500	95,160	98,966	102,925	107,042	111,324	115,777	120,408	125,224	130,233
50-490-923-215	Operating Supplies-Equip./Maint.	Inflation	0	0	0	0	0	0	0	0	0	0
50-490-923-220	Operating Supplies-Bldg. Materials	Inflation	0	0	0	0	0	0	0	0	0	0
50-490-923-225	Vehicle/Equip Parts	Inflation	35,000	36,400	37,856	39,370	40,945	42,583	44,286	46,058	47,900	49,816
50-490-923-237	Uniform Purchases	Inflation	6,500	6,760	7,030	7,312	7,604	7,908	8,225	8,554	8,896	9,252
50-490-923-245	Gas & Diesel Fuel	Inflation	30,000	31,200	32,448	33,746	35,096	36,500	37,960	39,478	41,057	42,699
50-490-923-250	Oil, Grease, etc.	Inflation	1,700	1,768	1,839	1,912	1,989	2,068	2,151	2,237	2,327	2,420
50-490-923-255	Tires, Tubes, etc.	Inflation	6,000	6,240	6,490	6,749	7,019	7,300	7,592	7,896	8,211	8,540
50-490-923-260	Repair Parts - Water, Sewer	Inflation	350,000	364,000	378,560	393,702	409,450	425,829	442,862	460,576	478,999	498,159
50-490-923-265	Specialized Equipment Repair	Inflation	5,000	5,200	5,408	5,624	5,849	6,083	6,327	6,580	6,843	7,117
50-490-923-280	Janitorial Supplies	Inflation	0	0	0	0	0	0	0	0	0	0
50-490-923-300	Professional Services	Inflation	0	0	0	0	0	0	0	0	0	0
50-490-923-305	Contracted Services-General	Inflation	82,500	85,800	89,232	92,801	96,513	100,374	104,389	108,564	112,907	117,423
50-490-923-310	Contracted Services-Repair/Maint.	Inflation	0	0	0	0	0	0	0	0	0	0
50-490-923-312	Software Titles	Inflation	36,500	37,960	39,478	41,058	42,700	44,408	46,184	48,032	49,953	51,951
50-490-923-315	Postage/Freight	Inflation	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369	1,423
50-490-923-320	Printing	Inflation	350	364	379	394	409	426	443	461	479	498
50-490-923-325	Publications/Advertising	Inflation	100	104	108	112	117	122	127	132	137	142
50-490-923-330	Subscriptions/Membership Fees	Inflation	1,500	1,560	1,622	1,687	1,755	1,825	1,898	1,974	2,053	2,135
50-490-923-335	Travel & Training	Inflation	10,000	10,400	10,816	11,249	11,699	12,167	12,653	13,159	13,686	14,233
50-490-923-340	Material/Equipment Rental	Inflation	6,500	6,760	7,030	7,312	7,604	7,908	8,225	8,554	8,896	9,252
50-490-923-342	Workers' Comp. Deductible	Inflation	1,500	1,560	1,622	1,687	1,755	1,825	1,898	1,974	2,053	2,135
50-490-923-365	Electric	Utilities	10,000	10,500	11,025	11,576	12,155	12,763	13,401	14,071	14,775	15,513
50-490-923-370	Gas	Utilities	3,000	3,150	3,308	3,473	3,647	3,829	4,020	4,221	4,432	4,654
50-490-923-375	Sewer	Utilities	200	210	221	232	243	255	268	281	295	310
50-490-923-380	Telephone/Voice/Data	Inflation	18,000	18,720	19,469	20,248	21,057	21,900	22,776	23,687	24,634	25,620
50-490-923-385	Water	Utilities	900	945	992	1,042	1,094	1,149	1,206	1,266	1,330	1,396
Total Operating Expenses			\$6,659,404	\$6,967,770	\$7,290,570	\$7,628,486	\$7,982,233	\$8,352,561	\$8,740,254	\$9,146,134	\$9,571,063	\$10,015,943

Canon City, CO
Water Rate Study
Water Utility
Capital Improvement Program

TABLE:
Schedule:
Date: 1/27/2025
Range: Water_CIP

Capital Projects - Escalated			1	2	3	4	5	6	7	8	9	10
Description	After Inflation % Growth	Funding	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Replacement of Vertical Tubrine Pump and Check Valves i	0%	Cash	\$0	\$671,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condition Assessment of 30-inch Line to "A" Pond	0%	Cash	\$0	\$16,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flocculation Paddle Repair/Replacement	0%	Cash	\$0	\$32,500	\$33,800	\$17,600	\$0	\$0	\$0	\$0	\$0	\$0
Storage Tank Condition Assessments	0%	Cash	\$0	\$21,700	\$0	\$0	\$0	\$0	\$26,400	\$0	\$0	\$0
Backup Power for North 9th St and Four Mile Range Pump	0%	Cash	\$0	\$902,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Repair/Replacement of Side Stream Isolation Valves	0%	Cash	\$0	\$0	\$81,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Injection Tee with Stainless Steel	0%	Cash	\$0	\$0	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Backup Power for Backwash Pump Station	0%	Cash	\$0	\$0	\$473,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Filter Media Replacement	0%	Cash	\$600,000	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Model Update	0%	Cash	\$0	\$0	\$56,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Backwash Recovery Pond Drain Improvements	0%	Cash	\$0	\$0	\$34,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow Meter Replacement	0%	Cash	\$0	\$0	\$0	\$122,900	\$0	\$0	\$0	\$0	\$0	\$0
Storage Tank Distribution Redundancy	0%	Cash	\$0	\$0	\$0	\$1,322,000	\$0	\$0	\$0	\$0	\$0	\$0
Algae Control at "A" Pond - Mixer	0%	Cash	\$0	\$0	\$0	\$317,100	\$0	\$0	\$0	\$0	\$0	\$0
Algae Control at "A" Pond - Ultrasonic	0%	Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage Tank #2 Rehabilitation	0%	Cash	\$0	\$0	\$0	\$0	\$846,600	\$0	\$0	\$0	\$0	\$0
Booster Chlorination Instrumentation Upgrade	0%	Cash	\$0	\$0	\$0	\$0	\$14,200	\$0	\$0	\$0	\$0	\$0
Backup Power to the LHPS and HHPS	0%	Cash	\$0	\$0	\$0	\$0	\$882,100	\$0	\$0	\$0	\$0	\$0
Filter Surface Wash Pipe Replacement	0%	Cash	\$0	\$0	\$0	\$0	\$0	\$81,000	\$0	\$0	\$0	\$0
Water Main Replacement	0%	Cash	\$600,000	\$312,000	\$324,480	\$337,459	\$409,450	\$486,661	\$569,394	\$657,966	\$752,713	\$853,987
Galvanized Service Line Replacement	0%	SRF Loan	\$0	\$0	\$0	\$3,119,700	\$3,244,500	\$3,374,200	\$3,509,200	\$3,649,600	\$3,795,500	\$3,947,400
Upsize Pumps for Backwash Pump Station	0%	Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$1,146,800	\$0	\$0	\$0
Caustic Scrubber Maintenance	0%	Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$79,000	\$0	\$0	\$0
Instrumentation Review	0%	Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,800	\$0	\$0
Redundant 12-inch Line to Dawson Ranch	0%	Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$743,700	\$0	\$0
Periodic Cleaning of the "A" Pond	0%	Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$61,700	\$0
Replacement of Outflow Standpipes at "A" Pond	0%	Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$427,000	\$0
Installation of Redundant 30-inch Line to "A" Pond	0%	Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,321,300
PLC/SCADA Replacement	0%	Cash	\$620,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DWRF Grant Project	0%	SRF Loan	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase of Raw Water Shares	0%	Cash	\$10,000	\$10,400	\$10,816	\$11,249	\$11,699	\$12,167	\$12,653	\$13,159	\$13,686	\$14,233
Shop Expansion	0%	Cash	\$500,000	\$1,560,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pickup Truck	0%	Cash	\$40,000	\$52,000	\$0	\$56,243	\$58,493	\$0	\$0	\$0	\$0	\$0
Emergency Generator-Plant	0%	Cash	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Service Line Replacement Assessment	0%	Cash	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total CIP			\$7,920,000	\$4,178,700	\$1,059,196	\$5,304,251	\$5,467,042	\$3,954,028	\$5,343,447	\$5,070,225	\$5,050,599	\$8,136,920

APPENDIX B:

Cost of Service

Canon City, CO
Water Rate and Fee Study
Water Utility
Test Year Cost of Service: 2025

TABLE:
SCHEDULE:
DATE:
RANGE:

B-1
Water - COS
1/27/2025
COS_Rev_Req

Line No.	Description	Operating	Capital	FY2025
1	Operations & Current Operations	\$7,761,888		\$7,761,888
	Debt Service			
2	Existing		879,361	879,361
3	Proposed		194,743	194,743
4	Payment In Lieu of Taxes	312,000		312,000
5	Transfer to Capital Subfund for Non-Growth-Related Capital		2,768,931	2,768,931
6	Total Revenue Requirements	<u>\$8,073,888</u>	<u>\$3,843,034</u>	<u>\$11,916,922</u>
	Revenue Requirement Adjustments			
7	Hydrant Sales	(\$37,450)		(\$37,450)
8	Account Maintenance Fees	(\$2,500)		(\$2,500)
9	Interdepartmental Sale	\$0		\$0
10	Bulk Water Sales	(\$107,000)		(\$107,000)
11	Augmentation Water Sales	(\$30,000)		(\$30,000)
12	Other Revenues	(\$91,550)		(\$91,550)
13	Interest Income	(\$217,084)		(\$217,084)
14	Change in Reserves	(\$1,432,162)	(\$681,685)	(\$2,113,846)
15	Total Adjustments	<u>(\$1,917,746)</u>	<u>(\$681,685)</u>	<u>(\$2,599,431)</u>
16	Net Revenue Requirement	<u>\$6,156,142</u>	<u>\$3,161,349</u>	<u><u>\$9,317,491</u></u>

				Common to All						Specific to Pump Stations						
Line		Cumulative			Billing & Customer											
No.	Description	Assets	CIP (Escalated)	Total	Base	Max Day	Peak Hour	Meters	Service	Distribution	PS 1A	PS 2	PS 3	PS 1B	PS 1C	Indirect
1	Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
2	Water Rights	1,019,163	10,000	1,029,163	1,029,163	-	-	-	-	-	-	-	-	-	-	-
3	Source of Supply/Raw Water	605,214	-	605,214	605,214	-	-	-	-	-	-	-	-	-	-	-
4	Treated Water Storage	2,729,248	-	2,729,248	779,785	779,785	1,169,678	-	-	-	-	-	-	-	-	-
5	Treatment	17,039,568	650,000	17,689,568	8,844,784	8,844,784	-	-	-	-	-	-	-	-	-	-
6	Distribution	27,732,624	6,100,000	33,832,624	6,960,297	6,960,297	10,440,446	-	-	9,471,583	-	-	-	-	-	-
7	Vehicles	896,946	40,000	936,946	298,156	271,910	194,804	19,597	372	152,106	-	-	-	-	-	-
8	Meters	1,220,308	-	1,220,308	-	-	-	1,220,308	-	-	-	-	-	-	-	-
9	Billing	23,184	-	23,184	-	-	-	-	23,184	-	-	-	-	-	-	-
10	Hydrants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Miscellaneous/Admin	758,517	1,120,000	1,878,517	-	-	-	-	-	-	-	-	-	-	-	1,878,517
12	Booster Pump Stations	1,764,404	-	1,764,404	346,856	346,856	520,283	-	-	-	143,806	137,602	153,477	96,093	157,034	-
13	Total Water System Assets	\$53,789,176	\$7,920,000	\$61,709,176	\$18,864,255	\$17,203,632	\$12,325,212	\$1,239,905	\$23,556	\$9,623,689	\$143,806	\$137,602	\$153,477	\$96,093	\$157,034	\$1,878,517
14	Weighted Average Allocations of Assets				30.6%	27.9%	20.0%	2.0%	0.0%	15.6%	0.2%	0.2%	0.2%	0.2%	0.3%	3.0%
15	Common-to-All Reallocation				31.8%	29.0%	20.8%	2.1%	0.0%	16.2%						
16	Reallocation of Indirects				597,785	545,162	390,571	39,291	746	304,963						(\$1,878,517)
17	Total Water System Assets with Reallocation			61,846,778	19,462,040	17,748,793	12,715,782	1,279,196	24,303	9,928,651	143,806	137,602	153,477	96,093	157,034	0
18	Reallocated Asset Percent				31.5%	28.7%	20.6%	2.1%	0.0%	16.1%	0.2%	0.2%	0.2%	0.2%	0.3%	0.0%
19	Annual Capital Costs			\$3,843,034	\$1,209,332	\$1,102,874	\$790,133	\$79,487	\$1,510	\$616,946	\$8,936	\$8,550	\$9,537	\$5,971	\$9,758	\$0
20	Land			100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
21	Water Rights			100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
22	Source of Supply/Raw Water			100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	Treated Water Storage			100%	29%	29%	43%	0%	0%	0%	0%	0%	0%	0%	0%	0%
24	Treatment			100%	50%	50%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
25	Distribution			100%	21%	21%	31%	0%	0%	28%	0%	0%	0%	0%	0%	0%
26	Vehicles			100%	32%	29%	21%	2%	0%	16%	0%	0%	0%	0%	0%	0%
27	Meters			100%	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
28	Billing			100%	0%	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
29	Hydrants			100%	29%	29%	43%	0%	0%	0%	0%	0%	0%	0%	0%	0%
30	Miscellaneous/Admin			100%	0%											100%
31	Booster Pump Stations		68.80%	100%	20%	20%	29%	0%	0%	0%	8.2%	0.0%	8.7%	5.4%	8.9%	0.0%
32	TBD			100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Canon City, CO
Water Rate and Fee Study
Allocation of Water System O&M to Functional Costs

TABLE: B-4
SCHEDULE: Water - COS
DATE: 1/27/2025
RANGE: COS_OM_Alloc

			Common to All						Specific to Pump Stations					
Line		Test Year	Billing & Customer											
No.	Description	O&M	Total	Base	Max Day	Peak Hour	Meters	Service	Distribution	PS 1A	PS 2	PS 3	PS 1B	PS 1C
1	Source of Supply/Raw Water	\$162,380	\$162,380	\$162,380	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Treatment	1,055,470	1,055,470	527,735	527,735	-	-	-	-	-	-	-	-	-
3	Utilities	530,644	530,644	247,219	225,524	-	-	-	-	16,506	13,871	7,330	6,042	14,152
	Solar Credit	(50,644)	(50,644)	(22,559)	(22,559)					(1,575)	(577)	(1,351)	(1,324)	(700)
4	Pumping Salaries / Wages	322,200	322,200	-	-	-	-	-	-	64,440	64,440	64,440	64,440	64,440
5	Distribution	2,010,463	2,010,463	413,607	413,607	620,411	-	-	562,837	-	-	-	-	-
6	Billing	412,400	412,400	-	-	-	-	412,400	-	-	-	-	-	-
7	Meters	534,838	534,838	-	-	-	534,838	-	-	-	-	-	-	-
8	All Other Infrastructure	1,102,484	1,102,484	318,154	274,067	148,592	128,096	98,772	134,802	-	-	-	-	-
9	All Other General	1,681,654	1,681,654	485,291	418,044	226,651	195,389	150,660	205,618	-	-	-	-	-
10	PILOT	312,000	312,000	90,037	77,560	42,051	36,251	27,952	38,149	-	-	-	-	-
11	Total	\$8,073,888	\$8,073,888	\$2,221,864	\$1,913,978	\$1,037,705	\$894,574	\$689,784	\$941,407	\$79,370	\$77,734	\$70,419	\$69,158	\$77,893
12	Weighted Average Adjustment to Revenue Requirements			27.5%	23.7%	12.9%	11.1%	8.5%	11.7%	1.0%	1.0%	0.9%	0.9%	1.0%
13	Common-to-All Reallocation			28.9%	24.9%	13.5%	11.6%	9.0%	12.2%					
14	Source of Supply/Raw Water		100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Treatment		100.0%	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
16	Utilities		100.0%	46.6%	42.5%	0.0%	0.0%	0.0%	0.0%	3.1%	2.6%	1.4%	1.1%	2.7%
17	Pumping Salaries / Wages		100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	20.0%	20.0%	20.0%	20.0%	20.0%
18	Distribution		100.0%	20.6%	20.6%	30.9%	0.0%	0.0%	28.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Billing		100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
20	Meters		100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
21	All Other Infrastructure		100.0%	28.9%	24.9%	13.5%	11.6%	9.0%	12.2%	0.0%	0.0%	0.0%	0.0%	0.0%
22	All Other General		100.0%	28.9%	24.9%	13.5%	11.6%	9.0%	12.2%	0.0%	0.0%	0.0%	0.0%	0.0%

Town of Canon City
Water Utility
Operation and Maintenance Expense Functional Category Allocations

TABLE: B-3
SCHEDULE: Water - COS
DATE: 1/27/2025
RANGE: COS_OM_Alloc_2

Line No.	Description	Test Year 2025	Indirect								Total
			1 Source of Supply	2 WTP	3 Emping Salaries/Wa	4 Utilities	5 Transmission/Distributi	6 Customer Billing	7 Meters & Services	8 All Other Infrastructure	
		\$	%	%	%	%	%	%	%	%	%
Water Administration											
1	50-490-913-110	Salaries & Wages	577,350							100%	100%
2	50-490-913-121	Overtime-Permanent	0							100%	100%
3	50-490-913-134	PTO Cash Out	0							100%	100%
4	50-490-913-135	Longevity Pay	3,450							100%	100%
5	50-490-913-137	Uniform/Boot Allowance	0							100%	100%
6	50-490-913-141	Unemployment Insurance	0							100%	100%
7	50-490-913-142	Workers' Compensation	1,000							100%	100%
8	50-490-913-143	Life & Health Insurance	155,204							100%	100%
9	50-490-913-144	FICA Taxes	56,875							100%	100%
10	50-490-913-145	City Retirement	28,675							100%	100%
11	50-490-913-200	Office Supplies	1,000							100%	100%
12	50-490-913-205	Small Items of Equipment	500							100%	100%
13	50-490-913-210	Operating Supplies - Gener	100							100%	100%
14	50-490-913-300	Professional Services	125,000							100%	100%
15	50-490-913-305	Contracted Services - Gener	1,000							100%	100%
16	50-490-913-312	Software Titles	32,000							100%	100%
17	50-490-913-320	Printing	0							100%	100%
18	50-490-913-325	Publications/Advertising	3,000							100%	100%
19	50-490-913-330	Subscriptions/Membership	1,000							100%	100%
20	50-490-913-335	Travel & Training	4,000							100%	100%
21	50-490-913-337	Tuition Reimbursement	10,000							100%	100%
22	50-490-913-350	Other Fees & Charges	300,000							100%	100%
23	50-490-913-355	Insurance Bonds	315,000							100%	100%
24	50-490-913-356	Property/Casualty Insuranc	10,000							100%	100%
25	50-490-913-380	Telephone/Voice/Data	0							100%	100%
26	50-490-913-726	GIS Authority	56,000							100%	100%
27	50-490-913-741	Bad Debt Expense	500							100%	100%
28	Utility Billing	0									0%
29	50-490-914-110	Salaries & Wages	96,000					100%			100%
30	50-490-914-121	Overtime-Permanent	0					100%			100%
31	50-490-914-134	PTO Payoff	0					100%			100%
32	50-490-914-135	Longevity Pay	0					100%			100%
33	50-490-914-142	Workers' Compensation	200					100%			100%
34	50-490-914-143	Life & Health Insurance	33,000					100%			100%
35	50-490-914-144	FICA Taxes	7,400					100%			100%
36	50-490-914-145	City Retirement	4,800					100%			100%
37	50-490-914-200	Office Supplies	500					100%			100%
38	50-490-914-205	Small Items of Equipment	750					100%			100%
39	50-490-914-300	Professional Services	0					100%			100%
40	50-490-914-305	Contracted Services-Gener	30,000					100%			100%
41	50-490-914-312	Software Titles	0					100%			100%
42	50-490-914-315	Postage/Freight	60,000					100%			100%
43	50-490-914-320	Printing	500					100%			100%
44	50-490-914-330	Subscriptions/Membership	250					100%			100%
45	50-490-914-335	Travel & Training	4,000					100%			100%
46	50-490-914-350	Other Fees & Charges	175,000					100%			100%
47	Water Treatment	0									0%
48	50-490-922-110	Salaries & Wages	848,000	8%	49%	25%	19%				100%
49	50-490-922-121	Overtime-Permanent	23,000	8%	49%	25%	19%				100%
50	50-490-922-123	Holiday Pay	0	8%	49%	25%	19%				100%
51	50-490-922-134	Vacation/Sick Leave Payoff	0	8%	49%	25%	19%				100%
52	50-490-922-135	Longevity Pay	6,600	8%	49%	25%	19%				100%
53	50-490-922-137	Uniform/Boot Allowance	2,400	8%	49%	25%	19%				100%
54	50-490-922-142	Workers' Compensation	25,000	8%	49%	25%	19%				100%
55	50-490-922-143	Life & Health Insurance	235,000	8%	49%	25%	19%				100%
56	50-490-922-144	FICA Taxes	65,500	8%	49%	25%	19%				100%

Town of Canon City
Water Utility
Operation and Maintenance Expense Functional Category Allocations

TABLE: B-3
SCHEDULE: Water - COS
DATE: 1/27/2025
RANGE: COS_OM_Alloc_2

Line No.	Description	Test Year 2025 \$	1 Source of Supply	2 WTP	3 Pmping Salaries/Wa	4 Utilities	5 Transmission/Distributi	9 Customer Billing	10 Meters & Services	Indirect		Total
										3 All Other Infrastructure	4 All Other General	
			%	%	%	%	%	%	%	%	%	%
57	50-490-922-145	City Retirement	83,300	8%	49%	25%	19%					100%
58	50-490-922-200	Office Supplies	1,000	10%	65%		25%					100%
59	50-490-922-205	Small Items of Equipment	13,600	10%	65%		25%					100%
60	50-490-922-210	Operating Supplies-Genera	25,800	10%	65%		25%					100%
61	50-490-922-215	Operating Supplies-Equip/H	0	10%	65%		25%					100%
62	50-490-922-220	Operating Supplies-Bldg. M	0	10%	65%		25%					100%
63	50-490-922-225	Vehicle Equip Parts	7,500	10%	65%		25%					100%
64	50-490-922-235	Chem, Lab & Medical Suppl	257,500	10%	65%		25%					100%
65	50-490-922-237	Uniform Purchases	5,200	10%	65%		25%					100%
66	50-490-922-245	Gas & Diesel Fuel	7,500	10%	65%		25%					100%
67	50-490-922-250	Oil, grease, etc.	1,300	10%	65%		25%					100%
68	50-490-922-255	Tires, Tubes, etc.	2,000	10%	65%		25%					100%
69	50-490-922-260	Repair Parts-Water	0	10%	65%		25%					100%
70	50-490-922-265	Specialized Equipment	50,000	10%	65%		25%					100%
71	50-490-922-280	Janitorial Supplies	50	10%	65%		25%					100%
72	50-490-922-300	Professional Services	0	10%	65%		25%					100%
73	50-490-922-305	Contracted Services-Genera	200,000	10%	65%		25%					100%
74	50-490-922-310	Contracted Services-Repair,	0	10%	65%		25%					100%
75	50-490-922-312	Software Titles	16,800	10%	65%		25%					100%
76	50-490-922-315	Postage/Freight	2,000	10%	65%		25%					100%
77	50-490-922-320	Printing	200	10%	65%		25%					100%
78	50-490-922-325	Publications/Advertising	250	10%	65%		25%					100%
79	50-490-922-330	Subscriptions/Membership	2,000	10%	65%		25%					100%
80	50-490-922-335	Travel & Training	6,000	10%	65%		25%					100%
81	50-490-922-340	Material/Equipment Renta	1,000	10%	65%		25%					100%
82	50-490-922-342	Workers' Comp. Deductible	1,200	10%	65%		25%					100%
83	50-490-922-365	Electric	480,000			100%						100%
84	50-490-922-370	Gas	12,500	10%	65%		25%					100%
85	50-490-922-380	Telephone/Voice/Data	4,800	10%	65%		25%					100%
86	50-490-922-387	Lab Tests	22,000	10%	65%		25%					100%
87	50-490-922-390	Stormwater	17,000	10%	65%		25%					100%
88	50-490-922-390	Distribution	0									0%
89	50-490-923-110	Salaries & Wages	908,300				75%		25%			100%
90	50-490-923-121	Overtime-Permanent	17,000				75%		25%			100%
91	50-490-923-135	Longevity Pay	2,850				75%		25%			100%
92	50-490-923-137	Uniform/Boot Allowance	3,000				75%		25%			100%
93	50-490-923-141	Unemployment Ins	0				75%		25%			100%
94	50-490-923-142	Workers' Compensation	27,000				75%		25%			100%
95	50-490-923-143	Life & Health Insurance	305,100				75%		25%			100%
96	50-490-923-144	FICA Taxes	70,000				75%		25%			100%
97	50-490-923-145	City Retirement	89,350				75%		25%			100%
98	50-490-923-200	Office Supplies	1,500				75%		25%			100%
99	50-490-923-205	Small Items of Equipment	17,500				75%		25%			100%
100	50-490-923-210	Operating Supplies-Genera	91,500				75%		25%			100%
101	50-490-923-215	Operating Supplies-Equip./	0				75%		25%			100%
102	50-490-923-220	Operating Supplies-Bldg. M	0				75%		25%			100%
103	50-490-923-225	Vehicle/Equip Parts	35,000				75%		25%			100%
104	50-490-923-237	Uniform Purchases	6,500				75%		25%			100%
105	50-490-923-245	Gas & Diesel Fuel	30,000				75%		25%			100%
106	50-490-923-250	Oil, Grease, etc.	1,700				75%		25%			100%
107	50-490-923-255	Tires, Tubes, etc.	6,000				75%		25%			100%
108	50-490-923-260	Repair Parts - Water, Sewer	350,000				75%		25%			100%
109	50-490-923-265	Specialized Equipment Rep	5,000				75%		25%			100%
110	50-490-923-280	Janitorial Supplies	0				75%		25%			100%
111	50-490-923-300	Professional Services	0				75%		25%			100%
112	50-490-923-305	Contracted Services-Genera	82,500				75%		25%			100%
113	50-490-923-310	Contracted Services-Repair,	0				75%		25%			100%

Town of Canon City
Water Utility
Operation and Maintenance Expense Functional Category Allocations

TABLE: B-3
SCHEDULE: Water - COS
DATE: 1/27/2025
RANGE: COS_OM_Alloc_2

			Indirect									
Line No.	Description	Test Year 2025	1 Source of Supply	2 WTP	3 Emping Salaries/Wa	4 Utilities	5 Transmission/Distributi	6 Customer Billing	7 Meters & Services	8 All Other Infrastructure	9 All Other General	Total
		\$	%	%	%	%	%	%	%	%	%	%
114	50-490-923-312	Software Titles	36,500				75%		25%			100%
115	50-490-923-315	Postage/Freight	1,000				75%		25%			100%
116	50-490-923-320	Printing	350				75%		25%			100%
117	50-490-923-325	Publications/Advertising	100				75%		25%			100%
118	50-490-923-330	Subscriptions/Membership	1,500				75%		25%			100%
119	50-490-923-335	Travel & Training	10,000				75%		25%			100%
120	50-490-923-340	Material/Equipment Renta	6,500				75%		25%			100%
121	50-490-923-342	Workers' Comp. Deductible	1,500				75%		25%			100%
122	50-490-923-365	Electric	10,000				75%		25%			100%
123	50-490-923-370	Gas	3,000				75%		25%			100%
124	50-490-923-375	Sewer	200				75%		25%			100%
125	50-490-923-380	Telephone/Voice/Data	18,000				75%		25%			100%
126	50-490-923-385	Water	900				75%		25%			100%
	50-490-913-750	Transfer to General Fund	1,102,484							100%		
127	Total	7,761,888	162,380	1,055,470	322,200	480,000	2,010,463	412,400	534,838	1,102,484	1,681,654	7,761,888
			2.1%	13.6%	4.2%	6.2%	25.9%	5.3%	6.9%	14.2%	21.7%	100.0%

TABLE:	B-5
SCHEDULE:	Water - COS
DATE:	1/27/2025
RANGE:	COS_Adj_Alloc

Draft-For Discussion Purposes Only

			Average Demand		Maximum Day Demand		Maximum Hour Demand			Customer				Fire Protection		Customer					
Line No.	Customer Class		Average Day		Demand Factor	Total Demand	Extra Demand	Demand Factor	Total Demand	Extra Demand	Accounts	Bills	Eq Meters (Capacity)	Eq Meters (Cost)	Direct		PS 1A	PS 2	PS 3	PS 1B	PS 1C
			Annual (kgal)	(kgal)											Weighted Fire Units	Indirect Weighted Fire Units					
1	Residential Inside	Residential	442,367	1,212.0	2.19	2,658	1,446	3.29	3,987	1,329	5,543	66,515	5,660	5,598	0	19,400,098					
2	Residential Outside	Residential	164,410	450.4	2.00	901	450	3.00	1,351	450	2,211	26,532	2,218	2,214	0	7,738,500					
3	Commercial Inside	Commercial	140,882	386.0	2.30	890	504	3.46	1,334	445	524	6,288	1,546	998	0	1,834,000					
2	Commercial Inside Multi-Unit	Commercial - Multi-Unit	150,724	412.9	1.91	791	378	2.87	1,186	395	422	5,064	1,079	821	0	1,477,000					
4	Commercial Outside	Commercial	36,301	99.5	1.95	193	94	2.92	290	97	193	2,316	790	421	0	675,500					
5	Commercial Outside Multi-Unit	Commercial - Multi-Unit	15,242	41.8	1.51	63	21	2.26	94	31	25	300	68	53	0	87,500					
3	Prison Inside	Commercial	56,705	155.4	1.50	234	78	2.26	350	117	6	72	137	75	0	21,000					
6	Cotter Water Diversion	Cotter Water Diversion	26,065	71.4	1.00	71	0	1.00	71	0	1	0	0	0	0	0					
7	Prison Outside	Commercial	223,656	612.8	1.75	1,074	461	2.63	1,611	537	3	36	413	135	0	10,500					
4	Municipal	Municipal	95,309	261.1	2.92	763	502	4.38	1,145	382	66	792	227	143	0	0					
8	Group User Rate	Group User Rate	8,913	24.4	1.95	48	23	2.93	72	24	5	60	83	55	0	0					
9	Golf Course	Golf Course	71,397	195.6	3.02	592	396	4.54	887	296	3	36	35	23	0	0					
10	Total		1,431,969	3,923.2		8,277	4,354		12,380	4,103	9,002	108,011	12,256	10,538	0	31,244,098	68,096	62,173	25,204	36,492	86,482
																Total Gallons Pumped					
11	Public Fire Protection					195	195		2,337	2,142					1,086						
12	Private Fire Protection					15	15		183	168					85						
13	Total Fire Protection					210	210		2,520	2,310											
14	Total System		1,431,969	3,923.2		8,487	4,564		14,900	6,413	9,002	108,011	24,511	10,538	1,171	31,244,098	68,096	62,173	25,204	36,492	86,482

Canon City, CO
Water Rate and Fee Study
Development of Unit Costs of Service

TABLE: B-7
SCHEDULE: Water - COS
DATE: 1/27/2025
RANGE: COS_Dev_Units

		Common to All						Specific to Pump Stations					
Line No.	Description	Total	Base	Max Day	Peak Hour	Meters	Billing & Customer Service	Distribution	PS 1A	PS 2	PS 3	PS 1B	PS 1C
1	Source of Supply/Raw Water	\$162,380	\$162,380	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Treatment	1,055,470	527,735	527,735	-	-	-	-	-	-	-	-	-
3	Utilities	530,644	247,219	225,524	-	-	-	-	16,506	13,871	7,330	6,042	14,152
4	Solar Credit	(50,644)	(22,559)	(22,559)	-	-	-	-	(1,575)	(577)	(1,351)	(1,324)	(700)
5	Pumping Salaries / Wages	322,200	-	-	-	-	-	-	64,440	64,440	64,440	64,440	64,440
6	Distribution	2,010,463	413,607	413,607	620,411	-	-	562,837	-	-	-	-	-
7	Billing	412,400	-	-	-	-	412,400	-	-	-	-	-	-
8	Meters	534,838	-	-	-	534,838	-	-	-	-	-	-	-
9	All Other Infrastructure	1,102,484	318,154	274,067	148,592	128,096	98,772	134,802	-	-	-	-	-
10	All Other General	1,681,654	485,291	418,044	226,651	195,389	150,660	205,618	-	-	-	-	-
11	PILOT	312,000	90,037	77,560	42,051	36,251	27,952	38,149	-	-	-	-	-
12	Subtotal: O&M	\$8,073,888	\$2,221,864	\$1,913,978	\$1,037,705	\$894,574	\$689,784	\$941,407	\$79,370	\$77,734	\$70,419	\$69,158	\$77,893
Allocated Capital Costs													
13	Annual Capital	\$3,843,034	\$1,209,332	\$1,102,874	\$790,133	\$79,487	\$1,510	\$616,946	\$8,936	\$8,550	\$9,537	\$5,971	\$9,758
14	Subtotal: Capital Costs	\$3,843,034	\$1,209,332	\$1,102,874	\$790,133	\$79,487	\$1,510	\$616,946	\$8,936	\$8,550	\$9,537	\$5,971	\$9,758
15	Total Revenue Requirements	\$11,916,922	\$3,431,196	\$3,016,853	\$1,827,838	\$974,061	\$691,294	\$1,558,353	\$88,306	\$86,285	\$79,956	\$75,129	\$87,651
16	Adjustments to Cost of Service	(2,599,431)	(822,839)	(748,261)	(529,712)	(68,370)	(14,140)	(416,109)	0	0	0	0	0
17	Net Cost of Service	\$9,317,491	\$2,608,357	\$2,268,591	\$1,298,126	\$905,691	\$677,154	\$1,142,244	\$88,306	\$86,285	\$79,956	\$75,129	\$87,651
Units of Service			1,000 gal	gpd	gpd	Eq. Meter Cost	Bills	Eq. Meter Capacity	1,000 gal	1,000 gal	1,000 gal	1,000 gal	1,000 gal
18	Inside City		983,448	3,514	5,273	7,660	78,767	8,683	68,096	62,173	25,204	36,492	86,482
19	Outside City		448,521	1,050	1,139	2,878	29,244	3,573	0	0	0	0	0
20	Total Units of Service		1,431,969	4,564	6,413	10,538	108,011	12,256	68,096	62,173	25,204	36,492	86,482
Unit Cost of Service		In/Out Diff	\$/1,000 gal	\$ per gpd	\$ per gpd	\$/Eq. Mtr	\$/Bill	\$/Eq. Mtr	\$/1,000 gal	\$/1,000 gal	\$/1,000 gal	\$/1,000 gal	\$/1,000 gal
21	Inside City	1.5	\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
22	Outside City		2.36	668.73	278.87	113.43	8.28	122.02	1.30	1.39	3.17	2.06	1.01

Canon City, CO
Water Rate and Fee Study
Class Cost of Service

TABLE:
SCHEDULE:
DATE:
RANGE:

B-8
Water - COS
1/27/2025
COS_Class

		Common to All						Specific to Pump Stations					
Line No.	Customer Class	Total	Base	Max Day	Peak Hour	Meters	Billing & Customer Service	Distribution	PS 1A	PS 2	PS 3	PS 1B	PS 1C
	Inside City		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
	Outside City		\$2.36	\$668.73	\$278.87	\$113.43	\$8.28	\$122.02	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
1	Residential Inside												
2	Units		442,367	1,446	1,329	5,598	66,515	5,660	0	0	0	0	0
3	Charge		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
4	Revenue	\$2,839,470	\$696,674	\$644,642	\$247,074	\$423,360	\$367,281	\$460,439	\$0	\$0	\$0	\$0	\$0
5	Residential Outside												
6	Units		164,410	450	450	2,214	26,532	2,218	0	0	0	0	0
7	Charge		\$2.36	\$668.73	\$278.87	\$113.43	\$8.28	\$122.02	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
8	Revenue	\$1,556,567	\$388,388	\$301,072	\$125,583	\$251,087	\$219,757	\$270,680	\$0	\$0	\$0	\$0	\$0
9	Commerical Inside												
10	Units		140,882	504	445	998	6,288	1,546	0	0	0	0	0
11	Charge		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
12	Revenue	\$765,071	\$221,871	\$224,549	\$82,699	\$75,506	\$34,721	\$125,725	\$0	\$0	\$0	\$0	\$0
13	Commercial Inside Multi-Unit												
14	Units		150,724	378	395	821	5,064	1,079	0	0	0	0	0
15	Charge		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
16	Revenue	\$657,100	\$237,372	\$168,426	\$73,504	\$62,102	\$27,962	\$87,735	\$0	\$0	\$0	\$0	\$0
17	Commercial Outside												
18	Units		36,301	94	97	421	2,316	790	0	0	0	0	0
19	Charge		\$2.36	\$668.73	\$278.87	\$113.43	\$8.28	\$122.02	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
20	Revenue	\$338,932	\$85,753	\$62,879	\$26,978	\$47,740	\$19,183	\$96,399	\$0	\$0	\$0	\$0	\$0
21	Commercial Outside Multi-Unit Rate												
22	Units		15,242	21	31	53	300	68	0	0	0	0	0
23	Charge		\$2.36	\$668.73	\$278.87	\$113.43	\$8.28	\$122.02	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
24	Revenue	\$75,687	\$36,005	\$14,108	\$8,764	\$6,067	\$2,485	\$8,258	\$0	\$0	\$0	\$0	\$0
25	Prison Inside												
26	Units		56,705	78	117	75	72	137	0	0	0	0	0
27	Charge		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
28	Revenue	\$163,100	\$89,303	\$34,874	\$21,713	\$5,693	\$398	\$11,118	\$0	\$0	\$0	\$0	\$0

Canon City, CO
Water Rate and Fee Study
Class Cost of Service

TABLE:
SCHEDULE:
DATE:
RANGE:

B-8
Water - COS
1/27/2025
COS_Class

		Common to All						Specific to Pump Stations					
Line No.	Customer Class	Total	Base	Max Day	Peak Hour	Meters	Billing & Customer Service	Distribution	PS 1A	PS 2	PS 3	PS 1B	PS 1C
29	Cotter Water Diversion												
30	Units		26,065	0	0	0	0	0	0	0	0	0	0
31	Charge		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
32	Revenue	\$41,049	\$41,049	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Prison Outside												
34	Units		223,656	461	537	135	36	413	0	0	0	0	0
35	Charge		\$2.36	\$668.73	\$278.87	\$113.43	\$8.28	\$122.02	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
36	Revenue	\$1,052,592	\$528,346	\$308,436	\$149,751	\$15,327	\$298	\$50,434	\$0	\$0	\$0	\$0	\$0
37	Municipal												
38	Units		95,309	502	382	143	792	227	0	0	0	0	0
39	Charge		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
40	Revenue	\$478,594	\$150,099	\$223,877	\$70,953	\$10,848	\$4,373	\$18,443	\$0	\$0	\$0	\$0	\$0
41	Group User Rate												
42	Units		8,913	23	24	55	60	83	0	0	0	0	0
43	Charge		\$2.36	\$668.73	\$278.87	\$113.43	\$8.28	\$122.02	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
44	Revenue	\$60,166	\$21,055	\$15,581	\$6,654	\$6,211	\$497	\$10,168	\$0	\$0	\$0	\$0	\$0
	Golf Course												
45	Units		71,397	396	296	23	36	35	0	0	0	0	0
46	Charge		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
	Revenue	\$348,751	\$112,441	\$176,525	\$54,990	\$1,749	\$199	\$2,847	\$0	\$0	\$0	\$0	\$0
47	Pumping												
47	Units								68,096	62,173	25,204	36,492	86,482
48	Charge		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
49	Revenue	\$417,327	\$0	\$0	\$0	\$0	\$0	\$0	\$88,306	\$86,285	\$79,956	\$75,129	\$87,651
50	Total - Excluding Fire Service	\$8,794,406	\$2,608,357	\$2,174,969	\$868,663	\$905,691	\$677,154	\$1,142,244	\$88,306	\$86,285	\$79,956	\$75,129	\$87,651
51	Public Fire Protection												
52	Units		0	195	2,142	0	0	0	0	0	0	0	0
53	Charge		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
54	Revenue	\$485,116	\$0	\$86,827	\$398,289	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

		Common to All						Specific to Pump Stations					
Line						Billing & Customer							
No.	Customer Class	Total	Base	Max Day	Peak Hour	Meters	Service	Distribution	PS 1A	PS 2	PS 3	PS 1B	PS 1C
	Private Fire Protection												
55	Units		0	15	168								
56	Charge		\$1.57	\$445.82	\$185.91	\$75.62	\$5.52	\$81.34	\$1.30	\$1.39	\$3.17	\$2.06	\$1.01
57	Revenue	\$37,970	\$0	\$6,796	\$31,174	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55	Total System	\$9,317,491	\$2,608,357	\$2,268,591	\$1,298,126	\$905,691	\$677,154	\$1,142,244	\$88,306	\$86,285	\$79,956	\$75,129	\$87,651

Canon City, CO
Water Rate and Fee Study
Class Cost of Service vs. Projected Revenues Under Current Rates

TABLE: B-9
SCHEDULE: Water - COS
DATE: 1/27/2025
RANGE: COS_Dist_Cost

Line No.	Customer Class (Ungrouped)	Group Customer Classes	Distributed Cost	Indirect Fire Protection Adjustment	Cost of Service
1	Residential Inside	Residential	\$2,839,470	\$301,219	\$3,140,689
2	Residential Outside	Residential	1,556,567	120,153	1,676,720
3	Commercal Inside	Commercial	765,071	28,476	793,547
4	Commercial Inside Multi-Unit	Commercial - Multi-Unit	657,100	22,933	680,033
5	Commercial Outside	Commercial	338,932	10,488	349,420
6	Commercial Outside Multi-Unit Rate	Commercial - Multi-Unit	75,687	1,359	77,046
7	Prison Inside	Commercial	163,100	326	163,426
8	Cotter Water Diversion	Cotter Water Diversion	41,049	0	41,049
9	Prison Outside	Commercial	1,052,592	163	1,052,755
10	Municipal	Municipal	478,594	0	478,594
11	Group User Rate	Group User Rate	60,166	0	60,166
12	Pumping	0	417,327	0	417,327
13	Public Fire Protection		485,116	(485,116)	0
14	Private Fire Protection		37,970		37,970
15	Golf Course	Golf Course	\$348,751	\$0	\$348,751
16	Total		\$9,317,491	\$0	\$9,317,491

Canon City, CO
Water Rate and Fee Study
Adjusted Cost of Service

TABLE: B-10
SCHEDULE: Water - COS
DATE: 1/27/2025
RANGE: COS_Grouped_Adj_COS_2025

Customer Class	2025 Test Year Cost of Service	Revenue at 2025 Rates	Change - \$	Indicated Revenue Increase
Residential	\$4,817,409	\$4,762,104	\$55,304	1.2%
Commercial	2,359,147	2,562,932	(203,785)	-8.0%
Commercial - Multi-Unit	757,079	1,232,053	(474,974)	-38.6%
Cotter Water Diversion	41,049	33,189	7,861	23.7%
Municipal	478,594	303,791	174,803	57.5%
Group User Rate	60,166	65,570	(5,404)	-8.2%
Pumping	417,327	154,346	262,981	170.4%
Private Fire Protection	37,970	N/A	N/A	N/A
Golf Course	348,751	203,507	145,245	71.4%
Total	\$9,317,491	\$9,317,491	\$0	0.0%

Canon City, CO
Water Rate and Fee Study
Adjusted Cost of Service

TABLE:
SCHEDULE:
DATE:
RANGE: Group_Grouped_Adj_COS2_2025

B-11
Water - COS
1/27/2025

		(a)	(b)	(c)	(d)	(e)	(f)	(g)= (e)+(f)+(d)	(h) = (g)/(b) -1
2025 Revenue									
Line No.	Customer Class	2025 Test Year Cost of Service	at Existing Rates	Cotter Adjustment	2025 Adj. COS	Change - \$	Adjustment	Adjusted COS	Change - %
1	Residential	\$4,817,409	\$4,762,104	\$4,292.83	\$4,821,701	\$0	(\$59,597)	\$4,762,104	0.0%
2	Commercial	2,359,147	\$2,562,932	2,102	\$2,361,250	201,682		\$2,562,932	0.0%
3	Commercial - Multi-Unit	757,079	\$1,232,053	675	\$757,754	\$474,299		\$1,232,053	0.0%
4	Cotter Water Diversion	41,049	\$33,189	(7,861)	\$33,189	-		\$33,189	0.0%
5	Municipal	478,594	\$303,791	426	\$479,021	-	(175,230)	\$303,791	0.0%
6	Group User Rate	60,166	\$65,570	54	\$60,219	5,351		\$65,570	0.0%
7	Pumping	417,327	\$154,346		\$417,327	-	(262,981)	\$154,346	0.0%
8	Golf Course	348,751	\$203,507	311	\$349,062	-	(145,555)	\$203,507	0.0%
8	Private Fire Protection	37,970	\$0		\$37,970	-		\$37,970	N/A
9	Total	<u>\$9,317,491</u>	<u>\$9,317,491</u>	<u>\$0.000</u>	<u>\$9,317,491</u>	<u>\$681,332</u>	<u>(\$643,363)</u>	<u>\$9,355,461</u>	<u>0.4%</u>

Line No.	Class	2025 Test	Volume Pumped 1,000 gal	Pumping Rate \$ per 1,000 gal	2025 Test	COS	Adjusted COS	Volume Pumped 1,000 gal	Pumping Rate \$ per 1,000 gal
		Year Cost of Service			Year Cost of Service	Adjustemen t			
1	PS 1A	\$88,306	68,096	\$1.30	\$88,306	(\$55,647)	\$32,660	68,096	\$0.48
2	PS 2	86,285	62,173	\$1.39	86,285	(54,373)	31,912	62,173	0.51
3	PS 3	79,956	25,204	\$3.17	79,956	(50,385)	29,571	25,204	1.17
4	PS 1B	75,129	36,492	\$2.06	75,129	(47,343)	27,786	36,492	0.76
5	PS 1C	87,651	86,482	\$1.01	87,651	(55,233)	32,417	86,482	0.37
6	Total	<u>\$417,327</u>	<u>278,447</u>		<u>\$417,327</u>	<u>(\$262,981)</u>	<u>\$154,346</u>	<u>278,447</u>	

APPENDIX C:

Rate Design

Canon City
Water Utility
Development of Base Charge

TABLE: C-1
SCHEDULE: Water - COS
DATE: 1/27/2025
RANGE: COS_Svc_Charge

Line No.	COS Component	Cost of Service	Equivalency	Units of Service		Unit Cost (1.5 Outside City)	
				Inside	Outside	Inside	Outside
1	Meters	\$905,691	Cost	7,660	2,878	\$75.62	\$113.43
2	Billing & Customer Service	677,154	Bills	78,767	29,244	\$5.52	\$8.28
3	Capital Recovery	1,142,244	Capacity	8,683	3,573	\$81.34	\$122.02
5	Total	\$2,725,089					
6	% of Total Revenue	29.2%					

Line No.	Meter Size	Cost Equivalency	Capacity Equivalency	Inside City				Outside City			
				Monthly Meter Charge	Monthly Billing Charge	Capital Recovery Charge	Total Monthly Charge	Monthly Meter Charge	Monthly Billing Charge	Capital Recovery Charge	Total Monthly Charge
1	5/8 - Inch	1.00	1.00	\$6.30	\$5.52	\$6.78	\$18.60	\$9.45	\$8.28	\$10.17	\$27.90
2	3/4 - Inch	1.00	1.00	\$6.30	\$5.52	\$6.78	\$18.60	\$9.45	\$8.28	\$10.17	\$27.90
3	1 - Inch	1.23	1.67	\$7.73	\$5.52	\$11.32	\$24.58	\$11.60	\$8.28	\$16.98	\$36.87
4	1 1/2 - Inch	2.60	3.33	\$16.38	\$5.52	\$22.60	\$44.50	\$24.58	\$8.28	\$33.89	\$66.75
5	2 - Inch	3.07	6.67	\$19.34	\$5.52	\$45.19	\$70.05	\$29.01	\$8.28	\$67.79	\$105.08
6	3 - Inch	8.89	10.67	\$56.04	\$5.52	\$72.31	\$133.87	\$84.07	\$8.28	\$108.46	\$200.81
7	4 - Inch	10.95	16.67	\$69.01	\$5.52	\$112.98	\$187.51	\$103.52	\$8.28	\$169.47	\$281.27
8	6 - Inch	18.21	33.33	\$114.75	\$5.52	\$225.96	\$346.23	\$172.12	\$8.28	\$338.94	\$519.34
9	8 - Inch	31.17	106.67	\$196.44	\$5.52	\$723.07	\$925.03	\$294.66	\$8.28	\$1,084.60	\$1,387.54
10	10 - Inch	51.97	153.33	\$327.53	\$5.52	\$1,039.41	\$1,372.45	\$491.29	\$8.28	\$1,559.11	\$2,058.68

Private Fireline			
Connection Size	Equivalency Ratio	Eq 6" Fireline	Fireline Charge
1.50	2.90	0.03	\$0.97
2.00	6.19	0.06	\$2.07
3.00	17.98	0.16	\$6.01
4.00	38.32	0.34	\$12.82
6.00	111.31	1.00	\$37.23
8.00	237.21	2.13	\$79.33
10.00	426.58	3.83	\$142.66
12.00	689.04	6.19	\$230.43

City of Canon City
Water Utility
Test Year 2025 Base Charge Revenue by Customer Class

TABLE:
SCHEDULE:
DATE:
RANGE:

C-3
Water - COS
1/27/2025
COS_Svc_Charge2

Residential Inside						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	1,189	1,189	1,189	\$89,952	\$78,817	\$96,758
3/4 - Inch	4,233	4,233	4,233	\$320,108	\$280,483	\$344,329
1 - Inch	100	123	168	\$9,317	\$6,651	\$13,636
1 1/2 - Inch	19	50	64	\$3,750	\$1,264	\$5,171
2 - Inch	1	3	7	\$233	\$67	\$544
3 - Inch	0	0	0	\$0	\$0	\$0
4 - Inch	0	0	0	\$0	\$0	\$0
6 - Inch	0	0	0	\$0	\$0	\$0
8 - Inch	0	0	0	\$0	\$0	\$0
10 - Inch	0	0	0	\$0	\$0	\$0
Total	5,543	5,598	5,660	\$423,360	\$367,281	\$460,439
From COS	5,543	5,598	5,660	\$423,360	\$367,281	\$460,439
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
	\$66,515					

Residential Outside						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	1,030	1,030	1,030	\$116,837	\$102,374	\$125,678
3/4 - Inch	1,170	1,170	1,170	\$132,718	\$116,289	\$142,760
1 - Inch	11	14	18	\$1,532	\$1,093	\$2,241
1 1/2 - Inch	0	0	0	\$0	\$0	\$0
2 - Inch	0	0	0	\$0	\$0	\$0
3 - Inch	0	0	0	\$0	\$0	\$0
4 - Inch	0	0	0	\$0	\$0	\$0
6 - Inch	0	0	0	\$0	\$0	\$0
8 - Inch	0	0	0	\$0	\$0	\$0
10 - Inch	0	0	0	\$0	\$0	\$0
Total	2,211	2,214	2,218	\$251,087	\$219,757	\$270,680

City of Canon City
Water Utility
Test Year 2025 Base Charge Revenue by Customer Class

TABLE: C-3
SCHEDULE: Water - COS
DATE: 1/27/2025
RANGE: COS_Svc_Charge2

Commercial Inside						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	86	86	86	\$6,504	\$5,699	\$6,996
3/4 - Inch	269	269	269	\$20,343	\$17,824	\$21,882
1 - Inch	73	90	122	\$6,776	\$4,837	\$9,917
1 1/2 - Inch	34	88	113	\$6,685	\$2,253	\$9,219
2 - Inch	38	117	253	\$8,818	\$2,518	\$20,607
3 - Inch	18	160	192	\$12,105	\$1,193	\$15,618
4 - Inch	3	33	50	\$2,484	\$199	\$4,067
6 - Inch	0	0	0	\$0	\$0	\$0
8 - Inch	0	0	0	\$0	\$0	\$0
10 - Inch	3	156	460	\$11,791	\$199	\$37,419
Total	524	998	1,546	\$75,506	\$34,721	\$125,725
From COS	524	998	1,546	\$75,506	\$34,721	\$125,725
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

Commercial Inside Multi-Unit						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	75	75	75	\$5,672	\$4,970	\$6,101
3/4 - Inch	209	209	209	\$15,805	\$13,849	\$17,001
1 - Inch	65	80	109	\$6,033	\$4,307	\$8,830
1 1/2 - Inch	20	52	67	\$3,932	\$1,325	\$5,423
2 - Inch	20	61	133	\$4,641	\$1,325	\$10,846
3 - Inch	19	169	203	\$12,778	\$1,259	\$16,486
4 - Inch	11	120	183	\$9,109	\$729	\$14,913
6 - Inch	3	55	100	\$4,131	\$199	\$8,134
8 - Inch	0	0	0	\$0	\$0	\$0
10 - Inch	0	0	0	\$0	\$0	\$0
Total	422	821	1,079	\$62,102	\$27,962	\$87,735

City of Canon City
Water Utility
Test Year 2025 Base Charge Revenue by Customer Class

TABLE:
SCHEDULE:
DATE:
RANGE:

C-3
Water - COS
1/27/2025
COS_Svc_Charge2

Commercial Outside						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	85	85	85	\$9,642	\$8,448	\$10,371
3/4 - Inch	77	77	77	\$8,734	\$7,653	\$9,395
1 - Inch	12	15	20	\$1,671	\$1,193	\$2,445
1 1/2 - Inch	6	16	20	\$1,770	\$596	\$2,440
2 - Inch	6	18	40	\$2,088	\$596	\$4,881
3 - Inch	2	18	21	\$2,018	\$199	\$2,603
4 - Inch	0	0	0	\$0	\$0	\$0
6 - Inch	2	36	67	\$4,131	\$199	\$8,134
8 - Inch	0	0	0	\$0	\$0	\$0
10 - Inch	3	156	460	\$17,686	\$298	\$56,128
Total	193	421	790	\$47,740	\$19,183	\$96,399
From COS	193	421	790	\$47,740	\$19,183	\$96,399
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

City of Canon City
Water Utility
Test Year 2025 Base Charge Revenue by Customer Class

FILE:
SCHEDULE:
DATE:
RANGE:

Water Financial Model
Water - COS
1/27/2025
COS_Svc_Charge3

Commercial Outside Multi-Unit Rate						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	11	11	11	\$1,248	\$1,093	\$1,342
3/4 - Inch	7	7	7	\$794	\$696	\$854
1 - Inch	3	4	5	\$418	\$298	\$611
1 1/2 - Inch	0	0	0	\$0	\$0	\$0
2 - Inch	1	3	7	\$348	\$99	\$813
3 - Inch	2	18	21	\$2,018	\$199	\$2,603
4 - Inch	1	11	17	\$1,242	\$99	\$2,034
6 - Inch	0	0	0	\$0	\$0	\$0
8 - Inch	0	0	0	\$0	\$0	\$0
10 - Inch	0	0	0	\$0	\$0	\$0
Total	25	53	68	\$6,067	\$2,485	\$8,258

City of Canon City
Water Utility
Test Year 2025 Base Charge Revenue by Customer Class

TABLE: C-3
SCHEDULE: Water - COS
DATE: 1/27/2025
RANGE: COS_Svc_Charge2

Prison Inside						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	0	0	0	\$0	\$0	\$0
3/4 - Inch	0	0	0	\$0	\$0	\$0
1 - Inch	2	2	3	\$186	\$133	\$272
1 1/2 - Inch	0	0	0	\$0	\$0	\$0
2 - Inch	0	0	0	\$0	\$0	\$0
3 - Inch	0	0	0	\$0	\$0	\$0
4 - Inch	0	0	0	\$0	\$0	\$0
6 - Inch	4	73	133	\$5,508	\$265	\$10,846
8 - Inch	0	0	0	\$0	\$0	\$0
10 - Inch	0	0	0	\$0	\$0	\$0
Total	6	75	137	\$5,693	\$398	\$11,118
From COS	6	75	137	\$5,693	\$398	\$11,118
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

Prison Outside						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	0	0	0	\$0	\$0	\$0
3/4 - Inch	0	0	0	\$0	\$0	\$0
1 - Inch	0	0	0	\$0	\$0	\$0
1 1/2 - Inch	0	0	0	\$0	\$0	\$0
2 - Inch	0	0	0	\$0	\$0	\$0
3 - Inch	0	0	0	\$0	\$0	\$0
4 - Inch	0	0	0	\$0	\$0	\$0
6 - Inch	0	0	0	\$0	\$0	\$0
8 - Inch	1	31	107	\$3,536	\$99	\$13,015
10 - Inch	2	104	307	\$11,791	\$199	\$37,419
Total	3	135	413	\$15,327	\$298	\$50,434
From COS	3	135	413	\$15,327	\$298	\$50,434
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

Municipal, Parks						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	4	4	4	\$302	\$265	\$325
3/4 - Inch	21	21	21	\$1,588	\$1,391	\$1,708
1 - Inch	19	23	32	\$1,764	\$1,259	\$2,581
1 1/2 - Inch	7	18	23	\$1,376	\$464	\$1,898
2 - Inch	12	37	80	\$2,785	\$795	\$6,508
3 - Inch	0	0	0	\$0	\$0	\$0
4 - Inch	2	22	33	\$1,656	\$133	\$2,711
6 - Inch	1	18	33	\$1,377	\$66	\$2,711
8 - Inch	0	0	0	\$0	\$0	\$0
10 - Inch	0	0	0	\$0	\$0	\$0
Total	66	143	227	\$10,848	\$4,373	\$18,443
From COS	66	143	227	\$10,848	\$4,373	\$18,443
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

City of Canon City
Water Utility
Test Year 2025 Base Charge Revenue by Customer Class

TABLE:
SCHEDULE:
DATE:
RANGE:

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Water - COS
1/27/2025
COS_Svc_Charge2

Golf Course						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	0	0	0	\$0	\$0	\$0
3/4 - Inch	0	0	0	\$0	\$0	\$0
1 - Inch	1	1	2	\$93	\$66	\$136
1 1/2 - Inch	0	0	0	\$0	\$0	\$0
2 - Inch	0	0	0	\$0	\$0	\$0
3 - Inch	0	0	0	\$0	\$0	\$0
4 - Inch	2	22	33	\$1,656	\$133	\$2,711
6 - Inch	0	0	0	\$0	\$0	\$0
8 - Inch	0	0	0	\$0	\$0	\$0
10 - Inch	0	0	0	\$0	\$0	\$0
Total	3	23	35	\$1,749	\$199	\$2,847
From COS	3	23	35	\$1,749	\$199	\$2,847
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

Group User Rate						
Meter Size	Accounts	Equiv. Meter Cost	Equiv. Meter Capacity	Equiv. Meter Cost	Bills	Equiv. Meter Capacity
5/8 - Inch	0	0	0	\$0	\$0	\$0
3/4 - Inch	0	0	0	\$0	\$0	\$0
1 - Inch	0	0	0	\$0	\$0	\$0
1 1/2 - Inch	0	0	0	\$0	\$0	\$0
2 - Inch	0	0	0	\$0	\$0	\$0
3 - Inch	0	0	0	\$0	\$0	\$0
4 - Inch	5	55	83	\$6,211	\$497	\$10,168
6 - Inch	0	0	0	\$0	\$0	\$0
8 - Inch	0	0	0	\$0	\$0	\$0
10 - Inch	0	0	0	\$0	\$0	\$0
Total	5	55	83	\$6,211	\$497	\$10,168
From COS	5	55	83	6,211	497	10,168
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

Residential Cost of Service (Inside City and Outside City)					\$4,822,887	Commercial Cost of Service (Inside City and Outside City)					\$2,361,250	Commercial Multi Unit Cost of Service (Inside City and Outside City)					\$757,754
Meter Size	Bills	S.C.	Revenue			Meter Size	Bills	S.C.	Revenue			Meter Size	Bills	S.C.	Revenue		
Inches						Inches						Inches					
Inside City						Inside City						Inside City					
5/8 - Inch	14,274	\$18.60		\$265,528		5/8 - Inch	1,032	\$18.60		\$19,198		5/8 - Inch	900	\$18.60		\$16,742	
3/4 - Inch	50,795	18.60		944,920		3/4 - Inch	3,228	18.60		60,049		3/4 - Inch	2,508	18.60		46,655	
1 - Inch	1,205	24.58		29,604		1 - Inch	900	24.58		22,120		1 - Inch	780	24.58		19,170	
1 1/2 - Inch	229	44.50		10,185		1 1/2 - Inch	408	44.50		18,157		1 1/2 - Inch	240	44.50		10,681	
2 - Inch	12	70.05		844		2 - Inch	456	70.05		31,943		2 - Inch	240	70.05		16,812	
3 - Inch	0	133.87		0		3 - Inch	216	133.87		28,916		3 - Inch	228	133.87		30,523	
4 - Inch	0	187.51		0		4 - Inch	36	187.51		6,750		4 - Inch	132	187.51		24,751	
6 - Inch	0	346.23		0		6 - Inch	48	346.23		16,619		6 - Inch	36	346.23		12,464	
8 - Inch	0	925.03		0		8 - Inch	0	925.03		0		8 - Inch	0	925.03		0	
10 - Inch	0	1,372.45		0		10 - Inch	36	1,372.45		49,408		10 - Inch	0	1,372.45		0	
Total Bills/Revenue	66,515			\$1,251,080		Total Bills/Revenue	6,360			\$253,160		Total Bills/Revenue	5,064			\$177,799	
Outside City						Outside City						Outside City					
5/8 - Inch	12,360	\$27.90		\$344,890		5/8 - Inch	1,020	\$27.90		\$28,462		5/8 - Inch	132	\$27.90		\$3,683	
3/4 - Inch	14,040	27.90		391,768		3/4 - Inch	924	27.90		25,783		3/4 - Inch	84	27.90		2,344	
1 - Inch	132	36.87		4,866		1 - Inch	144	36.87		5,309		1 - Inch	36	36.87		1,327	
1 1/2 - Inch	0	66.75		0		1 1/2 - Inch	72	66.75		4,806		1 1/2 - Inch	0	66.75		0	
2 - Inch	0	105.08		0		2 - Inch	72	105.08		7,565		2 - Inch	12	105.08		1,261	
3 - Inch	0	200.81		0		3 - Inch	24	200.81		4,819		3 - Inch	24	200.81		4,819	
4 - Inch	0	281.27		0		4 - Inch	0	281.27		0		4 - Inch	12	281.27		3,375	
6 - Inch	0	519.34		0		6 - Inch	24	519.34		12,464		6 - Inch	0	519.34		0	
8 - Inch	0	1,387.54		0		8 - Inch	12	1,387.54		16,651		8 - Inch	0	1,387.54		0	
10 - Inch	0	2,058.68		0		10 - Inch	60	2,058.68		123,521		10 - Inch	0	2,058.68		0	
Total Bills/Revenue	26,532			\$741,524		Total Bills/Revenue	2,352			\$229,380		Total Bills/Revenue	300			\$16,810	
Total Service Charge Revenue (Inside and Outside)					\$1,992,604	Total Service Charge Revenue (Inside and Outside)					0.204358106 \$482,540	Total Service Charge Revenue (Inside and Outside)					\$194,609
Volume Rate Revenue Required					\$2,830,283	Volume Rate Revenue Required					\$1,878,709	Volume Rate Revenue Required					\$563,145
Threshold	% Vol	Ratio	Volume	Rate	Revenue	Threshold	% Vol	Ratio	Volume	Rate	Revenue	Threshold	% Vol	Ratio	Volume	Rate	Revenue
4	46%	1.00	202,212	\$2.33	471,072	All Usage	100.0%	1.00	197,587	\$3.20	631,820	All Usage	100.0%	1.00	150,724	\$3.25	489,853
12	32%	1.99	140,257	\$4.64	650,793				0	\$0.00	0				0	\$0.00	0
99999	23%	2.99	99,898	\$6.97	695,872				0	\$0.00	0				0	\$0.00	0
									0	\$0.00	0				0	\$0.00	0
Total Inside Town					100.0% 442,367 \$4.11 1,817,737	Total Inside Town					100.0% 197,587 \$3.20 631,820	Total Inside Town					100.0% 150,724 \$3.25 489,853
Threshold	% Vol	Ratio	Volume	Rate	Revenue	Threshold			Volume	Rate	Revenue	Threshold			Volume	Rate	Revenue
4			75,154	\$3.49	262,617	All Usage	100.0%		259,957	\$4.80	1,246,889	All Usage	100.0%		15,242	\$4.87	74,169
12			52,128	\$6.95	362,515				0	\$0.00	0				0	\$0.00	0
9999			37,128	\$10.45	387,941				0	\$0.00	0				0	\$0.00	0
									0	\$0.00	0				0	\$0.00	0
Total Outside Town					164,410 \$6.16 1,013,074	Total Outside Town					259,957 \$4.80 1,246,889	Total Outside Town					15,242 \$4.87 74,169
Over/Under Recovery					(\$528)	Over/Under Recovery					\$0	Over/Under Recovery					(\$877)

Municipal				\$479,021	Group User Rate				\$60,219	Golf Course				\$349,062	Pumping								
Meter Size	Bills	S.C.	Revenue		Meter Size	Bills	S.C.	Revenue		Meter Size	Bills	S.C.	Revenue		Pumping Zone	Adjusted COS	Pumped Volume	Proposed Volume Rate	Existing Volume Rate				
Inches					Inches					Inches							1,000 gal	\$ per 1,000 gal					
Inside City					Inside City					Inside City					Inside City								
5/8 - Inch	48	\$18.60			5/8 - Inch		\$18.60	\$0		5/8 - Inch	0	\$18.60	\$0		PS 1A	\$32,660	68,096	\$0.48	\$0.82				
3/4 - Inch	252	18.60	4,688		3/4 - Inch		18.60	0		3/4 - Inch	0	18.60	\$0		PS 2	\$31,912	62,173	0.51	1.16				
1 - Inch	228	24.58	5,604		1 - Inch		24.58	0		1 - Inch	12	24.58	\$295		PS 3	\$29,571	25,204	1.17	1.79				
1 1/2 - Inch	84	44.50	3,738		1 1/2 - Inch		44.50	0		1 1/2 - Inch	0	44.50	\$0		PS 1B	\$27,786	36,492	0.76	0.57				
2 - Inch	144	70.05	10,087		2 - Inch		70.05	0		2 - Inch	0	70.05	\$0		PS 1C	\$32,417	86,482	0.37	0.57				
3 - Inch	0	133.87	0		3 - Inch		133.87	0		3 - Inch	0	133.87	\$0		Total	\$154,346	278,447	\$0.55					
4 - Inch	24	187.51	4,500		4 - Inch		187.51	0		4 - Inch	24	187.51	\$4,500										
6 - Inch	12	346.23	4,155		6 - Inch		346.23	0		6 - Inch	0	346.23	\$0										
8 - Inch	0	925.03	0		8 - Inch		925.03	0		8 - Inch	0	925.03	\$0										
10 - Inch	0	1,372.45	0		10 - Inch		1,372.45	0		10 - Inch	0	1,372.45	\$0										
Total Bills/Revenue	792		\$32,772		Total Bills/Revenue	0		\$0		Total Bills/Rev	36		\$4,795										
Outside City					Outside City					Outside City					Outside City								
5/8 - Inch		\$27.90	\$0		5/8 - Inch	0	\$27.90	\$0		5/8 - Inch		\$27.90	\$0										
3/4 - Inch		27.90	0		3/4 - Inch	0	27.90	0		3/4 - Inch		27.90	0										
1 - Inch		36.87	0		1 - Inch	0	36.87	0		1 - Inch		36.87	0										
1 1/2 - Inch		66.75	0		1 1/2 - Inch	0	66.75	0		1 1/2 - Inch		66.75	0										
2 - Inch		105.08	0		2 - Inch	0	105.08	0		2 - Inch		105.08	0										
3 - Inch		200.81	0		3 - Inch	0	200.81	0		3 - Inch		200.81	0										
4 - Inch		281.27	0		4 - Inch	60	281.27	16,876		4 - Inch		281.27	0										
6 - Inch		519.34	0		6 - Inch	0	519.34	0		6 - Inch		519.34	0										
8 - Inch		1,387.54	0		8 - Inch	0	1,387.54	0		8 - Inch		1,387.54	0										
10 - Inch		2,058.68	0		10 - Inch	0	2,058.68	0		10 - Inch		2,058.68	0										
Total Bills/Revenue	0		\$0		Total Bills/Revenue	60		\$16,876		Total Bills/Revenue			\$0										
Total Service Charge Revenue (Inside and Outside)				\$32,772	Total Service Charge Revenue (Inside and Outside)				\$16,876	Total Service Charge Revenue (Inside and Outside)				\$4,795									
Volume Rate Revenue Required				\$446,249	Volume Rate Revenue Required				\$43,343	Volume Rate Revenue Required				\$344,267									
Threshold	% Vol	Ratio	Volume	Rate	Revenue	Threshold	% Vol	Ratio	Volume	Rate	Revenue	Threshold	% Vol	Ratio	Volume	Rate	Revenue	Threshold	% Vol	Ratio	Volume	Rate	Revenue
All Usage	100.0%	1.00	95,309	\$4.68	446,249	All Usage	100.0%	1.00	8,913	\$4.86	43,343	All Usage	100.0%	1.00	71,397	\$4.82	344,267	All Usage	100.0%	1.00	71,397	\$4.82	344,267
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0				0	\$0.00	0
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0				0	\$0.00	0
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0				0	\$0.00	0
Total Inside Town	100.0%		95,309	\$4.68	446,249	Total Inside Town	100.0%		8,913	\$4.86	43,343	Total Inside To	100.0%		71,397	\$4.82	344,267	Total Inside To	100.0%		71,397	\$4.82	344,267
Threshold			Volume	Rate	Revenue	Threshold			Volume	Rate	Revenue	Threshold			Volume	Rate	Revenue	Threshold			Volume	Rate	Revenue
All Usage	100.0%		0	\$7.02	0	All Usage	100.0%		0	\$7.30	0	All Usage	100.0%		0	\$7.23	0	All Usage	100.0%		0	\$7.23	0
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0				0	\$0.00	0
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0				0	\$0.00	0
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0				0	\$0.00	0
Total Outside Town						Total Outside Town						Total Outside Town						Total Outside Town					
Over/Under Recovery				\$0	Over/Under Recovery				\$0	Over/Under Recovery				\$0									

Residential Cost of Service (Inside City and Outside City) \$4,762,104

Meter Size	Bills	S.C. [1]	Revenue
Inches			
Inside City			
5/8 - Inch	14,274	\$18.60	\$265,528
3/4 - Inch	50,795	18.60	944,920
1 - Inch	1,205	28.48	34,305
1 1/2 - Inch	229	54.21	12,407
2 - Inch	12	83.78	1,009
3 - Inch	0	155.68	0
4 - Inch	0	252.77	0
6 - Inch	0	501.35	0
8 - Inch	0	925.03	0
10 - Inch	0	1,372.45	0
Total Bills/Revenue	66,515		\$1,258,168
Outside City			
5/8 - Inch	12,360	\$27.90	\$344,890
3/4 - Inch	14,040	27.90	391,768
1 - Inch	132	42.70	5,636
1 1/2 - Inch	0	81.30	0
2 - Inch	0	125.67	0
3 - Inch	0	233.53	0
4 - Inch	0	379.15	0
6 - Inch	0	752.05	0
8 - Inch	0	1,387.54	0
10 - Inch	0	2,058.68	0
Total Bills/Revenue	26,532		\$742,294

Total Service Charge Revenue (Inside and Outside) \$2,000,462

Volume Rate Revenue Required \$2,761,642

Threshold	% Vol	Ratio	Volume	Rate	Revenue
4	46%	1.00	202,212	\$2.27	459,647
12	32%	1.99	140,257	\$4.52	634,494
99999	23%	2.99	99,898	\$6.80	678,996
Total Inside Town	100.0%		442,367	\$4.01	1,773,137
Threshold	% Vol	Ratio	Volume	Rate	Revenue
4			75,154	\$3.41	256,248
12			52,128	\$6.79	353,724
9999			37,128	\$10.20	378,533
Total Outside Town			164,410	\$6.01	988,505
Over/Under Recovery					\$0

[1] Adjusted cost of service service charges are the greater of the calculated cost of service or existing service charges

Commercial Cost of Service (Inside City and Outside City) 2,562,932

Meter Size	Bills	S.C.	Revenue
Inches			
Inside City			
5/8 - Inch	1,032	\$18.60	\$19,198
3/4 - Inch	3,228	18.60	60,049
1 - Inch	900	28.48	25,632
1 1/2 - Inch	408	54.21	22,118
2 - Inch	456	83.78	38,204
3 - Inch	216	155.68	33,627
4 - Inch	36	252.77	9,100
6 - Inch	48	501.35	24,065
8 - Inch	0	925.03	0
10 - Inch	36	1,372.45	49,408
Total Bills/Revenue	6,360		\$281,400
Outside City			
5/8 - Inch	1,020	\$27.90	\$28,462
3/4 - Inch	924	27.90	25,783
1 - Inch	144	42.70	6,149
1 1/2 - Inch	72	81.30	5,854
2 - Inch	72	125.67	9,048
3 - Inch	24	233.53	5,605
4 - Inch	0	379.15	0
6 - Inch	24	752.05	18,049
8 - Inch	12	1,387.54	16,651
10 - Inch	60	2,058.68	123,521
Total Bills/Revenue	2,352		\$239,121

Total Service Charge Revenue (Inside and Outside) 0.20309566 \$520,520

Volume Rate Revenue Required \$2,042,412

	Threshold	% Vol	Ratio	Volume	Rate	Revenue
12%	All Usage	100.0%	1.00	197,587	\$3.48	686,874
12%				0	\$0.00	0
12%				0	\$0.00	0
				0	\$0.00	0
Total Inside Town		100.0%		197,587	\$3.48	686,874
	Threshold			Volume	Rate	Revenue
12%	All Usage	100.0%		259,957	\$5.21	1,355,538
12%				0	\$0.00	0
12%				0	\$0.00	0
				0	\$0.00	0
Total Outside Town				259,957	\$5.21	1,355,538
Over/Under Recovery						\$0

Commercial Multi Unit Cost of Service (Inside City and Outside City) \$1,232,053

Meter Size	Bills	S.C.	Revenue
Inches			
Inside City			
5/8 - Inch	900	\$18.60	\$16,742
3/4 - Inch	2,508	18.60	46,655
1 - Inch	780	28.48	22,214
1 1/2 - Inch	240	54.21	13,010
2 - Inch	240	83.78	20,107
3 - Inch	228	155.68	35,495
4 - Inch	132	252.77	33,366
6 - Inch	36	501.35	18,049
8 - Inch	0	925.03	0
10 - Inch	0	1,372.45	0
Total Bills/Revenue	5,064		\$205,638
Outside City			
5/8 - Inch	132	\$27.90	\$3,683
3/4 - Inch	84	27.90	2,344
1 - Inch	36	42.70	1,537
1 1/2 - Inch	0	81.30	0
2 - Inch	12	125.67	1,508
3 - Inch	24	233.53	5,605
4 - Inch	12	379.15	4,550
6 - Inch	0	752.05	0
8 - Inch	0	1,387.54	0
10 - Inch	0	2,058.68	0
Total Bills/Revenue	300		\$19,227

Total Service Charge Revenue (Inside and Outside) \$224,865

Volume Rate Revenue Required \$1,007,187

Threshold	% Vol	Ratio	Volume	Rate	Revenue
All Usage	100.0%	1.00	150,724	\$5.80	874,535
			0	\$0.00	0
			0	\$0.00	0
			0	\$0.00	0
Total Inside Town	100.0%		150,724	\$5.80	874,535
Threshold			Volume	Rate	Revenue
All Usage	100.0%		15,242	\$8.70	132,652
			0	\$0.00	0
			0	\$0.00	0
			0	\$0.00	0
Total Outside Town			15,242	\$8.70	132,652
Over/Under Recovery					\$0

Municipal					\$303,791					Group User Rate					\$65,570					Golf Course					\$203,507					Pumping				
Meter Size	Bills	S.C.	Revenue		Meter Size	Bills	S.C.	Revenue		Meter Size	Bills	S.C.	Revenue		Meter Size	Bills	S.C.	Revenue		Pumping Zone	Adjusted COS	Pumped Volume	Proposed Volume Rate	Existing Volume Rate										
Inches					Inches					Inches					Inches							1,000 gal	\$ per 1,000 gal											
Inside City					Inside City					Inside City					Inside City					Inside City					Inside City									
5/8 - Inch	48	\$18.60			5/8 - Inch		\$18.60		\$0	5/8 - Inch	0	\$18.60		\$0	PS 1A	\$32,660	68,096	\$0.48	\$0.82															
3/4 - Inch	252	18.60	4,688		3/4 - Inch		18.60	0	0	3/4 - Inch	0	18.60		\$0	PS 2	\$31,912	62,173	0.51	1.18															
1 - Inch	228	28.48	6,493		1 - Inch		28.48	0	0	1 - Inch	12	28.48	\$342		PS 3	\$29,571	25,204	1.17	1.79															
1 1/2 - Inch	84	54.21	4,554		1 1/2 - Inch		54.21	0	0	1 1/2 - Inch	0	54.21	\$0		PS 1B	\$27,786	36,492	0.76	0.57															
2 - Inch	144	83.78	12,064		2 - Inch		83.78	0	0	2 - Inch	0	83.78	\$0		PS 1C	\$32,417	86,482	0.37	0.57															
3 - Inch	0	155.68	0		3 - Inch		155.68	0	0	3 - Inch	0	155.68	\$0		Total	\$154,346	278,447	\$0.55																
4 - Inch	24	252.77	6,066		4 - Inch		252.77	0	0	4 - Inch	24	252.77	\$6,066																					
6 - Inch	12	501.35	6,016		6 - Inch		501.35	0	0	6 - Inch	0	501.35	\$0																					
8 - Inch	0	925.03	0		8 - Inch		925.03	0	0	8 - Inch	0	925.03	\$0																					
10 - Inch	0	1,372.45	0		10 - Inch		1,372.45	0	0	10 - Inch	0	1,372.45	\$0																					
Total Bills/Revenue	792		\$39,882		Total Bills/Revenue	0		\$0		Total Bills/Revenue	36		\$6,408																					
Outside City					Outside City					Outside City					Outside City																			
5/8 - Inch		\$27.90	\$0		5/8 - Inch	0	\$27.90	\$0		5/8 - Inch		\$27.90	\$0																					
3/4 - Inch		27.90	0		3/4 - Inch	0	27.90	0		3/4 - Inch		27.90	0																					
1 - Inch		42.70	0		1 - Inch	0	42.70	0		1 - Inch		42.70	0																					
1 1/2 - Inch		81.30	0		1 1/2 - Inch	0	81.30	0		1 1/2 - Inch		81.30	0																					
2 - Inch		125.67	0		2 - Inch	0	125.67	0		2 - Inch		125.67	0																					
3 - Inch		233.53	0		3 - Inch	0	233.53	0		3 - Inch		233.53	0																					
4 - Inch		379.15	0		4 - Inch	60	379.15	22,749		4 - Inch		379.15	0																					
6 - Inch		752.05	0		6 - Inch	0	752.05	0		6 - Inch		752.05	0																					
8 - Inch		1,387.54	0		8 - Inch	0	1,387.54	0		8 - Inch		1,387.54	0																					
10 - Inch		2,058.68	0		10 - Inch	0	2,058.68	0		10 - Inch		2,058.68	0																					
Total Bills/Revenue	0		\$0		Total Bills/Revenue	60		\$22,749		Total Bills/Revenue			\$0																					
Total Service Charge Revenue (Inside and Outside)					Total Service Charge Revenue (Inside and Outside)					Total Service Charge Revenue (Inside and Outside)					Total Service Charge Revenue (Inside and Outside)																			
\$39,882					\$22,749					\$6,408																								
Volume Rate Revenue Required					Volume Rate Revenue Required					Volume Rate Revenue Required					Volume Rate Revenue Required																			
\$263,909					\$42,821					\$197,098																								
Threshold	% Vol	Ratio	Volume	Rate	Revenue	Threshold	% Vol	Ratio	Volume	Rate	Revenue	Threshold	% Vol	Ratio	Volume	Rate	Revenue																	
All Usage	100.0%	1.00	95,309	\$2.77	263,909	All Usage	100.0%	1.00	8,913	\$4.80	42,821	All Usage	100.0%	1.00	71,397	\$2.76	197,098																	
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0																	
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0																	
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0																	
Total Inside Town	100.0%		95,309	\$2.77	263,909	Total Inside Town	100.0%		8,913	\$4.80	42,821	Total Inside To	100.0%		71,397	\$2.76	197,098																	
Threshold			Volume	Rate	Revenue	Threshold			Volume	Rate	Revenue	Threshold			Volume	Rate	Revenue																	
All Usage	100.0%		0	\$4.15	0	All Usage	100.0%		0	\$7.21	0	All Usage	100.0%		0	\$4.14	0																	
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0																	
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0																	
			0	\$0.00	0				0	\$0.00	0				0	\$0.00	0																	
Total Outside Town						Total Outside Town						Total Outside Town																						
Over/Under Recovery					\$0	Over/Under Recovery					\$0	Over/Under Recovery					\$0																	