

CITY OF BISBEE

ARIZONA

► 2025 Wastewater and Solid Waste Rate Study



**CITY OF BISBEE, ARIZONA
2025 WASTEWATER AND SOLID WASTE RATE STUDY
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Appendix A- Wastewater Study

Appendix B- Solid Waste Study

Acknowledgements

During the course of this rate study, several City of Bisbee employees expended considerable time and effort in assisting the project team. These individuals include the Mayor and Council; Steve Pauken, City Manager; Matthew Gurney, Public Works Director; and Keri Bagley, Finance Director. The project team owes a debt of gratitude to the hard work, dedication, and professionalism of these individuals, without whom this project would not have been successfully completed.

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

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

Executive Summary

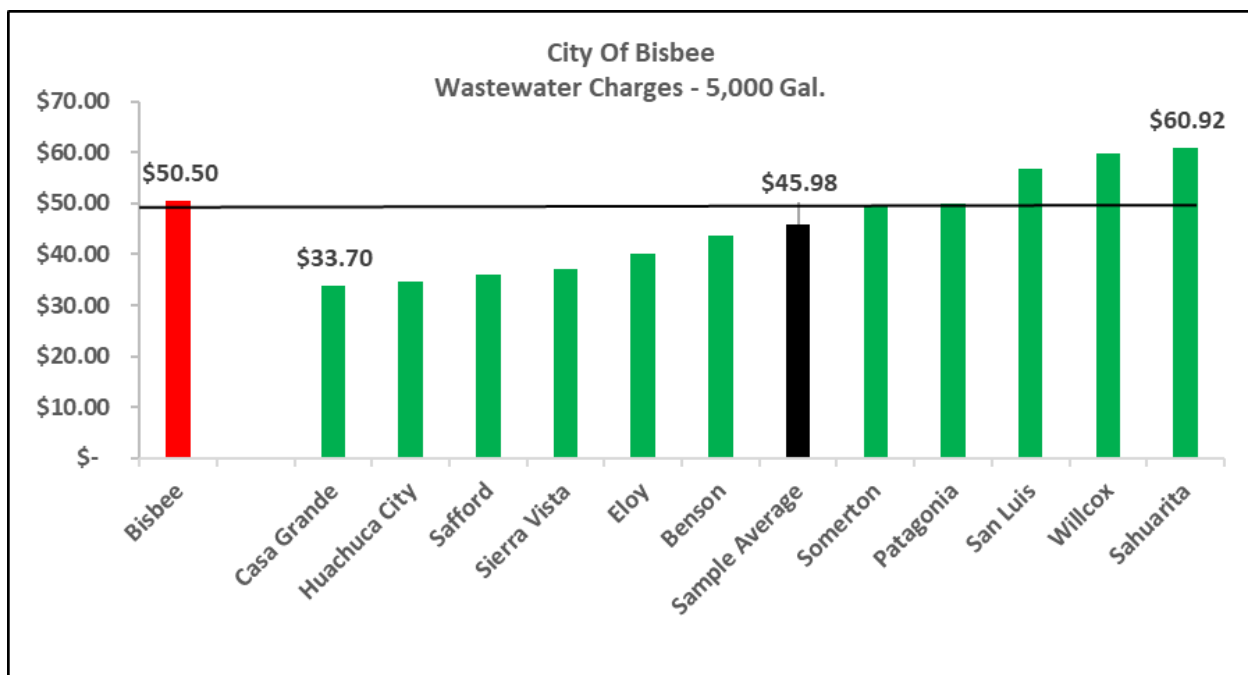
Background

In 2024, the City of Bisbee, Arizona (the “City”) engaged **Willdan Financial Services** to conduct a wastewater and Solid Waste rate study and long-term financial plan for 2026 and beyond. The objective is to develop a long-term rate plan that will enable the City to recover sufficient funds to meet operating expenses, capital outlays, debt service and coverage requirements, while at the same time to the best extent possible minimizing the impact on ratepayers.

Wastewater Rate Comparison

Chart ES-1 summarizes the City Bisbee’s current wastewater rate structure. The chart compares the City’s monthly wastewater charges to surrounding cities in Arizona. Volumes of 5,000 gallons wastewater were used for the residential comparison as they represent typical usage levels for an average household. The rate data is based on published rates and ordinances posted by each municipality on their website. Rates do not include sales tax, activation or other charges beyond the basic minimum and volume charges.

CHART ES-1



Wastewater Customers and Meters – Test Year and Forecast

The majority of the wastewater accounts served by Bisbee are residential accounts. **Table ES-2** present total wastewater accounts for the City for the test year and forecast period.

Overall wastewater accounts are forecast to increase from **3,438** in the test year to **3,528** in FY 2035, an increase of 10 new accounts per year.

TABLE ES-2

CITY OF BISBEE		FORECAST TOTAL ACCOUNTS/UNITS -- WASTEWATER									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
101	Residential	2,828	2,833	2,838	2,843	2,848	2,853	2,858	2,863	2,868	2,873
104	Residential	1	1	1	1	1	1	1	1	1	1
105	Residential	1	1	1	1	1	1	1	1	1	1
106	Best Value Inn	1	1	1	1	1	1	1	1	1	1
107	Border Patrol	1	1	1	1	1	1	1	1	1	1
109	Mixed Use	62	62	62	62	62	62	62	62	62	62
111	Commercial 1	141	142	143	144	145	146	147	148	149	150
112	Commercial 2	21	21	21	21	21	21	21	21	21	21
113	Commercial 3	12	12	12	12	12	12	12	12	12	12
114	Commercial 4	295	296	297	298	299	300	301	302	303	304
115	Commercial 5	14	14	14	14	14	14	14	14	14	14
118	Poverty Level	36	38	40	42	44	46	48	50	52	54
119	Half Poverty Level	29	30	31	32	33	34	35	36	37	38
121	Special Rate CQRV	1	1	1	1	1	1	1	1	1	1
122	School District 1	1	1	1	1	1	1	1	1	1	1
123	School District 2	1	1	1	1	1	1	1	1	1	1
124	School District 3	1	1	1	1	1	1	1	1	1	1
125	School District 4	1	1	1	1	1	1	1	1	1	1
126	Copper Queen Hotel	1	1	1	1	1	1	1	1	1	1
	Total	3,448	3,458	3,468	3,478	3,488	3,498	3,508	3,518	3,528	3,538

Wastewater Cost of Service and Net Revenue Requirement

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

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

Table ES-3 presents the overall ten-year cost of service forecast for the wastewater utilities developed.

- Most operating costs are expected to increase at approximately the rate of inflation.
- Certain expenses will increase at above-inflation rates, to reflect the rapid rate of increase of these costs. These expenses include chemicals, workers' compensation, insurance.
- Personnel expenses will increase at higher rates to reflect the forecast growth in number of employees and compensation adjustments

- Certain expenses will increase at higher rates to reflect the forecast growth in accounts and volumes. These expenses include maintenance and system repairs.
- At present the City maintains two principal bonds related to the wastewater system. The first is for a refinancing of the wastewater treatment plant debt, and the second regards a solar project attached to the wastewater treatment plant. In addition, the City maintains debt for a trailer, a 2022 Chevy Silverado and a Mini Excavator. All current debt service is included in the wastewater cost of service.
- For the purposes of this rate plan, the project team is assuming that the City will issue \$5.0 million in long-term debt to fund wastewater system improvements over the next decade. As shown in **Chart III-2**, the bonds are assumed to be issued in increments of \$2.5 million in 2027 and 2031. The debt is forecast to be issued in 25-year terms at 3.5% interest.
- A certain amount of revenue is accrued from non-rate sources. They are accrued as a result of sales tax, agreements and charges for specific customer services. These non-rate revenues are subtracted from the overall budget to determine the revenue requirement raised from rates. The financial plan assumes that the use of fund balance to support the wastewater utility will be phased out over a three-year period. Further, the City Sales tax is assumed to be continued to be used to fund capital outlays for the next decade.

TABLE ES-3

CITY OF BISBEE								
CURRENT AND FORECAST NET REVENUE REQUIREMENT								
	Operating Expenses	Capital Outlays	Transfers	Debt Service	Total Cost of Service	Less Non-Rate Revenues	Net Revenue Requirement	
WASTEWATER Revenue Requirement								
2026	\$ 1,835,852	\$ 530,000	\$ 444,099	\$ 672,938	\$ 3,482,889	\$ 1,626,400	\$ 1,856,489	
2027	1,893,185	530,000	444,099	662,766	3,530,050	1,094,400	2,435,650	
2028	1,952,399	530,000	444,099	807,298	3,733,796	719,400	3,014,396	
2029	2,013,563	530,000	444,099	799,724	3,787,386	594,400	3,192,986	
2030	2,076,748	530,000	444,099	799,468	3,850,315	594,400	3,255,915	
2031	2,142,029	530,000	444,099	799,659	3,915,787	594,400	3,321,387	
2032	2,209,485	530,000	444,099	976,242	4,159,826	594,400	3,565,426	
2033	2,279,197	530,000	444,099	950,987	4,204,283	594,400	3,609,883	
2034	2,351,252	530,000	444,099	950,401	4,275,752	594,400	3,681,352	
2035	2,425,738	530,000	444,099	873,294	4,273,131	594,400	3,678,731	

Wastewater -- Proposed Rate Plan

Table ES-4 summarizes the proposed long-term wastewater rate plan for the City. The following is notable about this rate plan:

- The proposed rate plan is based on the City's existing rate structure. No significant structural changes are proposed.
- Because the City does not own or operate a water utility, it is not practical for the City to implement a volume-based rate for any of its customer classes.

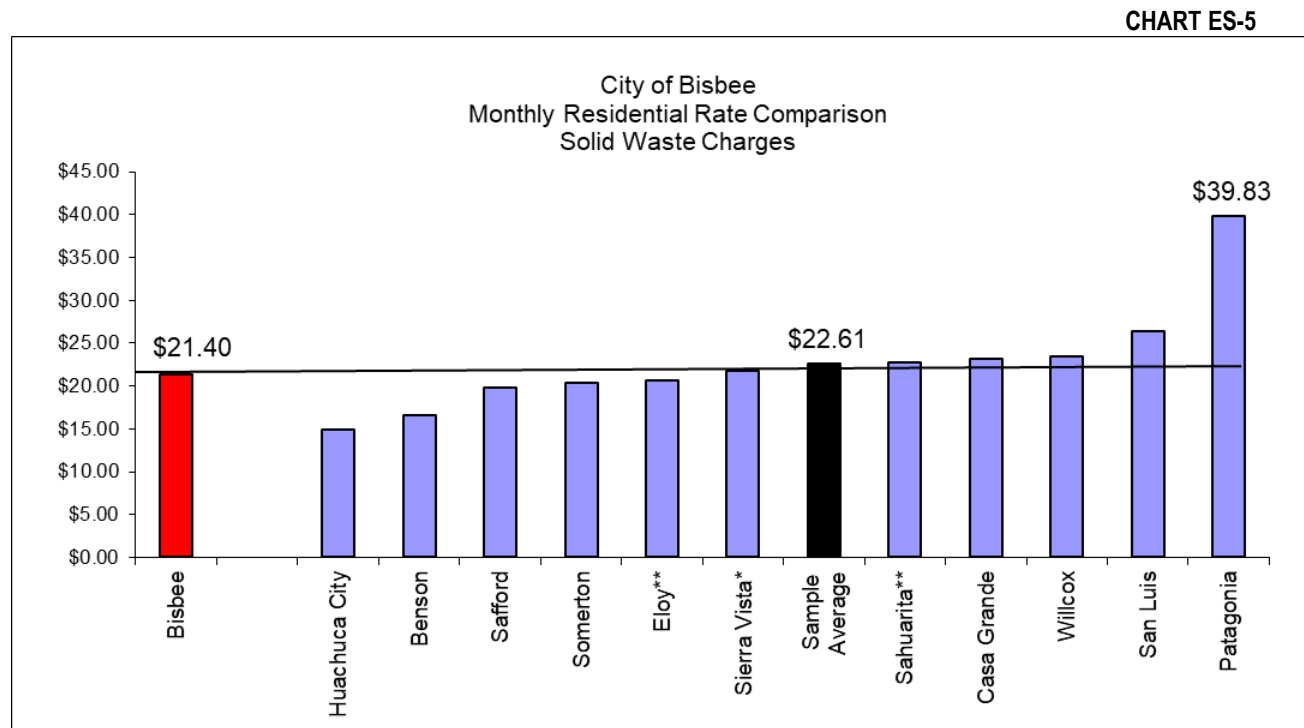
- The rate plan presents a five-year implementation schedule, with the first adjustment in January 2026 and subsequent adjustments in July of each year 2026 – 2030. The July timeframe is recommended as it coincides with the beginning of the fiscal year.
- Uniform adjustments are applied to the existing rates for each rate class in each year.
- The City has the flexibility to adopt the full five year plan, a one year plan or a limited number of years. Once the rate plan is adopted, the City has the option at any time in the future to amend the plan, if it considers it appropriate.
- The rate plan, if adopted, would result in the wastewater fund being fully self-sufficient by July 2028, as the general fund contributions are phased out over three years.
- The most significant impact on rates will be the amount of debt that will be issued to fund the capital improvement plan. Larger debt issuances would require higher rate adjustments

TABLE ES-4

		CITY OF BISBEE PROPOSED MONTHLY CHARGES BY CUSTOMER CLASS							
Scenario: 2025 07 15 – Scenario I – Status Quo		EFFECTIVE DATE							
		Current	Jan-26	Jul-26	Jul-27	Jul-28	Jul-29	Jul-30	
101	Residential	\$ 50.50	\$ 56.06	\$ 62.22	\$ 67.82	\$ 73.93	\$ 76.14	\$ 78.43	
104	Residential	214.40	237.99	264.17	287.94	313.86	323.27	332.97	
105	Residential	1,240.87	1,377.37	1,528.88	1,666.48	1,816.46	1,870.95	1,927.08	
106	Best Value Inn	1,172.33	1,301.28	1,444.42	1,574.42	1,716.12	1,767.60	1,820.63	
107	Border Patrol	2,419.45	2,685.59	2,981.00	3,249.29	3,541.73	3,647.98	3,757.42	
109	Mixed Use	-	-	-	-	-	-	-	
111	Commercial 1	57.06	63.34	70.31	76.63	83.53	86.04	88.62	
112	Commercial 2	97.67	108.42	120.35	131.18	142.98	147.27	151.69	
113	Commercial 3	162.95	180.87	200.77	218.83	238.53	245.69	253.06	
114	Commercial 4	30.32	33.66	37.36	40.72	44.39	45.72	47.09	
115	Commercial 5	252.62	280.41	311.25	339.26	369.80	380.89	392.32	
118	Poverty Level	29.43	32.66	36.26	39.52	43.08	44.37	45.70	
119	Half Poverty Level	14.71	16.33	18.12	19.75	21.53	22.18	22.84	
121	Special Rate CQRV	407.45	452.27	502.02	547.20	596.45	614.34	632.77	
122	School District 1	376.65	418.08	464.07	505.84	551.36	567.90	584.94	
123	School District 2	311.47	345.73	383.76	418.30	455.95	469.63	483.72	
124	School District 3	3,743.47	4,155.26	4,612.33	5,027.44	5,479.91	5,644.31	5,813.64	
125	School District 4	226.26	251.15	278.78	303.86	331.21	341.15	351.38	
126	Copper Queen Hotel	2,148.44	2,384.76	2,647.09	2,885.33	3,145.00	3,239.36	3,336.54	

Solid Waste Rate Comparison

Chart ES-5 presents a sampling of the basic residential solid waste collection charges for the survey cities. While each may vary nominally in the type or size of container required, and the number of collections per week, overall, the services are sufficiently similar to present a broad comparison.



Solid Waste Forecast Accounts

Table ES-6 presents a forecast of total solid waste accounts/customers for the ten year period 2026 – 2035. The table identifies the total customers under the City's current status quo classes. It also shows the customers who pay special service fees (i.e. recycling fees). Each customer pays both a monthly charge and a special service recycling fee.

TABLE ES-6

CITY OF BISBEE FORECAST SANITATION CUSTOMERS BY CLASS										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Accounts										
LOW INCOME 1/2 GARBAGE - 6.42	28	29	30	31	32	33	34	35	36	37
LOW INCOME GARBAGE - 12.84	33	34	35	36	37	38	39	40	41	42
GARB- 3 OCC 9 VAC - 14.00	83	83	83	83	83	83	83	83	83	83
GARBAGE - RESIDENTIAL - 21.40	2,742	2,747	2,752	2,757	2,762	2,767	2,772	2,777	2,782	2,787
GARBAGE - COMM E MIN - 14.00	43	43	43	43	43	43	43	43	43	43
GARBAGE - COMM A - 34.64	73	74	75	76	77	78	79	80	81	82
GARBAGE - COMM B TEM-RVW 58.20	93	94	95	96	97	98	99	100	101	102
GARBAGE - COMM C - 164.85	17	17	17	17	17	17	17	17	17	17
GARBAGE - COMM D - 323.67	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM 1M@2 - 55.58	22	22	22	22	22	22	22	22	22	22
GARBAGE - COMM 1L@5 - 236.28	4	4	4	4	4	4	4	4	4	4
GARBAGE - COMM 1L@2 - 96.92	20	20	20	20	20	20	20	20	20	20
GARBAGE - COMM 2M@2 - 107.14	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM 2L@2 - 189.82	6	6	6	6	6	6	6	6	6	6
GARBAGE - COMM 2L@5 - 468.54	-	-	-	-	-	-	-	-	-	-
GARBAGE - COMM 1M@5 - 132.93	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM 3L@2 - 282.73	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM 1L/1M@2 - 152.50	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM 1M@4 - 107.14	1	1	1	1	1	1	1	1	1	1
GARBAGE - COMM 1L@3 - 143.37	1	1	1	1	1	1	1	1	1	1
GARBAGE - COMM 3L@5 - 700.81	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM 4L@5 - 933.08	1	1	1	1	1	1	1	1	1	1
3L/2M@2 - 389.87	1	1	1	1	1	1	1	1	1	1
GARBAGE SCHOOL DIST - 498.08	3	3	3	3	3	3	3	3	3	3
1 L & 5 M @ 2 358.76	1	1	1	1	1	1	1	1	1	1
2 L @ 3 \$282.73	-	-	-	-	-	-	-	-	-	-
Garbage Bill Zero Amount	74	74	74	74	74	74	74	74	74	74
GARBAGE-MIXED USE PROPERTIES	5	5	5	5	5	5	5	5	5	5
Total	3,263	3,272	3,281	3,290	3,299	3,308	3,317	3,326	3,335	3,344
Special Service Fees										
LOW INCOME 1/2 GARBAGE - 6.42	28	29	30	31	32	33	34	35	36	37
LOW INCOME GARBAGE - 12.84	33	34	35	36	37	38	39	40	41	42
GARB- 3 OCC 9 VAC - 14.00	83	83	83	83	83	83	83	83	83	83
GARBAGE - RESIDENTIAL - 21.40	2,742	2,747	2,752	2,757	2,762	2,767	2,772	2,777	2,782	2,787
NON-RESIDENTIAL	377	379	381	383	385	387	389	391	393	395
Total	3,263	3,272	3,281	3,290	3,299	3,308	3,317	3,326	3,335	3,344
Annual Increase										
Total		9	9	9	9	9	9	9	9	9
Percent		0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

Solid Waste Test Year and Forecast Revenue Requirement

Table ES-7 presents the solid waste utility's test-year and forecast net revenue requirement for the next ten years. Details behind the calculations can be found in the summary pages of the rate model presented in Appendix B. The following is notable about this forecast:

- Salaries, wages, and most operating costs are projected to increase at approximately the rate of inflation
- Those operating costs that are directly affected by the growth of accounts are forecast to increase at a rate commensurate with the sum of the rate of normal inflation and the growth of accounts

- Capital outlays are higher in FY 2026 and are forecast to remain constant at approximately \$130,000 per year in 2027 and beyond
- Currently the City is paying off debt related to three Solid waste trucks. This debt of \$122,746 is expected to be retired by the end of FY 2027.
- The forecast assumes that the City will borrow additional amounts to fund future truck purchases, in accordance with the City's capital improvement plan.

TABLE ES-7

CITY OF BISBEE									
FORECAST SANITATION NET REVENUE REQUIREMENT									
	Operating Expenses	Fund Transfers	Capital Outlays	Debt Service	Total Cost of Service	Less Non-Rate Revenues	Net Revenue Requirement		
Sanitation Revenue Requirement									
2026	\$ 1,019,359	\$ 184,803	\$ 297,000	\$ 122,746	\$ 1,623,908	\$ (7,500)	\$ 1,616,408		
2027	1,061,372	191,035	130,000	122,746	1,505,154	(7,500)	1,497,654		
2028	1,105,488	197,475	130,000	153,510	1,586,474	(7,500)	1,578,974		
2029	1,151,835	204,130	130,000	153,510	1,639,475	(7,500)	1,631,975		
2030	1,200,551	211,005	130,000	153,510	1,695,067	(7,500)	1,687,567		
2031	1,251,782	218,110	130,000	153,510	1,753,402	(7,500)	1,745,902		
2032	1,305,686	225,451	130,000	153,510	1,814,647	(7,500)	1,807,147		
2033	1,362,431	233,036	130,000	103,104	1,828,571	(7,500)	1,821,071		
2034	1,422,198	240,873	130,000	103,104	1,896,175	(7,500)	1,888,675		
2035	1,485,181	248,970	130,000	103,104	1,967,255	(7,500)	1,959,755		

Solid Waste Rate Plan Scenario I- Status Quo

Table ES-8 presents the City's proposed Solid waste rate plan for a five-year period under **Scenario I – Status Quo**. This scenario assumes that the City does not change its current customer classes.

Advantages

- Least disruptive approach, as it results in uniform percentage increases in monthly charges for each customer.
- Uses a system with which customers are already familiar.

Challenges

- Continues a system of assigning accounts to classes that many customers have complained is arbitrary.
- More difficult for staff to administer.
- Higher charges for residential customers than Scenario II.

TABLE ES-8

CITY OF BISBEE PROPOSED SANITATION MONTHLY CHARGES							
	Monthly Charge						
	Current	Effective Jan-26	Effective Jul-26	Effective Jul-27	Effective Jul-28	Effective Jul-29	Effective Jul-30
MONTHLY CHARGE -- SCENARIO I -- STATUS QUO							
Special Service fees							
Recycle -- Residential	\$ 6.77	\$ 7.24	\$ 7.75	\$ 8.29	\$ 8.54	\$ 8.80	\$ 9.06
Recycle -- Residential Low Income 1/2	2.03	2.17	2.32	2.49	2.56	2.64	2.72
Recycle -- Residential Low Income	4.06	4.34	4.65	4.97	5.12	5.28	5.43
Non Residential	6.77	7.24	7.75	8.29	8.54	8.80	9.06
Residential							
LOW INCOME 1/2 GARBAGE - 6.42	\$ 6.42	\$ 6.87	\$ 7.35	\$ 7.86	\$ 8.10	\$ 8.34	\$ 8.59
LOW INCOME GARBAGE - 12.84	12.84	13.74	14.70	15.73	16.20	16.69	17.19
GARB- 3 OCC 9 VAC - 14.00	14.00	14.98	16.03	17.15	17.67	18.20	18.74
GARBAGE - RESIDENTIAL - 21.40	21.40	22.90	24.50	26.22	27.00	27.81	28.65
Non-Residential							
GARBAGE - COMM E MIN - 14.00	\$ 14.00	\$ 16.10	\$ 18.52	\$ 21.29	\$ 22.57	\$ 23.92	\$ 25.36
GARBAGE - COMM - A - 34.64	34.64	39.84	45.81	52.68	55.84	59.19	62.75
GARBAGE - COMM B TEM-RVW 58.20	58.20	66.93	76.97	88.51	93.83	99.46	105.42
GARBAGE - COMM C - 164.85	164.85	189.58	218.01	250.72	265.76	281.70	298.61
GARBAGE - COMM D - 323.67	323.67	372.22	428.05	492.26	521.80	553.11	586.29
GARBAGE - COMM - 1M@2 - 55.58	55.58	63.92	73.50	84.53	89.60	94.98	100.68
GARBAGE - COMM - 1L@5 - 236.28	236.28	271.72	312.48	359.35	380.91	403.77	427.99
GARBAGE - COMM - 1L@2 - 96.92	96.92	111.46	128.18	147.40	156.25	165.62	175.56
GARBAGE - COMM - 2M@2 - 107.14	107.14	123.21	141.69	162.95	172.72	183.09	194.07
GARBAGE - COMM - 2L@2 - 189.82	189.82	218.29	251.04	288.69	306.01	324.37	343.84
GARBAGE - COMM - 2L@5 - 468.54	468.54	538.82	619.64	712.59	755.35	800.67	848.71
GARBAGE - COMM - 1M@5 - 132.93	132.93	152.87	175.80	202.17	214.30	227.16	240.79
GARBAGE - COMM - 3L@2 - 282.73	282.73	325.14	373.91	430.00	455.80	483.14	512.13
GARBAGE - COMM 1L/1M@2 -152.50	152.50	175.38	201.68	231.93	245.85	260.60	276.24
GARBAGE - COMM - 1M@4 - 107.14	107.14	123.21	141.69	162.95	172.72	183.09	194.07
GARBAGE - COMM - 1L@3 - 143.37	143.37	164.88	189.61	218.05	231.13	245.00	259.70
GARBAGE - COMM - 3L@5 - 700.81	700.81	805.93	926.82	1,065.84	1,129.80	1,197.58	1,269.44
GARBAGE - COMM - 4L@5 - 933.08	933.08	1,073.04	1,234.00	1,419.10	1,504.24	1,594.50	1,690.17
3L/2M@2 - 389.87	389.87	448.35	515.60	592.94	628.52	666.23	706.21
GARBAGE SCHOOL DIST - 498.08	498.08	562.44	646.81	743.83	788.46	835.77	885.91
1 L & 5 M @ 2 358.76	358.76	412.57	474.46	545.63	578.37	613.07	649.85
2 L @ 3 \$282.73	282.73	325.14	373.91	430.00	455.80	483.14	512.13
Garbage Bill Zero Amount	-	-	-	-	-	-	-
GARBAGE-MIXED USE PROPERTIES	74.93	86.17	99.10	113.96	120.80	128.05	135.73

Solid Waste Rate Plan Scenario II- Charge Per CY Container Size

Table ES-9 presents the City's proposed solid waste rate plan for a five-year forecast period under **Scenario II – Charge per CY Container**. This scenario assumes that the City significantly changes its cost structure, by implementing a charge per container size and number of pickups per week for each non-residential account.

Advantages

- A system of charging by container size and number of pickups is much more common in the industry. It is used by Solid Waste utilities throughout the USA.
- It relies on national standards for container size and is not subject to subjective interpretation.
- Most customers should be familiar with a charging system that is based on actual container size and number of pickups per week.
- Would result in lesser increases to residential customers than Scenario I.

Challenges

- Requires a comprehensive restructuring of City's billing system, as well as the assignment of container size to each non-residential customer.
- Implementing new system will require significant time and effort on the part of City staff.
- May disproportionately impact certain customers based on their current charges as opposed to charges under the new system. Some customers may experience significant increases in monthly charges.

TABLE ES-9

CITY OF BISBEE PROPOSED SANITATION MONTHLY CHARGES								
	Pickups/ Week	Current	Effective Jan-26	Effective Jul-26	Effective Jul-27	Effective Jul-28	Effective Jul-29	Effective Jul-30
MONTHLY CHARGE PER CY CONTAINER								
Special Service fees								
Recycle -- Residential	1	\$ 6.77	\$ 6.77	\$ 6.77	\$ 6.77	\$ 6.91	\$ 7.04	\$ 7.25
Recycle -- Residential Low Income 1/2	1	2.03	2.03	2.03	2.03	2.07	2.11	2.18
Recycle -- Residential Low Income	1	4.06	4.06	4.06	4.06	4.14	4.22	4.35
Non Residential	1	6.77	6.77	6.77	6.77	6.91	7.04	7.25
Residential								
Residential	1	\$ 21.40	\$ 21.40	\$ 21.40	\$ 21.40	\$ 21.83	\$ 22.26	\$ 22.93
Low Income -- 1/2	1	6.42	6.42	6.42	6.42	6.55	6.68	6.88
Low Income	1	12.84	12.84	12.84	12.84	13.10	13.36	13.76
2 Cubic Yard								
Non-Residential -- 2 CY	1	\$ 53.50	\$ 53.50	\$ 64.20	\$ 80.25	\$ 81.86	\$ 83.49	\$ 86.00
Non-Residential -- 2 CY	2	107.00	107.00	128.40	160.50	163.71	166.98	171.99
Non-Residential -- 2 CY	3	160.50	160.50	192.60	240.75	245.57	250.48	257.99
Non-Residential -- 2 CY	4	214.00	214.00	256.80	321.00	327.42	333.97	343.99
Non-Residential -- 2 CY	5	267.50	267.50	321.00	401.25	409.28	417.46	429.98
3 Cubic Yard								
Non-Residential -- 3 CY	1	\$ 64.20	\$ 64.20	\$ 90.95	\$ 117.70	\$ 120.05	\$ 122.46	\$ 126.13
Non-Residential -- 3 CY	2	128.40	128.40	181.90	235.40	240.11	244.91	252.26
Non-Residential -- 3 CY	3	192.60	192.60	272.85	353.10	360.16	367.37	378.39
Non-Residential -- 3 CY	4	256.80	256.80	363.80	470.80	480.22	489.82	504.51
Non-Residential -- 3 CY	5	321.00	321.00	454.75	588.50	600.27	612.28	630.64
4 Cubic Yard								
Non-Residential -- 4 CY	1	\$ 85.60	\$ 85.60	\$ 128.40	\$ 171.20	\$ 174.62	\$ 178.12	\$ 183.46
Non-Residential -- 4 CY	2	171.20	171.20	256.80	342.40	349.25	356.23	366.92
Non-Residential -- 4 CY	3	256.80	256.80	385.20	513.60	523.87	534.35	550.38
Non-Residential -- 4 CY	4	342.40	342.40	513.60	684.80	698.50	712.47	733.84
Non-Residential -- 4 CY	5	428.00	428.00	642.00	856.00	873.12	890.58	917.30
6 Cubic Yard								
Commercial -- 6 CY	1	\$ 128.40	\$ 128.40	\$ 171.20	\$ 235.40	\$ 240.11	\$ 244.91	\$ 252.26
Commercial -- 6 CY	2	256.80	256.80	342.40	470.80	480.22	489.82	504.51
Commercial -- 6 CY	3	385.20	385.20	513.60	706.20	720.32	734.73	756.77
Commercial -- 6 CY	4	513.60	513.60	684.80	941.60	960.43	979.64	1,009.03
Commercial -- 6 CY	5	642.00	642.00	856.00	1,177.00	1,200.54	1,224.55	1,261.29
8 Cubic Yard								
Commercial -- 8 CY	1	\$ 214.00	\$ 214.00	\$ 267.50	\$ 321.00	\$ 327.42	\$ 333.97	\$ 343.99
Commercial -- 8 CY	2	428.00	428.00	535.00	642.00	654.84	667.94	687.97
Commercial -- 8 CY	3	642.00	642.00	802.50	963.00	982.26	1,001.91	1,031.96
Commercial -- 8 CY	4	856.00	856.00	1,070.00	1,284.00	1,309.68	1,335.87	1,375.95
Commercial -- 8 CY	5	1,070.00	1,070.00	1,337.50	1,605.00	1,637.10	1,669.84	1,719.94
Commercial -- 8 CY	6	1,284.00	1,284.00	1,605.00	1,926.00	1,964.52	2,003.81	2,063.92

SECTION I

Introduction and Demographic Profile

Background



In early 2025, the City of Bisbee, Arizona (the “City”) engaged **Willdan Financial Services** to conduct a wastewater and solid waste rate study and long-term financial plan for TY 2026 and beyond. The objective is to develop a long-term rate plan that will enable the City to recover sufficient funds to meet operating expenses, capital outlays, debt service, and coverage requirements, while at the same time to the best extent possible minimizing the impact on ratepayers.

Willdan has long served as the City’s rate consultants, having conducted over ten such engagements dating back to 1999.

The City identified numerous objectives for this study, including but not limited to the following:

- A detailed analysis and comparison of the City’s current and proposed rates to rates in surrounding communities.
- An estimate of current and forecast accounts, volumes, and billing units for the ten-year forecast period, as well as the impact of any potential growth on the City’s cost of service and rates.
- A forecast of operating expenses over the next decade, taking into consideration such factors as inflation, system growth, and funding of the City’s Capital Improvement Plan (CIP).
- A thorough review of the wastewater and solid waste systems’ known capital improvement needs, as well as a determination of the means for funding capital requirements through the issuance of long-term debt for the existing identified capital improvements.
- The completion of a long-term forecast of wastewater and solid waste user rates required to fund the forecast operating and capital expenditures.



Report Organization

This report is organized into the following sections:

Section I – Introduction and Demographic Profile - outlines the background, objectives and scope of this rate study and long-term financial plan. It also presents the City's current rate structure and a community profile of the City of Bisbee. This includes a comparison of the City's wastewater charges with other Arizona cities.

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

Section III –Wastewater Test Year and Forecast Revenue Requirement – outlines the process of analyzing the City's current wastewater utility cost structure. Using the test year as a basis, costs are forecast for a ten-year period.

Section IV –Wastewater Rate Design – presents the rate recommendation for the City Council and Staff, showing that the study meets its revenue requirements over the next decade. This section also presents an analysis of the impact of this rate plan.

Section V – Solid Waste Cost of Service and Rate Plan– presents the solid waste cost of service analysis for the City of Bisbee. It includes a rate survey of nearby cities, a forecast of billing units and revenue requirements, and two rate scenarios for the City: one based on the existing rate structure, and another based on a new approach that charges non-residential customers according to their bin sizes and number of weekly pickups.

Appendix A – presents a hard copy printout of the relevant pages of the interactive Microsoft Excel spreadsheet model developed for the City of Bisbee to calculate wastewater current and future revenue requirements. The model automatically generates all calculations based on a set of defined user inputs.

Appendix B – presents a hard copy printout of the relevant pages of the interactive Microsoft Excel spreadsheet model developed for the City of Bisbee to calculate solid waste current and future revenue requirements. The model automatically generates all calculations based on a set of defined user inputs.

Community Overview

The City of Bisbee is located in the southeast portion of Arizona. The City is situated in Cochise County with the city's incorporated area covering approximately 5.2 square miles of land area.

The City boasts a rich history as a prosperous mining Town. At one point in the 19th century Bisbee was the largest populated city in the USA west of the Mississippi river. However, hard times fell upon the mining industry, and eventually the City re-invented itself as a cultural and tourist destination.

The City has a Council-Manager form of government in which the elected Mayor and City Council Members are responsible for setting policy guidance and fiscal proprieties and management to administer the operations of an economically and environmentally sustainable City for its existing and future residents, businesses and visitors.

The City Manager operates much in the same way as a Chief Executive Officer of a corporation. The City Manager's Office is responsible for the day-to-day administration of city government, including managing the city's budget, departments and operations, as well as programs for communicating with residents and employees.

Wastewater Current Rates

Table I-1 summarizes the City Bisbee's current wastewater rate structure. These rates and monthly charges were placed into effect in July 2025. Each customer class is charged a flat monthly base rate, regardless of their usage.

TABLE I-1

CITY OF BISBEE, AZ					
CURRENT WASTEWATER RATES					
Residential			Non-Residential		
101	Residential	\$ 50.50	106	Best Value Inn	\$1,172.33
104	Residential	214.40	107	Border Patrol	2,419.45
105	Residential	1,240.87	109	Mixed Use	-
			111	Commercial 1	57.06
			112	Commercial 2	97.67
			113	Commercial 3	162.95
			114	Commercial 4	30.32
			115	Commercial 5	252.62
			118	Poverty Level	29.43
			119	Half Poverty Level	14.71
			122	School District 1	376.65
			123	School District 2	311.47
			124	School District 3	3,743.47
			125	School District 4	226.26
			126	Copper Queen Hotel	2,148.44

Wastewater Rate Comparison

Chart I-2 and Table I-3 compare the City's monthly wastewater charges to surrounding cities in Arizona. Volumes of 5,000 gallons wastewater were used for the residential comparison as they represent typical usage levels for an average household. The rate data is based on published rates and ordinances posted by each municipality on their website. Rates do not include sales tax, activation or other charges beyond the basic minimum and volume charges.

Many cities do not assess rates that recover the full cost of service, choosing instead to subsidize their wastewater utilities with other revenues or to defer needed repairs and maintenance at the expense of system reliability and integrity. This can limit the usefulness and reliability of such comparisons.

CHART I-2

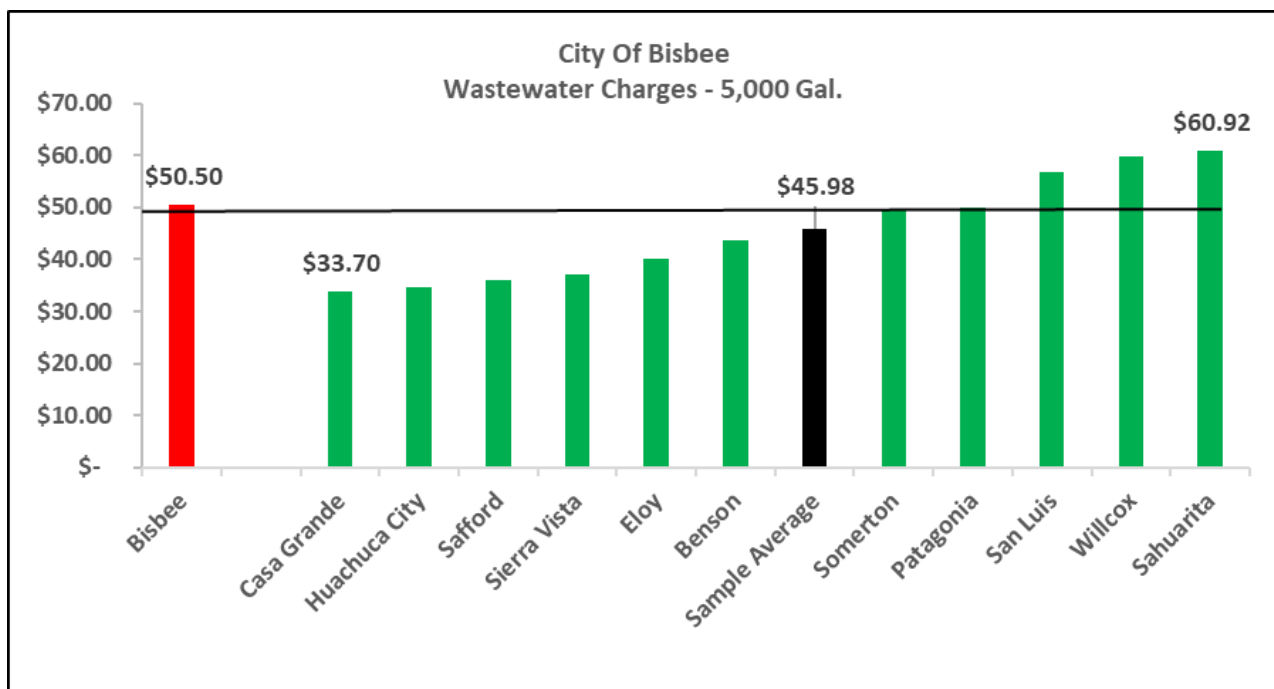


TABLE I-3

CITY OF BISBEE

**MONTHLY RESIDENTIAL CHARGES
5,000 WASTEWATER BILLING UNITS**

Bisbee	\$ 50.50
Benson	43.67
Safford	36.00
Willcox	59.86
Patagonia	50.03
Somerton	49.82
San Luis	56.70
Sierra Vista	37.24
Sahuarita	60.92
Huachuca City	34.52
Eloy	40.23
Casa Grande	33.70
Sample Average	46.10



SECTION II

Wastewater Test Year and Forecast Customers



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

For the City of Bisbee, wastewater records were reviewed for the past four years. These records provided summary information on the monthly usage distributed system-wide as well as the number of accounts for each period by defined customer class and the associated revenues.

According to standard utility ratemaking methodology, in order to allocate revenue requirements equitably among system users, customers must be classified into relatively homogeneous groups with similar usage characteristics or service demands.

Costs are then allocated to the customer classes in proportion to the usage characteristics of each class. For the wastewater system, costs are typically allocated to customers based on their estimated wastewater flows, and in some cases, based on wastewater strengths.

In this section, the City's functional customer classes and test year usage patterns will be thoroughly analyzed. These forecasts, along with the revenue requirements, will form the basis of the proposed rate designs.

Wastewater Accounts/Units – Test Year and Ten-Year Forecast

The majority of the wastewater accounts served by Bisbee are residential accounts. **Table II-1** and **Chart II-2** present total wastewater accounts/units for the City for the test year and forecast period.

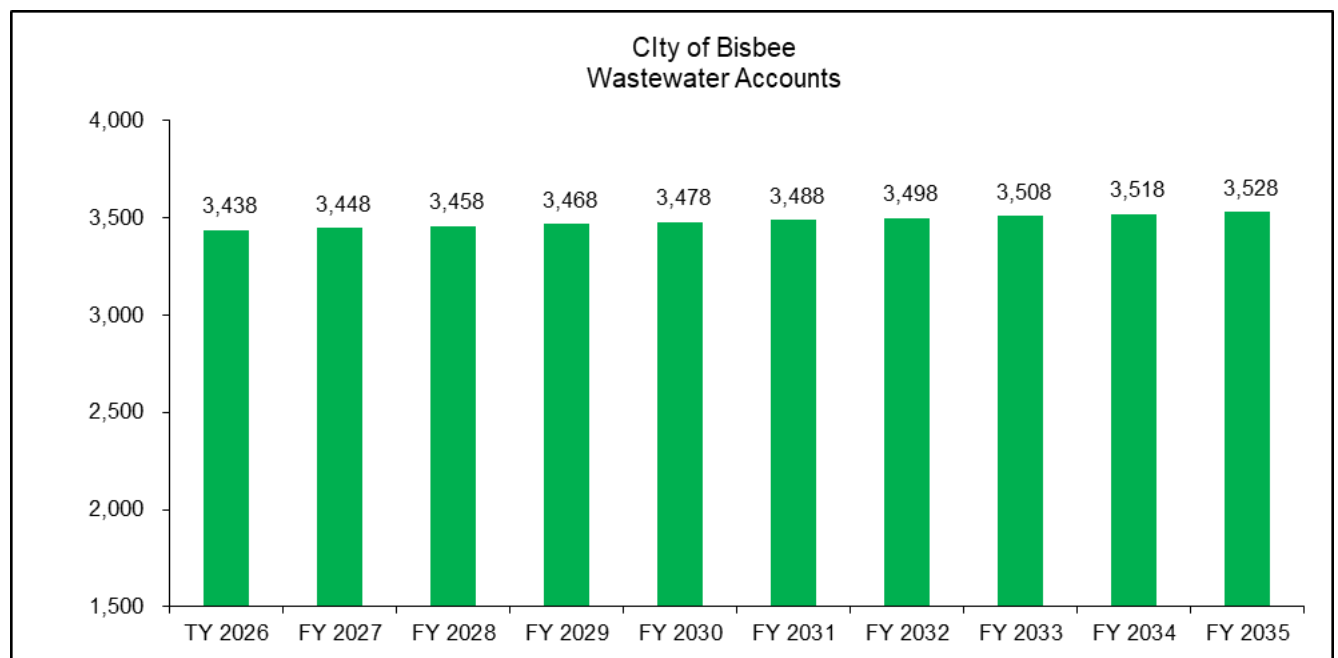
The City's billing system differentiates total accounts from the total number of customers. This is because certain customers have more than one account. In addition, for the purpose of this study, non-revenue accounts are not included.

Overall wastewater accounts are forecast to increase from **3,438** in the test year to **3,528** in FY 2035, an increase of 10 new accounts per year.

TABLE II-1

CITY OF BISBEE		FORECAST TOTAL ACCOUNTS/UNITS – WASTEWATER									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
101	Residential	2,828	2,833	2,838	2,843	2,848	2,853	2,858	2,863	2,868	2,873
104	Residential	1	1	1	1	1	1	1	1	1	1
105	Residential	1	1	1	1	1	1	1	1	1	1
106	Best Value Inn	1	1	1	1	1	1	1	1	1	1
107	Border Patrol	1	1	1	1	1	1	1	1	1	1
109	Mixed Use	62	62	62	62	62	62	62	62	62	62
111	Commercial 1	141	142	143	144	145	146	147	148	149	150
112	Commercial 2	21	21	21	21	21	21	21	21	21	21
113	Commercial 3	12	12	12	12	12	12	12	12	12	12
114	Commercial 4	295	296	297	298	299	300	301	302	303	304
115	Commercial 5	14	14	14	14	14	14	14	14	14	14
118	Poverty Level	36	38	40	42	44	46	48	50	52	54
119	Half Poverty Level	29	30	31	32	33	34	35	36	37	38
121	Special Rate CQRV	1	1	1	1	1	1	1	1	1	1
122	School District 1	1	1	1	1	1	1	1	1	1	1
123	School District 2	1	1	1	1	1	1	1	1	1	1
124	School District 3	1	1	1	1	1	1	1	1	1	1
125	School District 4	1	1	1	1	1	1	1	1	1	1
126	Copper Queen Hotel	1	1	1	1	1	1	1	1	1	1
	Total	3,448	3,458	3,468	3,478	3,488	3,498	3,508	3,518	3,528	3,538

CHART II-2



It should be noted that the wastewater account forecasts are based primarily on input from City staff and analysis of demographic trends. Like all forecasts, these are estimates and are not guarantees.

SECTION III

Wastewater Forecast Revenue Requirement



In this section of the wastewater rate study and long-term financial plan, the City of Bisbee's test year and forecast wastewater utility revenue requirements are developed. The estimates presented in this section are based on the City's proposed budget for FY 2026.

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

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

All data used in the development of the revenue requirements was obtained from the financial statements, budgets and other information provided by the City. Detailed calculations are presented in the rate model contained in **Appendix A** of this report.

The assumptions utilized in this expense forecast will be thoroughly detailed in this section of the report. These assumptions are critical to the development of both the revenue requirement and the rate recommendation. The project team reviewed these assumptions with the City staff and considers them all to be consistent with staff recommendations.

In this section, current and forecast Operating Costs, Capital Outlays, Repair and Maintenance, and Debt Service will be examined. Non-rate revenues will be subtracted from the total to yield the Net Revenue Requirement to be raised from rates. The rate designs are described in **Section IV** of this report.

Operating Expenses – Test Year

Table III-1 on the following page summarizes the test year TY 2026 operating expenses and capital outlays for the City in detailed expense category item for the wastewater system.

The following is noteworthy about these tables:

- Each fund's budget includes one or more of the following expense categories:
 - **Personnel Services**, which include all personnel costs, such as salary and benefit expenses, and payroll taxes.
 - **General** are recurring operational and administrative costs that support the routine activities of the utility. These costs include utilities, supplies, staff support, safety, and outside services necessary to maintain effective and compliant wastewater operations.
 - **Transfers** represent allocations of wastewater utility funds to other departments, funds, or accounts within the government organization. These are non-operational expenses used to cover shared services, repay debt, or contribute to broader capital or grant-funded initiatives.
 - **Capital Outlays** include small-ticket capital items and low-cost assets that still meet capitalization criteria. These items are usually durable, have a useful life beyond one year, and contribute to operations but cost significantly less than large capital expenditures. Unlike CIP projects that often require external borrowing, capital outlays are usually funded through the operating budget.

Table III-1 allocates total budget expenses for the wastewater functions based on function and general ratemaking principles.

TABLE III-1

CITY OF BISBEE					
	WASTEWATER Operating Expenses				
	Net Budget	Treatment	Collection	Admin	Customer Billing
Personnel	\$ 333,927	\$ 133,571	\$ 133,571	\$ 33,393	\$ 33,393
General	1,501,925	636,296	801,772	32,477	31,380
Transfers	444,099	-	-	444,099	-
Total Operating	2,279,951	769,867	935,343	509,969	64,773
Capital Outlay	530,000	265,000	265,000	-	-
Total Operating Expenses and Capital Outlays	2,809,951	1,034,867	1,200,343	509,969	64,773

Current and Forecast Debt Service

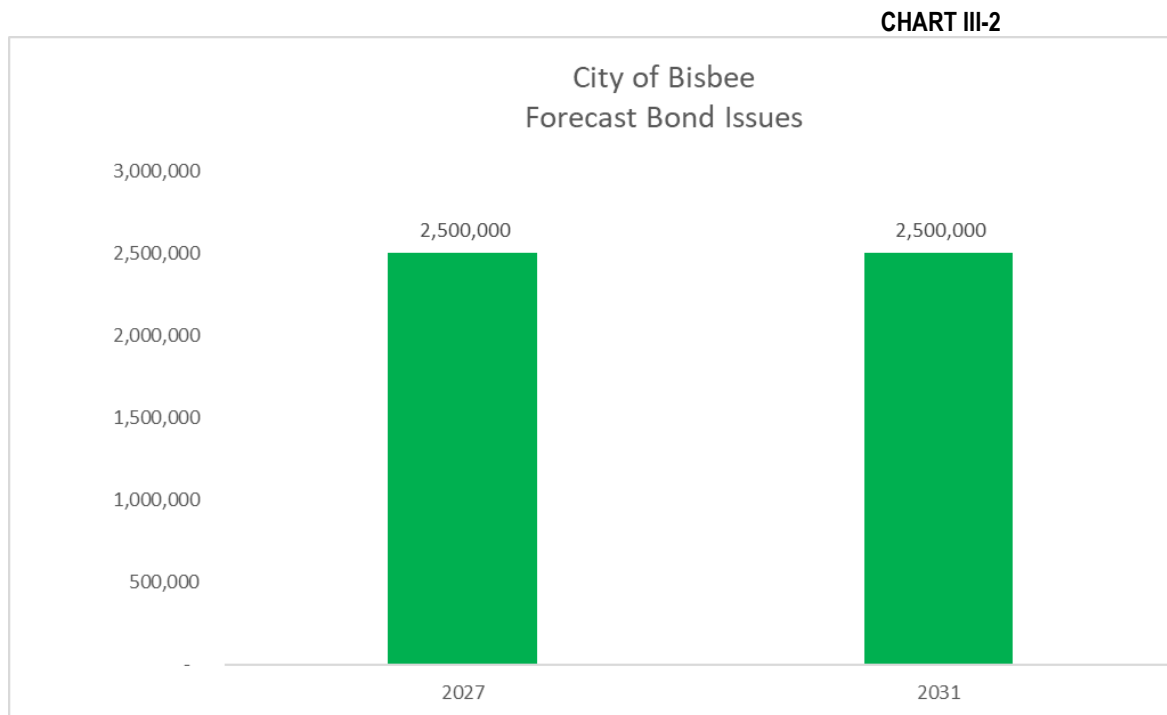
At present the City maintains two principal bonds related to the wastewater system. The first is for a refinancing of the wastewater treatment plant debt, and the second regards a solar project attached to the wastewater treatment plant. In addition, the City maintains debt for a trailer, a 2022 Chevy Silverado and a Mini Excavator. All current debt service is included in the wastewater cost of service.

As of the time of this writing, the City is still reviewing its future long-term capital needs for the wastewater system. The City anticipates that a significant portion of these capital needs will be met through the acquisition of federal and state grants. However, after discussion with City staff, the project team considers it reasonable to assume that a portion of the CIP will have to be funded by the City.

Capital improvement plans impact rates in three ways:

- a) How much must be funded
- b) When must the projects be funded
- c) How are the projects financed

For the purposes of this rate plan, the project team is assuming that the City will issue \$5.0 million in long-term debt to fund wastewater system improvements over the next decade. As shown in **Chart III-2**, the bonds are assumed to be issued in increments of \$2.5 million in 2027 and 2031. The debt is forecast to be issued in 25-year terms at 3.5% interest.



Current and future debt service is presented in **Table III-3**. It must be noted that **these assumptions are preliminary in nature and subject to change**. Should the City Council choose to issue more, or less, debt than assumed in this study, or should different financing terms be available at the time the debt is issued, then the rate plans contained in this study may require revision.

TABLE III-3

CITY OF BISBEE					
CURRENT AND FORECAST DEBT SERVICE					
Year	Wastewater				Total
	Current		Forecast		
2026	\$	672,938	\$	-	\$ 672,938
2027		662,766		-	662,766
2028		630,332		176,966	807,298
2029		622,758		176,966	799,724
2030		622,502		176,966	799,468
2031		622,693		176,966	799,659
2032		622,311		353,932	976,242
2033		622,336		328,651	950,987
2034		621,750		328,651	950,401
2035		544,643		328,651	873,294



Total Cost of Service

Table III-4 presents the overall ten-year cost of service forecast for the wastewater utilities developed.

- Most operating costs are expected to increase at approximately the rate of inflation.
- Certain expenses will increase at above-inflation rates, to reflect the rapid rate of increase of these costs. These expenses include chemicals, workers' compensation, insurance.
- Personnel expenses will increase at higher rates to reflect the forecast growth in number of employees and compensation adjustments
- Certain expenses will increase at higher rates to reflect the forecast growth in accounts and volumes. These expenses include maintenance and system repairs.

The total cost of service is presented in detail in **Appendix A**.

TABLE III-4

CITY OF BISBEE						
CURRENT AND FORECAST NET REVENUE REQUIREMENT						
	Operating Expenses	Capital Outlays	Transfers	Debt Service	Total Cost of Service	
WASTEWATER Revenue Requirement						
2026	\$ 1,835,852	\$ 530,000	\$ 444,099	\$ 672,938	\$ 3,482,889	
2027	1,893,185	530,000	444,099	662,766	3,530,050	
2028	1,952,399	530,000	444,099	807,298	3,733,796	
2029	2,013,563	530,000	444,099	799,724	3,787,386	
2030	2,076,748	530,000	444,099	799,468	3,850,315	
2031	2,142,029	530,000	444,099	799,659	3,915,787	
2032	2,209,485	530,000	444,099	976,242	4,159,826	
2033	2,279,197	530,000	444,099	950,987	4,204,283	
2034	2,351,252	530,000	444,099	950,401	4,275,752	
2035	2,425,738	530,000	444,099	873,294	4,273,131	

Non-Rate Revenues

Although sales revenues constitute a significant portion of the revenue received by the City of Bisbee for wastewater service, a certain amount of revenue is accrued from non-rate sources. They are accrued as a result of sales tax, agreements and charges for specific customer services. These non-rate revenues are subtracted from the overall budget to determine the revenue requirement raised from rates.

Noteworthy is the fact that the financial plan assumes that the use of fund balance to support the wastewater utility will be phased out over a three-year period. Further, the City Sales tax is assumed to be continued to be used to fund capital outlays for the next decade.

The forecast of non-rate fees for the forecast period is presented in **Table III-5**.

TABLE III-5

CITY OF BISBEE										
NON-RATE REVENUE										
	TY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035
SEWER LATERAL GRANT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CITY SALES TAX	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000
INTEREST/PENALTIES EARNED	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
SHUTOFF VALVES & FEES	-	-	-	-	-	-	-	-	-	-
MISCELLANEOUS REVENUE	-	-	-	-	-	-	-	-	-	-
APS SOLAR REIMBURSEMENT - WWTP	32,000	-	-	-	-	-	-	-	-	-
USER FEES	-	-	-	-	-	-	-	-	-	-
SERVICE CHARGE/PENALTY	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400
HOOK-UP FEES	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
NEW ACCOUNT FEE	-	-	-	-	-	-	-	-	-	-
USE OF FUND BALANCE	1,000,000	500,000	125,000	-	-	-	-	-	-	-
Total Non-Rate Revenues	\$ 1,626,400	\$ 1,094,400	\$ 719,400	\$ 594,400	\$ 594,400	\$ 594,400	\$ 594,400	\$ 594,400	\$ 594,400	\$ 594,400



Net Revenue Requirement

Table III-6 presents the test year and ten-year forecast for the City's net revenue requirement to be raised from rates for the wastewater utility. Detailed schedules for these calculations can be found in Appendix A.

TABLE III-6

CITY OF BISBEE										
CURRENT AND FORECAST NET REVENUE REQUIREMENT										
	Operating Expenses	Capital Outlays	Transfers	Debt Service	Total Cost of Service	Less Non-Rate Revenues	Net Revenue Requirement			
	WASTEWATER Revenue Requirement									
2026	\$ 1,835,852	\$ 530,000	\$ 444,099	\$ 672,938	\$ 3,482,889	\$ 1,626,400	\$ 1,856,489			
2027	1,893,185	530,000	444,099	662,766	3,530,050	1,094,400	2,435,650			
2028	1,952,399	530,000	444,099	807,298	3,733,796	719,400	3,014,396			
2029	2,013,563	530,000	444,099	799,724	3,787,386	594,400	3,192,986			
2030	2,076,748	530,000	444,099	799,468	3,850,315	594,400	3,255,915			
2031	2,142,029	530,000	444,099	799,659	3,915,787	594,400	3,321,387			
2032	2,209,485	530,000	444,099	976,242	4,159,826	594,400	3,565,426			
2033	2,279,197	530,000	444,099	950,987	4,204,283	594,400	3,609,883			
2034	2,351,252	530,000	444,099	950,401	4,275,752	594,400	3,681,352			
2035	2,425,738	530,000	444,099	873,294	4,273,131	594,400	3,678,731			



Wastewater Utility Cost Functionalization and Classification

Once the total wastewater system costs have been identified, the next step in the rate development process is to isolate the costs associated with each system function. Some of these expenditures are a function of base demand. Certain costs are associated with serving customers regardless of the volume of wastewater discharge. The basic steps used to allocate the City's wastewater revenue requirements include the following:

1. Each system's costs (revenue requirements) are categorized by utility function (i.e. treatment, collection, administrative, customer). This process is known as *functionalization*.
2. Costs by service characteristic are allocated to customer classes in proportion to the service demands demonstrated by each class.

This two-step process allows for the allocation of system costs on the same terms as customer classes.

Wastewater system costs are allocated to the following functions:

Treatment – the costs associated with treating wastewater volume discharges

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

Administration – miscellaneous overhead and other non-operating costs

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

Wastewater utility operating budget line-item expenses are allocated individually to functions. The results of the allocation process for the scenario are presented on **Table III-7**. These percentages are not forecast to change significantly during the next ten years.

TABLE III-7

CITY OF BISBEE		
TEST YEAR WASTEWATER COST FUNCTIONALIZATION		
Function	TY 2026 Revenue Requirement	Percent
Treatment	\$ 890,197	48.0%
Collection	659,937	35.5%
Administration	271,829	14.6%
Customer	<u>34,526</u>	1.9%
Total	\$ 1,856,489	100.0%

Section IV

SECTION IV

Wastewater Rate Recommendations



The wastewater rates developed in this section are designed to recover the test year and forecast revenue requirements while providing funding for the identified capital improvements and existing debt service.

Table IV-1 summarizes the proposed long-term wastewater rate plan for the City. The following is notable about this rate plan:

- The proposed rate plan is based on the City's existing rate structure. No significant structural changes are proposed.
- Because the City does not own or operate a water utility, it is not practical for the City to implement a volume-based rate for any of its customer classes.
- The rate plan presents a five-year implementation schedule, with the first adjustment in January 2026 and subsequent adjustments in July of each year 2026 – 2030. The July timeframe is recommended as it coincides with the beginning of the fiscal year.
- Uniform adjustments are applied to the existing rates for each rate class in each year.
- The City has the flexibility to adopt the full five year plan, a one year plan or a limited number of years. Once the rate plan is adopted, the City has the option at any time in the future to amend the plan, if it considers it appropriate.
- The rate plan, if adopted, would result in the wastewater fund being fully self-sufficient by July 2028, as the general fund contributions are phased out over three years.
- The most significant impact on rates will be the amount of debt that will be issued to fund the capital improvement plan. Larger debt issuances would require higher rate adjustments.

TABLE IV-1

CITY OF BISBEE PROPOSED MONTHLY CHARGES BY CUSTOMER CLASS									
Scenario: 2025 07 15 -- Scenario I -- Status Quo									
		EFFECTIVE DATE							
		Current	Jan-26	Jul-26	Jul-27	Jul-28	Jul-29	Jul-30	
101	Residential	\$ 50.50	\$ 56.06	\$ 62.22	\$ 67.82	\$ 73.93	\$ 76.14	\$ 78.43	
104	Residential	214.40	237.99	264.17	287.94	313.86	323.27	332.97	
105	Residential	1,240.87	1,377.37	1,528.88	1,666.48	1,816.46	1,870.95	1,927.08	
106	Best Value Inn	1,172.33	1,301.28	1,444.42	1,574.42	1,716.12	1,767.60	1,820.63	
107	Border Patrol	2,419.45	2,685.59	2,981.00	3,249.29	3,541.73	3,647.98	3,757.42	
109	Mixed Use	-	-	-	-	-	-	-	
111	Commercial 1	57.06	63.34	70.31	76.63	83.53	86.04	88.62	
112	Commercial 2	97.67	108.42	120.35	131.18	142.98	147.27	151.69	
113	Commercial 3	162.95	180.87	200.77	218.83	238.53	245.69	253.06	
114	Commercial 4	30.32	33.66	37.36	40.72	44.39	45.72	47.09	
115	Commercial 5	252.62	280.41	311.25	339.26	369.80	380.89	392.32	
118	Poverty Level	29.43	32.66	36.26	39.52	43.08	44.37	45.70	
119	Half Poverty Level	14.71	16.33	18.12	19.75	21.53	22.18	22.84	
121	Special Rate CQRV	407.45	452.27	502.02	547.20	596.45	614.34	632.77	
122	School District 1	376.65	418.08	464.07	505.84	551.36	567.90	584.94	
123	School District 2	311.47	345.73	383.76	418.30	455.95	469.63	483.72	
124	School District 3	3,743.47	4,155.26	4,612.33	5,027.44	5,479.91	5,644.31	5,813.64	
125	School District 4	226.26	251.15	278.78	303.86	331.21	341.15	351.38	
126	Copper Queen Hotel	2,148.44	2,384.76	2,647.09	2,885.33	3,145.00	3,239.36	3,336.54	

SECTION V

Solid Waste – Cost of Service and Monthly Rates

In this section the City's solid waste cost of service and rates are examined. Many of the same objectives as for the wastewater rate study were identified, including but not limited to the following:

- A comprehensive analysis and evaluation of the solid waste system's current cost of service and revenue requirements, and a forecast of the cost of service over a ten year period
- An estimate of current and forecast accounts and billing units for the forecast period
- A review of the adequacy and appropriateness of existing solid waste customer classes
- Alternative monthly charge structures that enable the City to recover its cost of service.

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

Solid Waste Monthly Charge Comparison

The project team conducted a survey of solid waste collection fees charged by eleven (11) communities in Arizona. The monthly cost in this sample ranges from \$14.86 to \$39.83, with an average of **\$22.61**. The variance depends in part on the number of collections per week and the inclusion of brush, bulk, and recycling. Considering that the average American generates approximately 4.5 pounds of trash each day, this results in over 730,000 tons of trash created daily in the United States.

Chart V-1 and **Table V-2** present a sampling of the basic residential solid waste collection charges for the survey cities. While each may vary nominally in the type or size of container required, and the number of collections per week, overall, the services are sufficiently similar to present a broad comparison.

CHART V-1

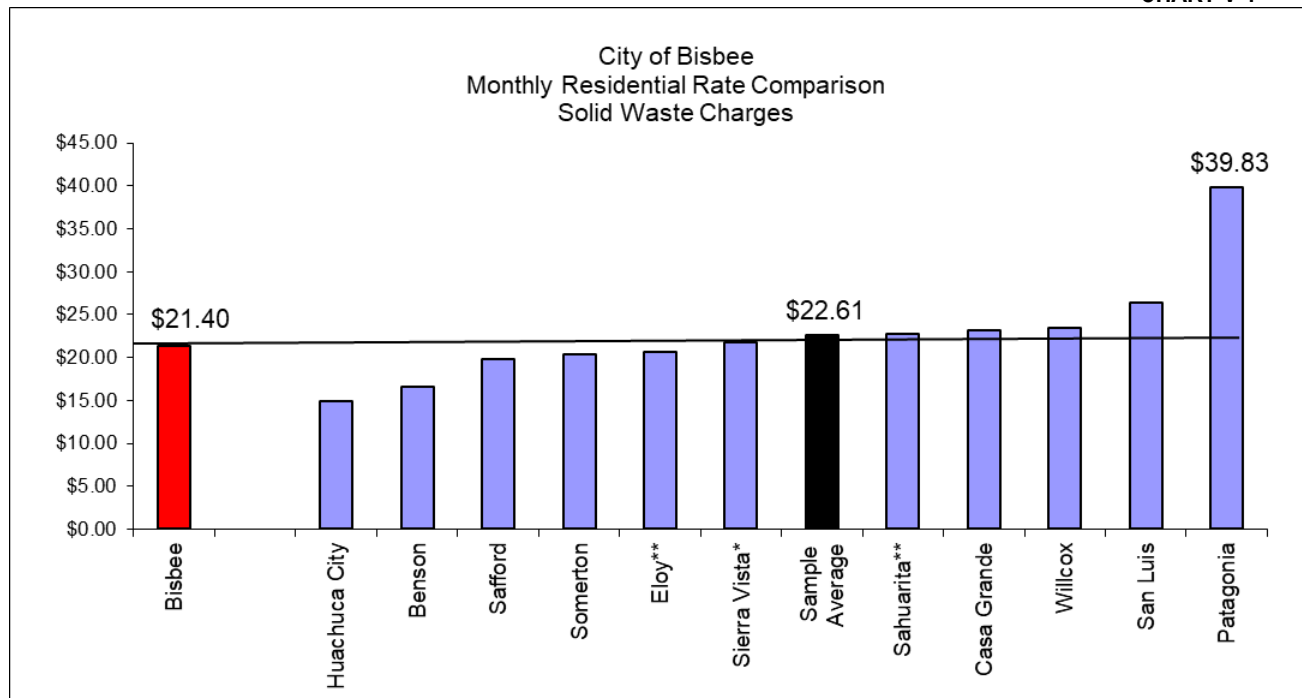


Table V-2

Monthly Residential Sanitation Rates			
City	Sanitation Rate	Pick-ups per week	Container Size Gallons
CITY OF BISBEE	\$ 21.40	1	95
Benson	16.61	2	96
Safford	19.86	1	90
Willcox	23.49	2	96
Patagonia	39.83	2	95
Somerton	20.38	1	90
San Luis	26.46	2	95
Sierra Vista*	21.80	2	65
Sahuarita**	22.75	1	96
Huachuca City	14.86	1	96
Eloy**	20.67	1	96
Casa Grande	23.15	2	96
Sample Average	22.61	2	92
*Includes sewer			
**Includes recycle			
Rates as of June 2025			

Solid Waste Test Year and Forecast Accounts

The test year customers by current customer class are identified in **Table V-3**. The table presents the customers as currently identified by the system, as labeled under the “Status Quo” column. Also listed is the total customers by container size. It is noteworthy that there are fewer containers than there are customers. This is because many customers, particularly those located in Old Bisbee, share containers.

Table V-3

CITY OF BISBEE TOTAL SANITATION ACCOUNTS			
STATUS QUO		BY CONTAINER SIZE	
Residential		Residential	
LOW INCOME 1/2 GARBAGE - 6.42	28	Residential	2,742
LOW INCOME GARBAGE - 12.84	33	Low Income -- 1/2	33
GARB- 3 OCC 9 VAC - 14.00	83	Low Income	28
GARBAGE - RESIDENTIAL - 21.40	2,742	Vacancy Rate	83
Total	2,886	Total	2,886
Non-Residential		Non-Residential	
GARBAGE - COMM E MIN - 14.00	43	2 Cubic Yard	5
GARBAGE - COMM - A - 34.64	73	3 Cubic Yard	22
GARBAGE - COMM B TEM-RVW 58.20	93	4 Cubic Yard	41
GARBAGE - COMM C - 164.85	17	6 Cubic Yard	32
GARBAGE - COMM D - 323.67	2	8 Cubic Yard	8
GARBAGE - COMM - 1M@2 - 55.58	22	Total	108
GARBAGE - COMM - 1L@5 - 236.28	4	Total Accounts	2,994
GARBAGE - COMM - 1L@2 - 96.92	20		
GARBAGE - COMM - 2M@2 - 107.14	2		
GARBAGE - COMM - 2L@2 - 189.82	6		
GARBAGE - COMM - 2L@5 - 468.54	-		
GARBAGE - COMM - 1M@5 - 132.93	2		
GARBAGE - COMM - 3L@2 - 282.73	2		
GARBAGE - COMM 1L/1M@2 -152.50	2		
GARBAGE - COMM - 1M@4 - 107.14	1		
GARBAGE - COMM - 1L@3 - 143.37	1		
GARBAGE - COMM - 3L@5 - 700.81	2		
GARBAGE - COMM - 4L@5 - 933.08	1		
3L/2M@2 - 389.87	1		
GARBAGE SCHOOL DIST - 498.08	3		
1 L & 5 M @ 2 358.76	1		
2 L @ 3 \$282.73	-		
Garbage Bill Zero Amount	74		
GARBAGE-MIXED USE PROPERTIES	5		
Other	377		
Total Accounts	3,263		

Table V-4 presents a forecast of total customers for the ten year period 2026 – 2035. The table identifies the total customers under the City's current status quo classes. It also shows the customers who pay special service fees (i.e. recycling fees). Each customer pays both a monthly charge and a special service recycling fee.

Considering the city's geography and lack of available space for new development, it is projected that the number of accounts will grow very slowly, by approximately 0.27% annually during the forecast period. This projected growth is forecast to result in **3,344** total accounts by FY 2035.

TABLE V-4

CITY OF BISBEE										
FORECAST SANITATION CUSTOMERS BY CLASS										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Accounts										
LOW INCOME 1/2 GARBAGE - 6.42	28	29	30	31	32	33	34	35	36	37
LOW INCOME GARBAGE - 12.84	33	34	35	36	37	38	39	40	41	42
GARB- 3 OCC 9 VAC - 14.00	83	83	83	83	83	83	83	83	83	83
GARBAGE - RESIDENTIAL - 21.40	2,742	2,747	2,752	2,757	2,762	2,767	2,772	2,777	2,782	2,787
GARBAGE - COMM E MIN - 14.00	43	43	43	43	43	43	43	43	43	43
GARBAGE - COMM - A - 34.64	73	74	75	76	77	78	79	80	81	82
GARBAGE - COMM B TEM-RVW 58.20	93	94	95	96	97	98	99	100	101	102
GARBAGE - COMM C - 164.85	17	17	17	17	17	17	17	17	17	17
GARBAGE - COMM D - 323.67	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM - 1M@2 - 55.58	22	22	22	22	22	22	22	22	22	22
GARBAGE - COMM - 1L@5 - 236.28	4	4	4	4	4	4	4	4	4	4
GARBAGE - COMM - 1L@2 - 96.92	20	20	20	20	20	20	20	20	20	20
GARBAGE - COMM - 2M@2 - 107.14	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM - 2L@2 - 189.82	6	6	6	6	6	6	6	6	6	6
GARBAGE - COMM - 2L@5 - 468.54	-	-	-	-	-	-	-	-	-	-
GARBAGE - COMM - 1M@5 - 132.93	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM - 3L@2 - 282.73	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM 1L/1M@2 - 152.50	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM - 1M@4 - 107.14	1	1	1	1	1	1	1	1	1	1
GARBAGE - COMM - 1L@3 - 143.37	1	1	1	1	1	1	1	1	1	1
GARBAGE - COMM - 3L@5 - 700.81	2	2	2	2	2	2	2	2	2	2
GARBAGE - COMM - 4L@5 - 933.08	1	1	1	1	1	1	1	1	1	1
3L/2M@2 - 389.87	1	1	1	1	1	1	1	1	1	1
GARBAGE SCHOOL DIST - 498.08	3	3	3	3	3	3	3	3	3	3
1 L & 5 M @ 2 358.76	1	1	1	1	1	1	1	1	1	1
2 L @ 3 \$282.73	-	-	-	-	-	-	-	-	-	-
Garbage Bill Zero Amount	74	74	74	74	74	74	74	74	74	74
GARBAGE-MIXED USE PROPERTIES	5	5	5	5	5	5	5	5	5	5
Total	3,263	3,272	3,281	3,290	3,299	3,308	3,317	3,326	3,335	3,344
Special Service Fees										
LOW INCOME 1/2 GARBAGE - 6.42	28	29	30	31	32	33	34	35	36	37
LOW INCOME GARBAGE - 12.84	33	34	35	36	37	38	39	40	41	42
GARB- 3 OCC 9 VAC - 14.00	83	83	83	83	83	83	83	83	83	83
GARBAGE - RESIDENTIAL - 21.40	2,742	2,747	2,752	2,757	2,762	2,767	2,772	2,777	2,782	2,787
NON-RESIDENTIAL	377	379	381	383	385	387	389	391	393	395
Total	3,263	3,272	3,281	3,290	3,299	3,308	3,317	3,326	3,335	3,344
Annual Increase										
Total		9	9	9	9	9	9	9	9	9
Percent		0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

Table V-5 presents a forecast of total customers for the ten year period 2026 – 2035. The table identifies the total customers by container size. The growth rate over the forecast period is the same as under the Status Quo scenario.

TABLE V-5

CITY OF BISBEE										
FORECAST SANITATION CUSTOMERS BY CLASS										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Residential	2,742	2,747	2,752	2,757	2,762	2,767	2,772	2,777	2,782	2,787
Low Income -- 1/2	33	34	35	36	37	38	39	40	41	42
Low Income	28	29	30	31	32	33	34	35	36	37
Vacancy Rate	83	83	83	83	83	83	83	83	83	83
Non-Residential -- 2 CY	5	5	5	5	5	5	5	5	5	5
Non-Residential -- 3 CY	22	23	24	25	26	27	28	29	30	31
Non-Residential -- 4 CY	41	42	43	44	45	46	47	48	49	50
Commercial -- 6 CY	32	32	32	32	32	32	32	32	32	32
Commercial -- 8 CY	8	8	8	8	8	8	8	8	8	8
Commercial -- 10 CY	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total	2,994	3,003	3,012	3,021	3,030	3,039	3,048	3,057	3,066	3,075
Annual Increase										
Total		9	9	9	9	9	9	9	9	9
Percent		0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%



Solid Waste Test Year and Forecast Revenue Requirement

Table V-4 presents the solid waste utility's test-year and forecast net revenue requirement for the next ten years. The following is notable about this forecast:

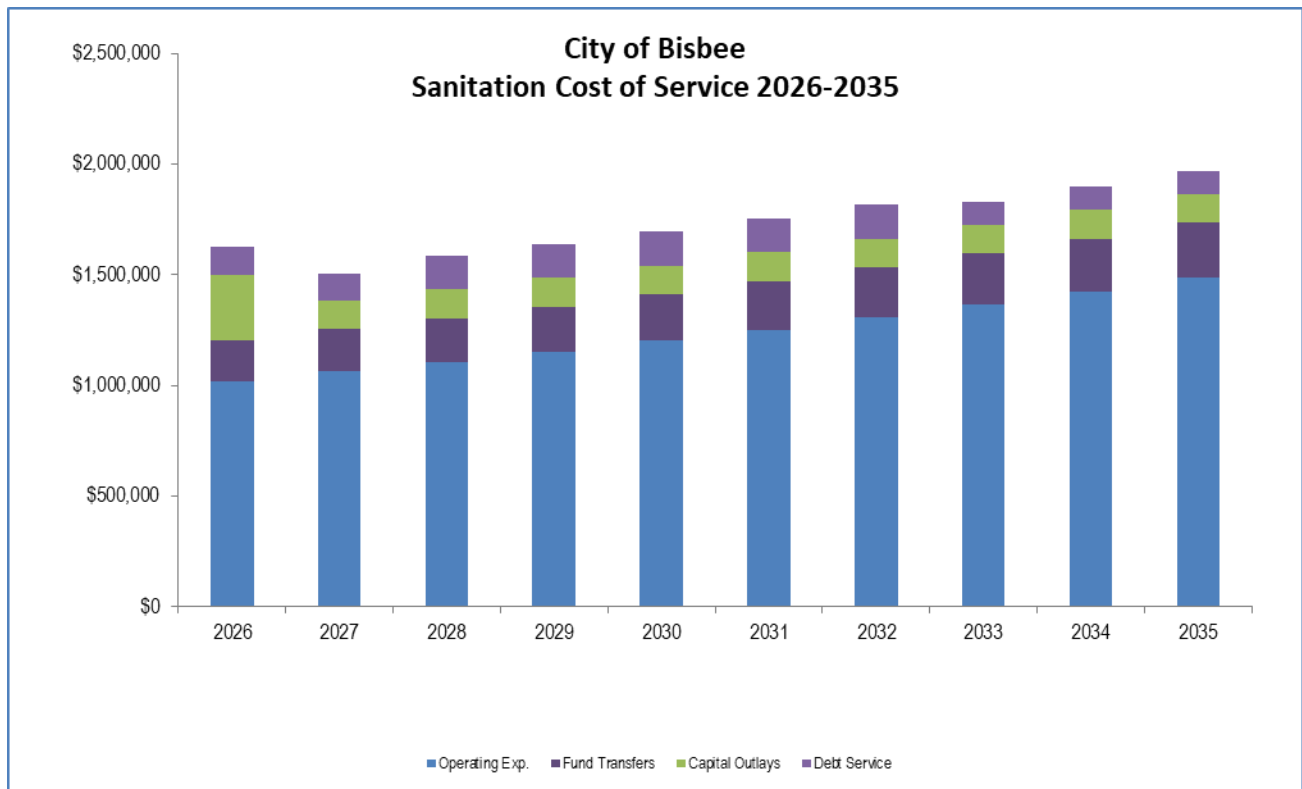
- Salaries, wages, and most operating costs are projected to increase at approximately the rate of inflation
- Those operating costs that are directly affected by the growth of accounts are forecast to increase at a rate commensurate with the sum of the rate of normal inflation and the growth of accounts
- Benefits typically increase at a rate greater than the average inflation rate
- Capital outlays are higher in FY 2026 and are forecast to remain constant at approximately \$130,000 per year in 2027 and beyond
- Currently the City is paying off debt related to three Solid waste trucks. This debt of \$122,746 is expected to be retired by the end of FY 2027.
- The forecast assumes that the City will borrow the following amounts to fund future truck purchases, in accordance with the City's capital improvement plan:
 - \$670,000 – FY 2027
 - \$480,000 – FY 2032
 - \$225,000 – GY 2034
- New debt is assumed to have a 5-year term, 2.0% issuance costs and an interest rate of 4.0%.
- Non rate revenues are forecast to be nominal, \$7,500 per year, over the forecast period.

Details behind the calculations can be found in the summary pages of the rate model presented in **Appendix B**.

TABLE V-4

CITY OF BISBEE							
FORECAST SANITATION NET REVENUE REQUIREMENT							
	Operating Expenses	Fund Transfers	Capital Outlays	Debt Service	Total Cost of Service	Less Non-Rate Revenues	Net Revenue Requirement
Sanitation Revenue Requirement							
2026	\$ 1,019,359	\$ 184,803	\$ 297,000	\$ 122,746	\$ 1,623,908	\$ (7,500)	\$ 1,616,408
2027	1,061,372	191,035	130,000	122,746	1,505,154	(7,500)	1,497,654
2028	1,105,488	197,475	130,000	153,510	1,586,474	(7,500)	1,578,974
2029	1,151,835	204,130	130,000	153,510	1,639,475	(7,500)	1,631,975
2030	1,200,551	211,005	130,000	153,510	1,695,067	(7,500)	1,687,567
2031	1,251,782	218,110	130,000	153,510	1,753,402	(7,500)	1,745,902
2032	1,305,686	225,451	130,000	153,510	1,814,647	(7,500)	1,807,147
2033	1,362,431	233,036	130,000	103,104	1,828,571	(7,500)	1,821,071
2034	1,422,198	240,873	130,000	103,104	1,896,175	(7,500)	1,888,675
2035	1,485,181	248,970	130,000	103,104	1,967,255	(7,500)	1,959,755

CHART V-5



Solid Waste Monthly Charge Scenario I- Status Quo

Table V-6 presents the City's proposed Solid waste monthly charges for a five-year period under **Scenario I – Status Quo**. The following is notable about this scenario:

- This scenario assumes that the City does not change its current customer classes. It maintains the same residential and non residential classes for the ten year period, and charges a monthly fee as shown in Table IV.
- Beginning in FY 2027, the plan is forecast to cover the City's cost of providing service.
- The plan presents a five-year implementation schedule, with the first adjustment in January 2026 and subsequent adjustments in July of each year 2026 – 2030. The July timeframe is recommended as it coincides with the beginning of the fiscal year. It is also the same timeframe as the proposed wastewater rate adjustments.
- Continues the policy of assessing special service fees for recycling, and low income rates for specific residential customers.
- Uniform adjustments are applied to the existing rates for each rate class in each year.
- The City has the flexibility to adopt the full five year plan, a one year plan or a limited number of years. Once the rate plan is adopted, the City has the option at any time in the future to amend the plan, if it considers it appropriate.
- Maintains the current policy of assigning a monthly fee by customer class.
- Monthly charges are forecast to recover the same approximate amount of revenue as Scenario II.

Advantages

- Least disruptive approach, as it results in uniform percentage increases in monthly charges for each customer.
- Uses a system with which customers are already familiar.

Challenges

- Continues a system of assigning accounts to classes that many customers have complained is arbitrary.
- More difficult for staff to administer.
- Higher charges for residential customers than Scenario II.

TABLE V-6

CITY OF BISBEE PROPOSED SANITATION MONTHLY CHARGES							
	Monthly Charge						
	Effective	Effective	Effective	Effective	Effective	Effective	Effective
	Current	Jan-26	Jul-26	Jul-27	Jul-28	Jul-29	Jul-30
MONTHLY CHARGE -- SCENARIO I -- STATUS QUO							
Special Service fees							
Recycle -- Residential	\$ 6.77	\$ 7.24	\$ 7.75	\$ 8.29	\$ 8.54	\$ 8.80	\$ 9.06
Recycle -- Residential Low Income 1/2	2.03	2.17	2.32	2.49	2.56	2.64	2.72
Recycle -- Residential Low Income	4.06	4.34	4.65	4.97	5.12	5.28	5.43
Non Residential	6.77	7.24	7.75	8.29	8.54	8.80	9.06
Residential							
LOW INCOME 1/2 GARBAGE - 6.42	\$ 6.42	\$ 6.87	\$ 7.35	\$ 7.86	\$ 8.10	\$ 8.34	\$ 8.59
LOW INCOME GARBAGE - 12.84	12.84	13.74	14.70	15.73	16.20	16.69	17.19
GARB- 3 OCC 9 VAC - 14.00	14.00	14.98	16.03	17.15	17.67	18.20	18.74
GARBAGE - RESIDENTIAL - 21.40	21.40	22.90	24.50	26.22	27.00	27.81	28.65
Non-Residential							
GARBAGE - COMM E MIN - 14.00	\$ 14.00	\$ 16.10	\$ 18.52	\$ 21.29	\$ 22.57	\$ 23.92	\$ 25.36
GARBAGE - COMM - A - 34.64	34.64	39.84	45.81	52.68	55.84	59.19	62.75
GARBAGE - COMM B TEM-RVW 58.20	58.20	66.93	76.97	88.51	93.83	99.46	105.42
GARBAGE - COMM C - 164.85	164.85	189.58	218.01	250.72	265.76	281.70	298.61
GARBAGE - COMM D - 323.67	323.67	372.22	428.05	492.26	521.80	553.11	586.29
GARBAGE - COMM - 1M@2 - 55.58	55.58	63.92	73.50	84.53	89.60	94.98	100.68
GARBAGE - COMM - 1L@5 - 236.28	236.28	271.72	312.48	359.35	380.91	403.77	427.99
GARBAGE - COMM - 1L@2 - 96.92	96.92	111.46	128.18	147.40	156.25	165.62	175.56
GARBAGE - COMM - 2M@2 - 107.14	107.14	123.21	141.69	162.95	172.72	183.09	194.07
GARBAGE - COMM - 2L@2 - 189.82	189.82	218.29	251.04	288.69	306.01	324.37	343.84
GARBAGE - COMM - 2L@5 - 468.54	468.54	538.82	619.64	712.59	755.35	800.67	848.71
GARBAGE - COMM - 1M@5 - 132.93	132.93	152.87	175.80	202.17	214.30	227.16	240.79
GARBAGE - COMM - 3L@2 - 282.73	282.73	325.14	373.91	430.00	455.80	483.14	512.13
GARBAGE - COMM 1L/1M@2 -152.50	152.50	175.38	201.68	231.93	245.85	260.60	276.24
GARBAGE - COMM - 1M@4 - 107.14	107.14	123.21	141.69	162.95	172.72	183.09	194.07
GARBAGE - COMM - 1L@3 - 143.37	143.37	164.88	189.61	218.05	231.13	245.00	259.70
GARBAGE - COMM - 3L@5 - 700.81	700.81	805.93	926.82	1,065.84	1,129.80	1,197.58	1,269.44
GARBAGE - COMM - 4L@5 - 933.08	933.08	1,073.04	1,234.00	1,419.10	1,504.24	1,594.50	1,690.17
3L/2M@2 - 389.87	389.87	448.35	515.60	592.94	628.52	666.23	706.21
GARBAGE SCHOOL DIST - 498.08	498.08	562.44	646.81	743.83	788.46	835.77	885.91
1 L & 5 M @ 2 358.76	358.76	412.57	474.46	545.63	578.37	613.07	649.85
2 L @ 3 \$282.73	282.73	325.14	373.91	430.00	455.80	483.14	512.13
Garbage Bill Zero Amount	-	-	-	-	-	-	-
GARBAGE-MIXED USE PROPERTIES	74.93	86.17	99.10	113.96	120.80	128.05	135.73

Solid Waste Monthly Charge Scenario II- Charge Per CY Container Size

Table V-7 presents the City's proposed solid waste monthly charges for a five-year forecast period under **Scenario II – Charge per CY Container**. The following is notable:

- This scenario assumes that the City significantly changes its cost structure, by implementing a charge per container size for each non-residential account.
- Under this methodology, two factors would determine the monthly charges paid by each non-residential customer:
 - The size of the container used by each customer
 - The number of pickups per week for each customer
- Beginning in FY 2027, the monthly charges are forecast to cover the City's cost of providing solid waste service.
- Continues the policy of assessing special service fees for recycling, and low income rates for specific residential customers.
- The rate plan presents a five-year implementation schedule, with the first adjustment in January 2026 and subsequent adjustments in July of each year 2026 – 2030. The July timeframe is recommended as it coincides with the beginning of the fiscal year. It is also the same timeframe as the proposed wastewater rate adjustments.
- Uniform adjustments are applied to the existing rates for each rate class after the new fees are implemented in the first year.
- The City has the flexibility to adopt the full five year plan, a one year plan or a limited number of years. Once the rate plan is adopted, the City has the option at any time in the future to amend the plan, if it considers it appropriate.
- Monthly charges are forecast to recover the same approximate amount of revenue as Scenario I.

Advantages

- A system of charging by container size and number of pickups is much more common in the industry. It is used by Solid Waste utilities throughout the USA.
- It relies on national standards for container size and is not subject to subjective interpretation.
- Most customers should be familiar with a charging system that is based on actual container size and number of pickups per week..
- Would result in lesser increases to residential customers than Scenario I.

Challenges

- Requires a comprehensive restructuring of City's billing system, as well as the assignment of container size to each non-residential customer.
- Implementing new system will require significant time and effort on the part of City staff.
- May disproportionately impact certain customers based on their current charges as opposed to charges under the new system. Some customers may experience significant increases in monthly charges.

TABLE V-7

CITY OF BISBEE									
PROPOSED SANITATION MONTHLY CHARGES									
Monthly Charge									
Pickups/ Week	Current	Effective Jan-26	Effective Jul-26	Effective Jul-27	Effective Jul-28	Effective Jul-29	Effective Jul-30		
MONTHLY CHARGE PER CY CONTAINER									
Special Service fees									
Recycle -- Residential	1	\$ 6.77	\$ 6.77	\$ 6.77	\$ 6.77	\$ 6.91	\$ 7.04	\$ 7.25	
Recycle -- Residential Low Income 1/2	1	2.03	2.03	2.03	2.03	2.07	2.11	2.18	
Recycle -- Residential Low Income	1	4.06	4.06	4.06	4.06	4.14	4.22	4.35	
Non Residential	1	6.77	6.77	6.77	6.77	6.91	7.04	7.25	
Residential									
Residential	1	\$ 21.40	\$ 21.40	\$ 21.40	\$ 21.40	\$ 21.83	\$ 22.26	\$ 22.93	
Low Income -- 1/2	1	6.42	6.42	6.42	6.42	6.55	6.68	6.88	
Low Income	1	12.84	12.84	12.84	12.84	13.10	13.36	13.76	
2 Cubic Yard									
Non-Residential -- 2 CY	1	\$ 53.50	\$ 53.50	\$ 64.20	\$ 80.25	\$ 81.86	\$ 83.49	\$ 86.00	
Non-Residential -- 2 CY	2	107.00	107.00	128.40	160.50	163.71	166.98	171.99	
Non-Residential -- 2 CY	3	160.50	160.50	192.60	240.75	245.57	250.48	257.99	
Non-Residential -- 2 CY	4	214.00	214.00	256.80	321.00	327.42	333.97	343.99	
Non-Residential -- 2 CY	5	267.50	267.50	321.00	401.25	409.28	417.46	429.98	
3 Cubic Yard									
Non-Residential -- 3 CY	1	\$ 64.20	\$ 64.20	\$ 90.95	\$ 117.70	\$ 120.05	\$ 122.46	\$ 126.13	
Non-Residential -- 3 CY	2	128.40	128.40	181.90	235.40	240.11	244.91	252.26	
Non-Residential -- 3 CY	3	192.60	192.60	272.85	353.10	360.16	367.37	378.39	
Non-Residential -- 3 CY	4	256.80	256.80	363.80	470.80	480.22	489.82	504.51	
Non-Residential -- 3 CY	5	321.00	321.00	454.75	588.50	600.27	612.28	630.64	
4 Cubic Yard									
Non-Residential -- 4 CY	1	\$ 85.60	\$ 85.60	\$ 128.40	\$ 171.20	\$ 174.62	\$ 178.12	\$ 183.46	
Non-Residential -- 4 CY	2	171.20	171.20	256.80	342.40	349.25	356.23	366.92	
Non-Residential -- 4 CY	3	256.80	256.80	385.20	513.60	523.87	534.35	550.38	
Non-Residential -- 4 CY	4	342.40	342.40	513.60	684.80	698.50	712.47	733.84	
Non-Residential -- 4 CY	5	428.00	428.00	642.00	856.00	873.12	890.58	917.30	
6 Cubic Yard									
Commercial -- 6 CY	1	\$ 128.40	\$ 128.40	\$ 171.20	\$ 235.40	\$ 240.11	\$ 244.91	\$ 252.26	
Commercial -- 6 CY	2	256.80	256.80	342.40	470.80	480.22	489.82	504.51	
Commercial -- 6 CY	3	385.20	385.20	513.60	706.20	720.32	734.73	756.77	
Commercial -- 6 CY	4	513.60	513.60	684.80	941.60	960.43	979.64	1,009.03	
Commercial -- 6 CY	5	642.00	642.00	856.00	1,177.00	1,200.54	1,224.55	1,261.29	
8 Cubic Yard									
Commercial -- 8 CY	1	\$ 214.00	\$ 214.00	\$ 267.50	\$ 321.00	\$ 327.42	\$ 333.97	\$ 343.99	
Commercial -- 8 CY	2	428.00	428.00	535.00	642.00	654.84	667.94	687.97	
Commercial -- 8 CY	3	642.00	642.00	802.50	963.00	982.26	1,001.91	1,031.96	
Commercial -- 8 CY	4	856.00	856.00	1,070.00	1,284.00	1,309.68	1,335.87	1,375.95	
Commercial -- 8 CY	5	1,070.00	1,070.00	1,337.50	1,605.00	1,637.10	1,669.84	1,719.94	
Commercial -- 8 CY	6	1,284.00	1,284.00	1,605.00	1,926.00	1,964.52	2,003.81	2,063.92	

Notes on Rate Recommendations

The forecast and recommendations presented in this study represent a combination of the best information available from the City of Bisbee and the project team's expertise. However, this forecast relies in part on assumptions about future events and events beyond the control of the project team. The forecast and recommendations contained in this study may be subject to revision if any of the following events occurs:

- Actual growth in accounts and usage volumes is less than (or significantly greater than) forecast.
- Capital improvement plan funding costs increase significantly due to the rising cost of materials or other factors.
- An unforeseen event impacts the City, such as an extended recession, natural catastrophe or terrorist attack.
- Increases or decreases in interest rates, coverage requirements, or reserve requirements for long-term debt.
- Additional increases in operating expenses related to the CIP is significantly different than forecast in this study.

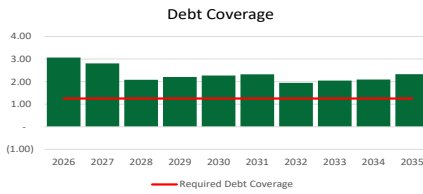
If any of these events occur, the City may be compelled to consider further adjustments to its wastewater rates.

APPENDIX A

Wastewater Rate Model



10	
5	



2026	X
2027	X
2028	X
2029	X
2030	X
2031	X
2032	X
2033	X
2034	X
2035	X

[illegible]

CITY OF BISBEE WASTEWATER COST OF SERVICE MODEL											
EFFECTIVE DATE											
	Current	Jan-26	Jul-26	Jul-27	Jul-28	Jul-29	Jul-30	Jul-31	Jul-32	Jul-33	Jul-34
Proposed Rate Schedule											
Scenario: 2025 07 15 -- Scenario I -- Status Quo											
Wastewater Rates -- Proposed Rate Plan											
101 Residential	\$ 50.50	\$ 56.06	\$ 62.22	\$ 67.82	\$ 73.93	\$ 76.14	\$ 78.43	\$ 80.78	\$ 83.20	\$ 85.70	\$ 88.27
104 Residential	214.40	237.99	264.17	287.94	313.86	323.27	332.97	342.96	353.25	363.85	374.76
105 Residential	1,240.87	1,377.37	1,528.88	1,666.48	1,816.46	1,870.95	1,927.08	1,984.90	2,044.44	2,105.78	2,168.95
106 Best Value Inn	1,172.33	1,301.28	1,444.42	1,574.42	1,716.12	1,767.60	1,820.63	1,875.25	1,931.51	1,989.45	2,049.13
107 Border Patrol	2,419.45	2,685.59	2,981.00	3,249.29	3,541.73	3,647.98	3,757.42	3,870.14	3,986.25	4,105.84	4,229.01
109 Mixed Use	-	-	-	-	-	-	-	-	-	-	-
111 Commercial 1	57.06	63.34	70.31	76.63	83.53	86.04	88.62	91.28	94.01	96.83	99.74
112 Commercial 2	97.67	108.42	120.35	131.18	142.98	147.27	151.69	156.24	160.93	165.76	170.73
113 Commercial 3	162.95	180.87	200.77	218.83	238.53	245.69	253.06	260.65	268.47	276.52	284.82
114 Commercial 4	30.32	33.66	37.36	40.72	44.39	45.72	47.09	48.50	49.96	51.46	53.00
115 Commercial 5	252.62	280.41	311.25	339.26	369.80	380.89	392.32	404.09	416.21	428.70	441.56
118 Poverty Level	29.43	32.66	36.26	39.52	43.08	44.37	45.70	47.07	48.48	49.94	51.44
119 Half Poverty Level	14.71	16.33	18.12	19.75	21.53	22.18	22.84	23.53	24.23	24.96	25.71
121 Special Rate CQRV	407.45	452.27	502.02	547.20	596.45	614.34	632.77	651.75	671.30	691.44	712.19
122 School District 1	376.65	418.08	464.07	505.84	551.36	567.90	584.94	602.49	620.56	639.18	658.36
123 School District 2	311.47	345.73	383.76	418.30	455.95	469.63	483.72	498.23	513.18	528.57	544.43
124 School District 3	3,743.47	4,155.26	4,612.33	5,027.44	5,479.91	5,644.31	5,813.64	5,988.05	6,167.69	6,352.72	6,543.30
125 School District 4	226.26	251.15	278.78	303.86	331.21	341.15	351.38	361.93	372.78	383.97	395.49
126 Copper Queen Hotel	2,148.44	2,384.76	2,647.09	2,885.33	3,145.00	3,239.36	3,336.54	3,436.63	3,539.73	3,645.92	3,755.30

CITY OF BISBEE WASTEWATER COST OF SERVICE MODEL											
	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Model Summary**Scenario: 2025 07 15 -- Scenario I -- Status Quo**

EFFECTIVE		Jan-26	Jul-26	Jul-27	Jul-28	Jul-29	Jul-30	Jul-31	Jul-32	Jul-33	Jul-34
Wastewater Rates -- Residential											
Residential	\$ 50.50	\$ 56.06	\$ 62.22	\$ 67.82	\$ 73.93	\$ 76.14	\$ 78.43	\$ 80.78	\$ 83.20	\$ 85.70	\$ 88.27
Increase -- Dollars		5.56	6.17	5.60	6.10	2.22	2.28	2.35	2.42	2.50	2.57
Increase -- Percent		11.0%	11.0%	9.0%	9.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Wastewater Rates -- Commercial											
Commercial 1	57.06	63.34	70.31	76.63	83.53	86.04	88.62	91.28	94.01	96.83	99.74
Increase -- Dollars		6.28	6.97	6.33	6.90	2.51	2.58	2.66	2.74	2.82	2.91
Increase -- Percent		11.0%	11.0%	9.0%	9.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Commercial 3	162.95	180.87	200.77	218.83	238.53	245.69	253.06	260.65	268.47	276.52	284.82
Increase -- Dollars		17.92	19.90	18.07	19.70	7.16	7.37	7.59	7.82	8.05	8.30
Increase -- Percent		11.0%	11.0%	9.0%	9.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Border Patrol	2,419.45	2,685.59	2,981.00	3,249.29	3,541.73	3,647.98	3,757.42	3,870.14	3,986.25	4,105.84	4,229.01
Increase -- Dollars		266.14	295.41	268.29	292.44	106.25	109.44	112.72	116.10	119.59	123.18
Increase -- Percent		11.0%	11.0%	9.0%	9.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
School District 1	376.65	418.08	464.07	505.84	551.36	567.90	584.94	602.49	620.56	639.18	658.36
Increase -- Dollars		41.43	45.99	41.77	45.53	16.54	17.04	17.55	18.07	18.62	19.18
Increase -- Percent		11.0%	11.0%	9.0%	9.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

CITY OF BISBEE WASTEWATER COST OF SERVICE MODEL										
Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Model Summary**Scenario: 2025 07 15 -- Scenario I -- Status Quo****TOTAL Revenues and Expenses****WW Rate Revenues**

Residential	\$ 1,829,260	\$ 2,142,041	\$ 2,343,287	\$ 2,559,871	\$ 2,654,377	\$ 2,740,070	\$ 2,828,515	\$ 2,919,802	\$ 3,014,020	\$ 3,111,263
Commercial	307,905	361,030	395,468	432,584	449,137	464,236	479,836	495,955	512,608	529,815
School District	58,456	68,299	74,549	81,258	84,071	86,593	89,191	91,867	94,623	97,462
Other	77,153	90,144	98,393	107,249	110,961	114,290	117,719	121,250	124,888	128,635
Sub-Total	2,272,774	2,661,513	2,911,697	3,180,962	3,298,546	3,405,189	3,515,262	3,628,874	3,746,139	3,867,175

Non-Rate Revenues:

SEWER LATERAL GRANT	-	-	-	-	-	-	-	-	-	-
CITY SALES TAX	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000
INTEREST/PENALTIES EARNED	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
SHUTOFF VALVES & FEES	-	-	-	-	-	-	-	-	-	-
MISCELLANEOUS REVENUE	-	-	-	-	-	-	-	-	-	-
APS SOLAR REIMBURSEMENT - WWTP	32,000	-	-	-	-	-	-	-	-	-
USER FEES	-	-	-	-	-	-	-	-	-	-
SERVICE CHARGE/PENALTY	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400	18,400
HOOK-UP FEES	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
NEW ACCOUNT FEE	-	-	-	-	-	-	-	-	-	-
USE OF FUND BALANCE	1,000,000	500,000	125,000	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Total Non-Rate Revenues	1,626,400	1,094,400	719,400	594,400	594,400	594,400	594,400	594,400	594,400	594,400

Total Revenues	3,899,174	3,755,913	3,631,097	3,775,362	3,892,946	3,999,589	4,109,662	4,223,274	4,340,539	4,461,575
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Operating Expenses

Personnel	333,927	345,641	357,841	370,555	383,807	397,629	412,049	427,102	442,821	459,245
Operating & Maint.	1,501,925	1,547,545	1,594,558	1,643,008	1,692,940	1,744,400	1,797,436	1,852,095	1,908,431	1,966,494
Operating Expenses	1,835,852	1,893,185	1,952,399	2,013,563	2,076,748	2,142,029	2,209,485	2,279,197	2,351,252	2,425,738

Net Revenues For CO/Transfers/Debt	2,063,322	1,862,728	1,678,697	1,761,799	1,816,198	1,857,560	1,900,177	1,944,077	1,989,288	2,035,837
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Capital Outlays	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000
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Transfers	444,099	444,099	444,099	444,099	444,099	444,099	444,099	444,099	444,099	444,099
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CITY OF BISBEE WASTEWATER COST OF SERVICE MODEL											
	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Model Summary											
Scenario: 2025 07 15 -- Scenario I -- Status Quo											
Debt Service -- Current											
WWTP Refinance		547,343	546,604	546,389	545,678	545,451	545,672	545,321	545,378	544,825	544,643
WWTP Solar Loan		77,163	77,136	77,109	77,080	77,051	77,021	76,990	76,958	76,925	-
Mini Excavator		8,920	1,286	-	-	-	-	-	-	-	-
Vactor Truck-F54		30,905	30,905	-	-	-	-	-	-	-	-
Total		672,938	662,766	630,332	622,758	622,502	622,693	622,311	622,336	621,750	544,643
Debt Service -- Future											
Series 2026		-	-	-	-	-	-	-	-	-	-
Series 2027	2,500,000	-	-	176,966	176,966	176,966	176,966	176,966	151,685	151,685	151,685
Series 2028		-	-	-	-	-	-	-	-	-	-
Series 2029		-	-	-	-	-	-	-	-	-	-
Series 2030		-	-	-	-	-	-	-	-	-	-
Series 2031	2,500,000	-	-	-	-	-	-	176,966	176,966	176,966	176,966
Series 2032		-	-	-	-	-	-	-	-	-	-
Series 2033		-	-	-	-	-	-	-	-	-	-
Series 2034		-	-	-	-	-	-	-	-	-	-
Total		-	-	176,966	176,966	176,966	176,966	353,932	328,651	328,651	328,651
Total Debt Service		672,938	662,766	807,298	799,724	799,468	799,659	976,242	950,987	950,401	873,294
Total Cost of Service		3,482,889	3,530,050	3,733,796	3,787,386	3,850,315	3,915,787	4,159,826	4,204,283	4,275,752	4,273,131
Net Revenues		416,285	225,863	(102,700)	(12,024)	42,631	83,802	(50,165)	18,991	64,787	188,443
Percent of COS		10.7%	6.0%	-2.8%	-0.3%	1.1%	2.1%	-1.2%	0.4%	1.5%	4.2%

CITY OF BISBEE WASTEWATER COST OF SERVICE MODEL											
	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Model Summary											
Scenario: 2025 07 15 -- Scenario I -- Status Quo											
Debt Coverage Calculation											
Coverage-Eligible Revenues		3,899,174	3,755,913	3,631,097	3,775,362	3,892,946	3,999,589	4,109,662	4,223,274	4,340,539	4,461,575
Operating Expenses		1,835,852	1,893,185	1,952,399	2,013,563	2,076,748	2,142,029	2,209,485	2,279,197	2,351,252	2,425,738
Net Revenues Eligible for Coverage		2,063,322	1,862,728	1,678,697	1,761,799	1,816,198	1,857,560	1,900,177	1,944,077	1,989,288	2,035,837
Debt Service -- Current		672,938	662,766	630,332	622,758	622,502	622,693	622,311	622,336	621,750	544,643
Debt Service -- Future											
Series 2026		-	-	-	-	-	-	-	-	-	-
Series 2027		-	-	176,966	176,966	176,966	176,966	176,966	151,685	151,685	151,685
Series 2028		-	-	-	-	-	-	-	-	-	-
Series 2029		-	-	-	-	-	-	-	-	-	-
Series 2030		-	-	-	-	-	-	-	-	-	-
Series 2031		-	-	-	-	-	-	176,966	176,966	176,966	176,966
Series 2032		-	-	-	-	-	-	-	-	-	-
Series 2033		-	-	-	-	-	-	-	-	-	-
Series 2034		-	-	-	-	-	-	-	-	-	-
Total		-	-	176,966	176,966	176,966	176,966	353,932	328,651	328,651	328,651
Total Debt Service	\$	672,938	\$ 662,766	\$ 807,298	\$ 799,724	\$ 799,468	\$ 799,659	\$ 976,242	\$ 950,987	\$ 950,401	\$ 873,294
Debt Coverage		3.07	2.81	2.08	2.20	2.27	2.32	1.95	2.04	2.09	2.33
Fund Balance											
Beginning Balance - Unrestricted Reserve	\$	-	\$ (3,378,715)	\$ (122,852)	\$ 304,449	\$ 822,425	\$ 1,395,056	\$ 4,508,858	\$ 4,988,693	\$ 5,537,684	\$ 6,132,471
Bond Issues		-	2,500,000	-	-	-	2,500,000	-	-	-	-
Connection Fees		-	-	-	-	-	-	-	-	-	-
Revenues less Cost of Service		416,285	225,863	(102,700)	(12,024)	42,631	83,802	(50,165)	18,991	64,787	188,443
Grant (Principal Forgiveness)		-	-	-	-	-	-	-	-	-	-
Rate Rev Capital Reserve Contribution		530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000	530,000
Total Sources		946,285	3,255,863	427,300	517,976	572,631	3,113,802	479,835	548,991	594,787	718,443
Less Uses of Funds:											
Capital Improvement Plan		4,325,000	-	-	-	-	-	-	-	-	-
Total Uses of Funds		4,325,000	-	-	-	-	-	-	-	-	-
Ending Unrestricted and Capital Reserve Fund Balance		(3,378,715)	(122,852)	304,449	822,425	1,395,056	4,508,858	4,988,693	5,537,684	6,132,471	6,850,915

**CITY OF BISBEE
WASTEWATER COST OF SERVICE MODEL**

Current 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035

Input Area -- Rate Recommendations**Scenario: 2025 07 15 -- Scenario I -- Status Quo**

Month of Adjustment (July = 1)

EFFECTIVE

7 1 1 1 1 1 1 1 1 1 1
Jan-26 Jul-26 Jul-27 Jul-28 Jul-29 Jul-30 Jul-31 Jul-32 Jul-33 Jul-34

Annual Adjustment

101 Residential	DASHBOARD	11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
104 Residential	DASHBOARD	11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
105 Residential		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
106 Best Value Inn		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
107 Border Patrol		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
109 Mixed Use		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
111 Commercial 1		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
112 Commercial 2		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
113 Commercial 3		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
114 Commercial 4		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
115 Commercial 5		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
118 Poverty Level		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
119 Half Poverty Level		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
121 Special Rate CQRV		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
122 School District 1		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
123 School District 2		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
124 School District 3		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
125 School District 4		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
126 Copper Queen Hotel		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
151 Other		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
152 Other 2		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
153 Other 3		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
154 Other 4		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
155 Other 5		11.00%	11.00%	9.00%	9.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

101 Residential	Percent Increase	3.00%										
Base Charge	\$ 49.03	\$ 50.50	\$ 56.06	\$ 62.22	\$ 67.82	\$ 73.93	\$ 76.14	\$ 78.43	\$ 80.78	\$ 83.20	\$ 85.70	\$ 88.27
104 Residential												
Base Charge	208.16	214.40	237.99	264.17	287.94	313.86	323.27	332.97	342.96	353.25	363.85	374.76
105 Residential												
Base Charge	1,204.73	1,240.87	1,377.37	1,528.88	1,666.48	1,816.46	1,870.95	1,927.08	1,984.90	2,044.44	2,105.78	2,168.95
106 Best Value Inn												
Base Charge	1,138.18	1,172.33	1,301.28	1,444.42	1,574.42	1,716.12	1,767.60	1,820.63	1,875.25	1,931.51	1,989.45	2,049.13
107 Border Patrol												
Base Charge	2,348.98	2,419.45	2,685.59	2,981.00	3,249.29	3,541.73	3,647.98	3,757.42	3,870.14	3,986.25	4,105.84	4,229.01

**CITY OF BISBEE
WASTEWATER COST OF SERVICE MODEL**

Current 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035

Input Area -- Rate Recommendations**Scenario: 2025 07 15 -- Scenario I -- Status Quo**

109 Mixed Use												
Base Charge	-	-	-	-	-	-	-	-	-	-	-	-
111 Commercial 1												
Base Charge	55.40	57.06	63.34	70.31	76.63	83.53	86.04	88.62	91.28	94.01	96.83	99.74
112 Commercial 2												
Base Charge	94.83	97.67	108.42	120.35	131.18	142.98	147.27	151.69	156.24	160.93	165.76	170.73
113 Commercial 3												
Base Charge	158.20	162.95	180.87	200.77	218.83	238.53	245.69	253.06	260.65	268.47	276.52	284.82
114 Commercial 4												
Base Charge	29.44	30.32	33.66	37.36	40.72	44.39	45.72	47.09	48.50	49.96	51.46	53.00
115 Commercial 5												
Base Charge	245.26	252.62	280.41	311.25	339.26	369.80	380.89	392.32	404.09	416.21	428.70	441.56
118 Poverty Level												
Base Charge	28.57	29.43	32.66	36.26	39.52	43.08	44.37	45.70	47.07	48.48	49.94	51.44
119 Half Poverty Level												
Base Charge	14.28	14.71	16.33	18.12	19.75	21.53	22.18	22.84	23.53	24.23	24.96	25.71
121 Special Rate CQRV												
Base Charge	395.58	407.45	452.27	502.02	547.20	596.45	614.34	632.77	651.75	671.30	691.44	712.19
122 School District 1												
Base Charge	365.68	376.65	418.08	464.07	505.84	551.36	567.90	584.94	602.49	620.56	639.18	658.36
123 School District 2												
Base Charge	302.40	311.47	345.73	383.76	418.30	455.95	469.63	483.72	498.23	513.18	528.57	544.43
124 School District 3												
Base Charge	3,634.44	3,743.47	4,155.26	4,612.33	5,027.44	5,479.91	5,644.31	5,813.64	5,988.05	6,167.69	6,352.72	6,543.30
125 School District 4												
Base Charge	219.67	226.26	251.15	278.78	303.86	331.21	341.15	351.38	361.93	372.78	383.97	395.49
126 Copper Queen Hotel												
Base Charge	2,085.86	2,148.44	2,384.76	2,647.09	2,885.33	3,145.00	3,239.36	3,336.54	3,436.63	3,539.73	3,645.92	3,755.30
151 Other												
Base Charge	-	-	-	-	-	-	-	-	-	-	-	-
152 Other 2												
Base Charge	-	-	-	-	-	-	-	-	-	-	-	-
153 Other 3												
Base Charge	-	-	-	-	-	-	-	-	-	-	-	-
154 Other 4												
Base Charge	-	-	-	-	-	-	-	-	-	-	-	-

**CITY OF BISBEE
WASTEWATER COST OF SERVICE MODEL**

Current 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035

Input Area -- Rate Recommendations**Scenario: 2025 07 15 -- Scenario I -- Status Quo****155 Other 5**

Base Charge

-

-

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Summary of Results -- Rate Calculator**Revenues Less Cost of Service**416,285
18.3%225,863
8.5%(102,700)
-3.5%(12,024)
-0.4%42,631
1.3%83,802
2.5%(50,165)
-1.4%18,991
0.5%64,787
1.7%188,443
4.9%**Net Revenues**

416,285

225,863

(102,700)

(12,024)

42,631

83,802

(50,165)

18,991

64,787

188,443

Debt Coverage

3.07

2.81

2.08

2.20

2.27

2.32

1.95

2.04

2.09

2.33

CITY OF BISBEE
WASTEWATER COST OF SERVICE MODEL

Current 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035

Input Area -- Rate Recommendations**Scenario: 2025 07 15 -- Scenario I -- Status Quo****WW Rate Revenues**WW Rate Revenue

101 Residential	\$	1,792,348	\$	2,097,836	\$	2,293,858	\$	2,504,711	\$	2,595,979	\$	2,678,552	\$	2,763,744	\$	2,851,637	\$	2,942,315	\$	3,035,868
104 Residential		2,691		3,144		3,432		3,740		3,870		3,986		4,106		4,229		4,356		4,486
105 Residential		15,573		18,195		19,860		21,648		22,397		23,069		23,761		24,474		25,208		25,964
106 Best Value Inn		14,713		17,190		18,763		20,452		21,160		21,795		22,448		23,122		23,815		24,530
107 Border Patrol		30,364		35,477		38,723		42,208		43,670		44,980		46,329		47,719		49,150		50,625
109 Mixed Use		-		-		-		-		-		-		-		-		-		-
111 Commercial 1		100,974		118,812		130,598		143,348		149,340		154,881		160,620		166,564		172,721		179,096
112 Commercial 2		25,742		30,077		32,829		35,784		37,022		38,133		39,277		40,455		41,669		42,919
113 Commercial 3		24,540		28,672		31,295		34,112		35,293		36,352		37,442		38,565		39,722		40,914
114 Commercial 4		112,264		131,611		144,141		157,642		163,647		169,120		174,774		180,616		186,650		192,884
115 Commercial 5		44,385		51,858		56,604		61,698		63,834		65,749		67,722		69,753		71,846		74,001
118 Poverty Level		13,295		16,397		18,839		21,561		23,370		25,165		27,047		29,020		31,086		33,250
119 Half Poverty Level		5,353		6,470		7,298		8,211		8,761		9,297		9,858		10,443		11,055		11,695
121 Special Rate CQRV		5,113		5,974		6,521		7,108		7,354		7,575		7,802		8,036		8,277		8,525
122 School District 1		4,727		5,523		6,028		6,571		6,798		7,002		7,212		7,429		7,652		7,881
123 School District 2		3,909		4,567		4,985		5,434		5,622		5,791		5,964		6,143		6,327		6,517
124 School District 3		46,981		54,891		59,914		65,306		67,567		69,594		71,682		73,833		76,048		78,329
125 School District 4		2,840		3,318		3,621		3,947		4,084		4,206		4,333		4,463		4,596		4,734
126 Copper Queen Hotel		26,963		31,503		34,386		37,480		38,778		39,941		41,139		42,374		43,645		44,954
151 Other		-		-		-		-		-		-		-		-		-		-
152 Other 2		-		-		-		-		-		-		-		-		-		-
153 Other 3		-		-		-		-		-		-		-		-		-		-
154 Other 4		-		-		-		-		-		-		-		-		-		-
155 Other 5		-		-		-		-		-		-		-		-		-		-
Total WW Rate Revenues		2,272,774		2,661,513		2,911,697		3,180,962		3,298,546		3,405,189		3,515,262		3,628,874		3,746,139		3,867,175

Less Revenues to be Raised from Rates:

101 Residential	\$	1,524,357	\$	1,997,635	\$	2,469,514	\$	2,612,881	\$	2,661,397	\$	2,711,891	\$	2,907,924	\$	2,940,934	\$	2,995,865	\$	2,990,458
104 Residential		540		706		872		921		936		952		1,019		1,029		1,046		1,043
105 Residential		540		706		872		921		936		952		1,019		1,029		1,046		1,043
106 Best Value Inn		540		706		872		921		936		952		1,019		1,029		1,046		1,043
107 Border Patrol		540		706		872		921		936		952		1,019		1,029		1,046		1,043
109 Mixed Use		33,477		43,794		54,043		57,080		58,037		59,035		63,191		63,797		64,875		64,645
111 Commercial 1		75,606		99,611		123,795		131,672		134,817		138,086		148,827		151,283		154,886		155,380
112 Commercial 2		11,339		14,833		18,305		19,333		19,658		19,996		21,403		21,609		21,974		21,896
113 Commercial 3		6,479		8,476		10,460		11,048		11,233		11,426		12,231		12,348		12,556		12,512
114 Commercial 4		158,759		208,389		258,031		273,451		278,974		284,721		305,786		309,745		316,026		315,949
115 Commercial 5		7,559		9,889		12,203		12,889		13,105		13,330		14,269		14,406		14,649		14,597
118 Poverty Level		18,382		25,460		33,160		36,866		39,357		41,938		46,928		49,436		52,365		54,266
119 Half Poverty Level		15,131		20,500		26,169		28,560		29,975		31,443		34,675		36,037		37,693		38,602
121 Special Rate CQRV		540		706		872		921		936		952		1,019		1,029		1,046		1,043
122 School District 1		540		706		872		921		936		952		1,019		1,029		1,046		1,043
123 School District 2		540		706		872		921		936		952		1,019		1,029		1,046		1,043
124 School District 3		540		706		872		921		936		952		1,019		1,029		1,046		1,043
125 School District 4		540		706		872		921		936		952		1,019		1,029		1,046		1,043
126 Copper Queen Hotel		540		706		872		921		936		952		1,019		1,029		1,046		1,043
151 Other		-		-		-		-		-		-		-		-		-		-
152 Other 2		-		-		-		-		-		-		-		-		-		-
153 Other 3		-		-		-		-		-		-		-		-		-		-

**CITY OF BISBEE
WASTEWATER COST OF SERVICE MODEL**

	Current	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Input Area -- Rate Recommendations											
Scenario: 2025 07 15 -- Scenario I -- Status Quo											
154 Other 4	-	-	-	-	-	-	-	-	-	-	-
155 Other 5	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	1,856,489	2,435,650	3,014,396	3,192,986	3,255,915	3,321,387	3,565,426	3,609,883	3,681,352	3,678,731	
Rate Revenue Less RRRR:											
101 Residential	267,991	100,201	(175,655)	(108,170)	(65,418)	(33,338)	(144,180)	(89,297)	(53,550)	45,410	
104 Residential	2,151	2,437	2,560	2,820	2,934	3,034	3,086	3,200	3,309	3,444	
105 Residential	15,033	17,489	18,988	20,727	21,461	22,117	22,742	23,445	24,162	24,922	
106 Best Value Inn	14,173	16,484	17,891	19,531	20,224	20,842	21,429	22,093	22,769	23,487	
107 Border Patrol	29,824	34,770	37,852	41,288	42,733	44,027	45,310	46,690	48,104	49,582	
109 Mixed Use	(33,477)	(43,794)	(54,043)	(57,080)	(58,037)	(59,035)	(63,191)	(63,797)	(64,875)	(64,645)	
111 Commercial 1	25,368	19,201	6,804	11,676	14,523	16,795	11,793	15,282	17,835	23,716	
112 Commercial 2	14,403	15,243	14,524	16,450	17,365	18,137	17,874	18,847	19,695	21,023	
113 Commercial 3	18,060	20,195	20,835	23,064	24,060	24,926	25,212	26,218	27,166	28,402	
114 Commercial 4	(46,495)	(76,778)	(113,890)	(115,808)	(115,327)	(115,600)	(131,011)	(129,129)	(129,376)	(123,065)	
115 Commercial 5	36,826	41,969	44,401	48,809	50,729	52,419	53,453	55,348	57,197	59,404	
118 Poverty Level	(5,087)	(9,063)	(14,321)	(15,304)	(15,987)	(16,773)	(19,880)	(20,417)	(21,279)	(21,017)	
119 Half Poverty Level	(9,777)	(14,030)	(18,871)	(20,349)	(21,215)	(22,146)	(24,818)	(25,594)	(26,637)	(26,908)	
121 Special Rate CQVR	4,574	5,268	5,650	6,187	6,418	6,623	6,783	7,007	7,231	7,483	
122 School District 1	4,187	4,817	5,157	5,650	5,862	6,050	6,193	6,400	6,605	6,838	
123 School District 2	3,369	3,861	4,113	4,513	4,686	4,838	4,945	5,114	5,281	5,475	
124 School District 3	46,441	54,185	59,043	64,386	66,631	68,642	70,663	72,804	75,001	77,286	
125 School District 4	2,300	2,611	2,750	3,027	3,148	3,254	3,313	3,434	3,550	3,692	
126 Copper Queen Hotel	26,423	30,796	33,514	36,560	37,842	38,989	40,120	41,345	42,599	43,912	
151 Other	-	-	-	-	-	-	-	-	-	-	
152 Other 2	-	-	-	-	-	-	-	-	-	-	
153 Other 3	-	-	-	-	-	-	-	-	-	-	
154 Other 4	-	-	-	-	-	-	-	-	-	-	
155 Other 5	-	-	-	-	-	-	-	-	-	-	
Rate Revenue less Revenue Rqmt	416,285	225,863	(102,700)	(12,024)	42,631	83,802	(50,165)	18,991	64,787	188,443	

CITY OF BISBEE
WASTEWATER COST OF SERVICE MODEL

Current 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035

Input Area -- Rate Recommendations**Scenario: 2025 07 15 -- Scenario I -- Status Quo****WASTEWATER -- Customer & Usage Data****Net Annual Billing Units after Minimum:**

101	Residential	2,828	2,833	2,838	2,843	2,848	2,853	2,858	2,863	2,868	2,873
104	Residential	1	1	1	1	1	1	1	1	1	1
105	Residential	1	1	1	1	1	1	1	1	1	1
106	Best Value Inn	1	1	1	1	1	1	1	1	1	1
107	Border Patrol	1	1	1	1	1	1	1	1	1	1
109	Mixed Use	62	62	62	62	62	62	62	62	62	62
111	Commercial 1	141	142	143	144	145	146	147	148	149	150
112	Commercial 2	21	21	21	21	21	21	21	21	21	21
113	Commercial 3	12	12	12	12	12	12	12	12	12	12
114	Commercial 4	295	296	297	298	299	300	301	302	303	304
115	Commercial 5	14	14	14	14	14	14	14	14	14	14
118	Poverty Level	36	38	40	42	44	46	48	50	52	54
119	Half Poverty Level	29	30	31	32	33	34	35	36	37	38
121	Special Rate CQRV	1	1	1	1	1	1	1	1	1	1
122	School District 1	1	1	1	1	1	1	1	1	1	1
123	School District 2	1	1	1	1	1	1	1	1	1	1
124	School District 3	1	1	1	1	1	1	1	1	1	1
125	School District 4	1	1	1	1	1	1	1	1	1	1
126	Copper Queen Hotel	1	1	1	1	1	1	1	1	1	1
151	Other	-	-	-	-	-	-	-	-	-	-
152	Other 2	-	-	-	-	-	-	-	-	-	-
153	Other 3	-	-	-	-	-	-	-	-	-	-
154	Other 4	-	-	-	-	-	-	-	-	-	-
155	Other 5	-	-	-	-	-	-	-	-	-	-
	Monthly Customers Billed	3,448	3,458	3,468	3,478	3,488	3,498	3,508	3,518	3,528	3,538

**CITY OF BISBEE
WASTEWATER COST OF SERVICE MODEL**

Current 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035

Input Area -- Rate Recommendations**Scenario: 2025 07 15 -- Scenario I -- Status Quo****Customer Class Units -- Total Bills**

101	Residential	33,936	33,996	34,056	34,116	34,176	34,236	34,296	34,356	34,416	34,476
104	Residential	12	12	12	12	12	12	12	12	12	12
105	Residential	12	12	12	12	12	12	12	12	12	12
106	Best Value Inn	12	12	12	12	12	12	12	12	12	12
107	Border Patrol	12	12	12	12	12	12	12	12	12	12
109	Mixed Use	744	744	744	744	744	744	744	744	744	744
111	Commercial 1	1,692	1,704	1,716	1,728	1,740	1,752	1,764	1,776	1,788	1,800
112	Commercial 2	252	252	252	252	252	252	252	252	252	252
113	Commercial 3	144	144	144	144	144	144	144	144	144	144
114	Commercial 4	3,540	3,552	3,564	3,576	3,588	3,600	3,612	3,624	3,636	3,648
115	Commercial 5	168	168	168	168	168	168	168	168	168	168
118	Poverty Level	432	456	480	504	528	552	576	600	624	648
119	Half Poverty Level	348	360	372	384	396	408	420	432	444	456
121	Special Rate CQRV	12	12	12	12	12	12	12	12	12	12
122	School District 1	12	12	12	12	12	12	12	12	12	12
123	School District 2	12	12	12	12	12	12	12	12	12	12
124	School District 3	12	12	12	12	12	12	12	12	12	12
125	School District 4	12	12	12	12	12	12	12	12	12	12
126	Copper Queen Hotel	12	12	12	12	12	12	12	12	12	12
151	Other	-	-	-	-	-	-	-	-	-	-
152	Other 2	-	-	-	-	-	-	-	-	-	-
153	Other 3	-	-	-	-	-	-	-	-	-	-
154	Other 4	-	-	-	-	-	-	-	-	-	-
155	Other 5	-	-	-	-	-	-	-	-	-	-
Total Wastewater		41,376	41,496	41,616	41,736	41,856	41,976	42,096	42,216	42,336	42,456
		3,448	3,458	3,468	3,478	3,488	3,498	3,508	3,518	3,528	3,538

APPENDIX B

Solid Waste Rate Model

CITY OF BISBEE											
SOLID WASTE MONTHLY CHARGE SCHEDULE											
	Monthly Charge										
	Current	Effective Jan-26	Effective Jul-26	Effective Jul-27	Effective Jul-28	Effective Jul-29	Effective Jul-30	Effective Jul-31	Effective Jul-32	Effective Jul-33	Effective Jul-34
Scenario:	2025 07 15 -- Scenario I and II										
MONTHLY CHARGE -- STATUS QUO											
Residential											
LOW INCOME 1/2 GARBAGE - 6.42	\$ 6.42	\$ 6.87	\$ 7.35	\$ 7.86	\$ 8.10	\$ 8.34	\$ 8.59	\$ 8.77	\$ 8.94	\$ 9.12	\$ 9.30
LOW INCOME GARBAGE - 12.84	12.84	13.74	14.70	15.73	16.20	16.69	17.19	17.53	17.88	18.24	18.60
GARB- 3 OCC 9 VAC - 14.00	14.00	14.98	16.03	17.15	17.67	18.20	18.74	19.12	19.50	19.89	20.29
GARBAGE - RESIDENTIAL - 21.40	21.40	22.90	24.50	26.22	27.00	27.81	28.65	29.22	29.80	30.40	31.01
Non-Residential											
GARBAGE - COMM E MIN - 14.00	14.00	16.10	18.52	21.29	22.57	23.92	25.36	26.37	27.43	28.53	29.67
GARBAGE - COMM - A - 34.64	34.64	39.84	45.81	52.68	55.84	59.19	62.75	65.26	67.87	70.58	73.40
GARBAGE - COMM B TEM-RVV 58.20	58.20	66.93	76.97	88.51	93.83	99.46	105.42	109.64	114.03	118.59	123.33
GARBAGE - COMM C - 164.85	164.85	189.58	218.01	250.72	265.76	281.70	298.61	310.55	322.97	335.89	349.33
GARBAGE - COMM D - 323.67	323.67	372.22	428.05	492.26	521.80	553.11	586.29	609.74	634.13	659.50	685.88
GARBAGE - COMM - 1M@2 - 55.58	55.58	63.92	73.50	84.53	89.60	94.98	100.68	104.70	108.89	113.25	117.78
GARBAGE - COMM - 1L@5 - 236.28	236.28	271.72	312.48	359.35	380.91	403.77	427.99	445.11	462.92	481.44	500.69
GARBAGE - COMM - 1L@2 - 96.92	96.92	111.46	128.18	147.40	156.25	165.62	175.56	182.58	189.89	197.48	205.38
GARBAGE - COMM - 2M@2 - 107.14	107.14	123.21	141.69	162.95	172.72	183.09	194.07	201.83	209.91	218.30	227.04
GARBAGE - COMM - 2L@2 - 189.82	189.82	218.29	251.04	288.69	306.01	324.37	343.84	357.59	371.89	386.77	402.24
GARBAGE - COMM - 2L@5 - 468.54	468.54	538.82	619.64	712.59	755.35	800.67	848.71	882.66	917.96	954.68	992.87
GARBAGE - COMM - 1M@5 - 132.93	132.93	152.87	175.80	202.17	214.30	227.16	240.79	250.42	260.44	270.85	281.69
GARBAGE - COMM - 3L@2 - 282.73	282.73	325.14	373.91	430.00	455.80	483.14	512.13	532.62	553.92	576.08	599.12
GARBAGE - COMM 1L/1M@2 -152.50	152.50	175.38	201.68	231.93	245.85	260.60	276.24	287.29	298.78	310.73	323.16
GARBAGE - COMM - 1M@4 - 107.14	107.14	123.21	141.69	162.95	172.72	183.09	194.07	201.83	209.91	218.30	227.04
GARBAGE - COMM - 1L@3 - 143.37	143.37	164.88	189.61	218.05	231.13	245.00	259.70	270.09	280.89	292.13	303.81
GARBAGE - COMM - 3L@5 - 700.81	700.81	805.93	926.82	1,065.84	1,129.80	1,197.58	1,269.44	1,320.22	1,373.02	1,427.94	1,485.06
GARBAGE - COMM - 4L@5 - 933.08	933.08	1,073.04	1,234.00	1,419.10	1,504.24	1,594.50	1,690.17	1,757.78	1,828.09	1,901.21	1,977.26
3L/2M@2 - 389.87	389.87	448.35	515.60	592.94	628.52	666.23	706.21	734.45	763.83	794.38	826.16
GARBAGE SCHOOL DIST - 498.08	489.08	562.44	646.81	743.83	788.46	835.77	885.91	921.35	958.20	996.53	1,036.39
1 L & 5 M @ 2 358.76	358.76	412.57	474.46	545.63	578.37	613.07	649.85	675.85	702.88	731.00	760.24
2 L @ 3 \$282.73	282.73	325.14	373.91	430.00	455.80	483.14	512.13	532.62	553.92	576.08	599.12
Garbage Bill Zero Amount	-	-	-	-	-	-	-	-	-	-	-
GARBAGE-MIXED USE PROPERTIES	74.93	86.17	99.10	113.96	120.80	128.05	135.73	141.16	146.81	152.68	158.79
Special Service fees											
Recycle -- Residential	6.77	7.24	7.75	8.29	8.54	8.80	9.06	9.24	9.43	9.62	9.81
Recycle -- Residential Low Income 1/2	2.03	2.17	2.32	2.49	2.56	2.64	2.72	2.77	2.83	2.88	2.94
Recycle -- Residential Low Income	4.06	4.34	4.65	4.97	5.12	5.28	5.43	5.54	5.65	5.77	5.88
Non Residential	6.77	7.24	7.75	8.29	8.54	8.80	9.06	9.24	9.43	9.62	9.81

Forecast Period 2026 -- 2035	CITY OF BISBEE SANITATION COST OF SERVICE MODEL									
	Total Expense: 2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Forecast SB -- Basic Summary Sanitation Financial Data
Scen: 2025 07 15 -- Scenario I and II

MONTHLY CHARGE -- STATUS QUO

1 Sanitation Rates

Residential Monthly Fee	\$	21.40	\$	21.40	\$	21.40	\$	21.83	\$	22.26	\$	22.93	\$	23.62	\$	24.33	\$	25.06	\$	25.81
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2 Total Accounts

Residential	2,886	2,893	2,900	2,907	2,914	2,921	2,928	2,935	2,942	2,949
Non-Residential	377	379	381	383	385	387	389	391	393	395
Total	3,263	3,272	3,281	3,290	3,299	3,308	3,317	3,326	3,335	3,344
Annual Percent Inc		0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

3 Fund Balance, Revenues and Expenses

Beginning Fund Balance	\$	194,974	\$	(135,361)	\$	(168,541)	\$	(146,423)	\$	(105,453)	\$	(51,474)	\$	15,908	\$	75,524	\$	174,506	\$	260,865
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Total Revenues

Residential	746,487	827,630	887,410	918,719	948,245	978,715	1,001,149	1,023,279	1,045,893	1,069,003
Non-Residential	302,999	374,503	432,354	462,934	492,605	524,170	548,056	572,154	597,303	623,549
Special Service Fee Revenues	236,587	262,340	281,328	291,293	300,695	310,400	317,557	324,620	331,838	339,215
Total Monthly Fee Revenue	1,286,073	1,464,473	1,601,092	1,672,946	1,741,545	1,813,285	1,866,762	1,920,053	1,975,034	2,031,766
Non-Rate Revenues	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Total Revenues	1,293,573	1,471,973	1,608,592	1,680,446	1,749,045	1,820,785	1,874,262	1,927,553	1,982,534	2,039,266

Cost of Service:

Operating Expenses

Personnel	554,159	579,625	606,562	635,071	665,260	697,247	731,154	767,119	805,284	845,807
Operating	465,200	481,747	498,926	516,764	535,291	554,535	574,531	595,312	616,914	639,374
Total	1,019,359	1,061,372	1,105,488	1,151,835	1,200,551	1,251,782	1,305,686	1,362,431	1,422,198	1,485,181

Net Revenues for Transfers, Cap Outlays and Debt

Transfers	184,803	191,035	197,475	204,130	211,005	218,110	225,451	233,036	240,873	248,970
Truck Replacement Fund	-	-	-	-	-	-	-	-	-	-
Capital Outlays	297,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Total	481,803	321,035	327,475	334,130	341,005	348,110	355,451	363,036	370,873	378,970
Net Revenues for Debt Service	(207,589)	89,565	175,628	194,481	207,488	220,893	213,126	202,086	189,463	175,115

Forecast Period 2026 -- 2035	CITY OF BISBEE SANITATION COST OF SERVICE MODEL									
	Total Expense: 2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Forecast SB -- Basic Summary Sanitation Financial Data
Scen: 2025 07 15 -- Scenario I and II

MONTHLY CHARGE -- STATUS QUO

<u>Debt Service</u>										
Existing	122,746	122,746	-	-	-	-	-	-	-	-
Forecast	-	-	153,510	153,510	153,510	153,510	153,510	103,104	103,104	103,104
Total	122,746	122,746	153,510	153,510	153,510	153,510	153,510	103,104	103,104	103,104
Total Cost of Service										
	1,623,908	1,505,154	1,586,474	1,639,475	1,695,067	1,753,402	1,814,647	1,828,571	1,896,175	1,967,255
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
Net Revenues	(330,335)	(33,181)	22,118	40,970	53,978	67,382	59,616	98,982	86,359	72,011
Percent of COS	-25.5%	-2.3%	1.4%	2.4%	3.1%	3.7%	3.2%	5.1%	4.4%	3.5%
Ending Fund Balance	\$ (135,361)	\$ (168,541)	\$ (146,423)	\$ (105,453)	\$ (51,474)	\$ 15,908	\$ 75,524	\$ 174,506	\$ 260,865	\$ 332,876
One Day Operating Expenditures (Op.Exp)	2,793	2,908	3,029	3,156	3,289	3,430	3,577	3,733	3,896	4,069
Days of Operating Expenditures	(48)	(58)	(48)	(33)	(16)	5	21	47	67	82
Fund Balance Goal Days	90									
Over (Short) of Requirement	251,349 (386,709)	261,708 (430,249)	272,586 (419,009)	284,014 (389,467)	296,026 (347,501)	308,659 (292,751)	321,950 (246,426)	335,942 (161,436)	350,679 (89,814)	366,209 (33,333)

4 Financial Ratios and Fund Balance

<u>Financial Ratios</u>										
Debt Coverage (excludes Debt, Cap Outlays, G/F Transfers)	2.23	3.35	3.28	3.44	3.57	3.71	3.70	5.48	5.43	5.37

Forecast Period		CITY OF BISBEE										
2026 -- 2035		SANITATION COST OF SERVICE MODEL										
Customer Class	Acct No	Current Monthly Rate	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Input Area -- Rate Calculator

Scenario: 2025 07 15 -- Scenario I and II

MONTHLY CHARGE -- STATUS QUO												
Sanitation Rates			Jan-26	Jul-26	Jul-27	Jul-28	Jul-29	Jul-30	Jul-31	Jul-32	Jul-33	Jul-34
Month Rate in Effect (July =1)			7	1	1	1	1	1	1	1	1	1
Percent Increase:												
Residential			7.0%	7.0%	7.0%	3.0%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%
Non-Residential			15.0%	15.0%	15.0%	6.0%	6.0%	6.0%	4.0%	4.0%	4.0%	4.0%
Other			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Special Service Fees			7.0%	7.0%	7.0%	3.0%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%
Residential			(294,336)	(44,335)	44,128	40,813	24,519	22,157	20,146	67,419	63,039	57,276
Cost per Month		\$	22.93	\$ 21.16	\$ 22.23	\$ 22.89	\$ 23.58	\$ 24.31	\$ 25.07	\$ 25.17	\$ 26.01	\$ 26.89
LOW INCOME 1/2 GARBAGE - 6.42	310	6.42	6.87	7.35	7.86	8.10	8.34	8.59	8.77	8.94	9.12	9.30
LOW INCOME GARBAGE - 12.84	311	12.84	13.74	14.70	15.73	16.20	16.69	17.19	17.53	17.88	18.24	18.60
GARB- 3 OCC 9 VAC - 14.00	312	14.00	14.98	16.03	17.15	17.67	18.20	18.74	19.12	19.50	19.89	20.29
GARBAGE - RESIDENTIAL - 21.40	321	21.40	22.90	24.50	26.22	27.00	27.81	28.65	29.22	29.80	30.40	31.01
Non-Residential												
GARBAGE - COMM E MIN - 14.00	329	14.00	16.10	18.52	21.29	22.57	23.92	25.36	26.37	27.43	28.53	29.67
GARBAGE - COMM - A - 34.64	330	34.64	39.84	45.81	52.68	55.84	59.19	62.75	65.26	67.87	70.58	73.40
GARBAGE - COMM B TEM-RVW 58.20	331	58.20	66.93	76.97	88.51	93.83	99.46	105.42	109.64	114.03	118.59	123.33
GARBAGE - COMM C - 164.85	332	164.85	189.58	218.01	250.72	265.76	281.70	298.61	310.55	322.97	335.89	349.33
GARBAGE - COMM D - 323.67	333	323.67	372.22	428.05	492.26	521.80	553.11	586.29	609.74	634.13	659.50	685.88
GARBAGE - COMM - 1M@2 - 55.58	334	55.58	63.92	73.50	84.53	89.60	94.98	100.68	104.70	108.89	113.25	117.78
GARBAGE - COMM - 1L@5 - 236.28	335	236.28	271.72	312.48	359.35	380.91	403.77	427.99	445.11	462.92	481.44	500.69
GARBAGE - COMM - 1L@2 - 96.92	336	96.92	111.46	128.18	147.40	156.25	165.62	175.56	182.58	189.89	197.48	205.38
GARBAGE - COMM - 2M@2 - 107.14	337	107.14	123.21	141.69	162.95	172.72	183.09	194.07	201.83	209.91	218.30	227.04
GARBAGE - COMM - 2L@2 - 189.82	338	189.82	218.29	251.04	288.69	306.01	324.37	343.84	357.59	371.89	386.77	402.24
GARBAGE - COMM - 2L@5 - 468.54	339	468.54	538.82	619.64	712.59	755.35	800.67	848.71	882.66	917.96	954.68	992.87
GARBAGE - COMM - 1M@5 - 132.93	340	132.93	152.87	175.80	202.17	214.30	227.16	240.79	250.42	260.44	270.85	281.69
GARBAGE - COMM - 3L@2 - 282.73	341	282.73	325.14	373.91	430.00	455.80	483.14	512.13	532.62	553.92	576.08	599.12
GARBAGE - COMM 1L/1M@2 -152.50	342	152.50	175.38	201.68	231.93	245.85	260.60	276.24	287.29	298.78	310.73	323.16
GARBAGE - COMM - 1M@4 - 107.14	343	107.14	123.21	141.69	162.95	172.72	183.09	194.07	201.83	209.91	218.30	227.04
GARBAGE - COMM - 1L@3 - 143.37	344	143.37	164.88	189.61	218.05	231.13	245.00	259.70	270.09	280.89	292.13	303.81
GARBAGE - COMM - 3L@5 - 700.81	347	700.81	805.93	926.82	1,065.84	1,129.80	1,197.58	1,269.44	1,320.22	1,373.02	1,427.94	1,485.06
GARBAGE - COMM - 4L@5 - 933.08	348	933.08	1,073.04	1,234.00	1,419.10	1,504.24	1,594.50	1,690.17	1,757.78	1,828.09	1,901.21	1,977.26
3L/2M@2 - 389.87	349	389.87	448.35	515.60	592.94	628.52	666.23	706.21	734.45	763.83	794.38	826.16
GARBAGE SCHOOL DIST - 498.08	352	498.08	562.44	646.81	743.83	788.46	835.77	885.91	921.35	958.20	996.53	1,036.39
1 L & 5 M @ 2 358.76	354	358.76	412.57	474.46	545.63	578.37	613.07	649.85	675.85	702.88	731.00	760.24
2 L @ 3 \$282.73	357	282.73	325.14	373.91	430.00	455.80	483.14	512.13	532.62	553.92	576.08	599.12
Garbage Bill Zero Amount	395	-	-	-	-	-	-	-	-	-	-	-
GARBAGE-MIXED USE PROPERTIES	399	74.93	86.17	99.10	113.96	120.80	128.05	135.73	141.16	146.81	152.68	158.79

Forecast Period 2026 -- 2035		CITY OF BISBEE SANITATION COST OF SERVICE MODEL										
Customer Class	Acct No	Current Monthly Rate	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Input Area -- Rate Calculator
Scenario: 2025 07 15 -- Scenario I and II

MONTHLY CHARGE -- STATUS QUO

Special Service fees
(Not included in cost of service or Revenue projections)

Recycle -- Residential	0	6.77	7.24	7.75	8.29	8.54	8.80	9.06	9.24	9.43	9.62	9.81
Recycle -- Residential Low Income 1/2	0	2.03	2.17	2.32	2.49	2.56	2.64	2.72	2.77	2.83	2.88	2.94
Recycle -- Residential Low Income	0	4.06	4.34	4.65	4.97	5.12	5.28	5.43	5.54	5.65	5.77	5.88
Non Residential	0	6.77	7.24	7.75	8.29	8.54	8.80	9.06	9.24	9.43	9.62	9.81
Other	0	-	-	-	-	-	-	-	-	-	-	-
Other	0	-	-	-	-	-	-	-	-	-	-	-
Other	0	-	-	-	-	-	-	-	-	-	-	-

Summary of Results -- Rate Calculator

Sanitation Revenue	\$	1,286,073	\$	1,464,473	\$	1,601,092	\$	1,672,946	\$	1,741,545	\$	1,813,285	\$	1,866,762	\$	1,920,053	\$	1,975,034	\$	2,031,766
Sanitation Cost of Service		1,616,408		1,497,654		1,578,974		1,631,975		1,687,567		1,745,902		1,807,147		1,821,071		1,888,675		1,959,755
Amt Greater/(Less Than) Cost Service		(330,335)		(33,181)		22,118		40,970		53,978		67,382		59,616		98,982		86,359		72,011
		-20.4%		-2.2%		1.4%		2.5%		3.2%		3.9%		3.3%		5.4%		4.6%		3.7%
Days of Fund Balance		(36)		(49)		(33)		(19)		(10)		(4)		2		20		36		48

Forecast Period 2026 -- 2035			CITY OF BISBEE SANITATION COST OF SERVICE MODEL									
Customer Class	Acct No	Current Monthly Rate	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Input Area -- Rate Calculator												
Scenario:		2025 07 15 -- Scenario I and II		MONTHLY CHARGE -- STATUS QUO								
Annual Revenues including Fees												
Residential												
LOW INCOME 1/2 GARBAGE - 6.42	310	0	\$ 2,220	\$ 2,544	\$ 2,816	\$ 3,006	\$ 3,196	\$ 3,395	\$ 3,571	\$ 3,749	\$ 3,933	\$ 4,124
LOW INCOME GARBAGE - 12.84	311	0	5,233	5,965	6,570	6,982	7,391	7,819	8,192	8,570	8,959	9,362
GARB- 3 OCC 9 VAC - 14.00	312	0	14,351	15,877	16,989	17,552	18,078	18,621	19,008	19,388	19,776	20,172
GARBAGE - RESIDENTIAL - 21.40	321	0	724,683	803,243	861,035	891,179	919,579	948,881	970,379	991,572	1,013,224	1,035,346
Total Residential			746,487	827,630	887,410	918,719	948,245	978,715	1,001,149	1,023,279	1,045,893	1,069,003
Non-Residential												
GARBAGE - COMM E MIN - 14.00	329	0	7,676	9,450	10,867	11,591	12,287	13,024	13,565	14,108	14,672	15,259
GARBAGE - COMM - A - 34.64	330	0	32,241	40,238	46,899	50,690	54,438	58,454	61,665	64,943	68,385	71,998
GARBAGE - COMM B TEM-RVW 58.20	331	0	69,011	85,878	99,810	107,577	115,220	123,392	129,834	136,392	143,266	150,472
GARBAGE - COMM C - 164.85	332	0	35,731	43,991	50,590	53,959	57,197	60,629	63,149	65,675	68,302	71,035
GARBAGE - COMM D - 323.67	333	0	8,254	10,162	11,686	12,464	13,212	14,005	14,587	15,170	15,777	16,408
GARBAGE - COMM - 1M@2 - 55.58	334	0	15,590	19,194	22,073	23,543	24,956	26,453	27,553	28,655	29,802	30,994
GARBAGE - COMM - 1L@5 - 236.28	335	0	12,050	14,836	17,061	18,198	19,289	20,447	21,297	22,149	23,035	23,956
GARBAGE - COMM - 1L@2 - 96.92	336	0	24,715	30,428	34,992	37,322	39,562	41,936	43,679	45,426	47,243	49,133
GARBAGE - COMM - 2M@2 - 107.14	337	0	2,732	3,364	3,868	4,126	4,373	4,636	4,829	5,022	5,223	5,431
GARBAGE - COMM - 2L@2 - 189.82	338	0	14,521	17,878	20,560	21,929	23,245	24,640	25,664	26,691	27,758	28,869
GARBAGE - COMM - 2L@5 - 468.54	339	0	-	-	-	-	-	-	-	-	-	-
GARBAGE - COMM - 1M@5 - 132.93	340	0	3,390	4,173	4,799	5,119	5,426	5,752	5,991	6,230	6,480	6,739
GARBAGE - COMM - 3L@2 - 282.73	341	0	7,210	8,876	10,208	10,888	11,541	12,233	12,742	13,252	13,782	14,333
GARBAGE - COMM 1L/1M@2 -152.50	342	0	3,889	4,788	5,506	5,873	6,225	6,598	6,873	7,148	7,434	7,731
GARBAGE - COMM - 1M@4 - 107.14	343	0	1,366	1,682	1,934	2,063	2,187	2,318	2,414	2,511	2,611	2,716
GARBAGE - COMM - 1L@3 - 143.37	344	0	1,828	2,251	2,588	2,760	2,926	3,102	3,231	3,360	3,494	3,634
GARBAGE - COMM - 3L@5 - 700.81	347	0	17,871	22,002	25,302	26,987	28,606	30,323	31,584	32,847	34,161	35,527
GARBAGE - COMM - 4L@5 - 933.08	348	0	11,897	14,647	16,844	17,966	19,044	20,186	21,026	21,867	22,741	23,651
3L/2M@2 - 389.87	349	0	4,971	6,120	7,038	7,507	7,957	8,434	8,785	9,137	9,502	9,882
GARBAGE SCHOOL DIST - 498.08	352	0	18,707	23,032	26,487	28,251	29,946	31,742	33,062	34,385	35,760	37,191
1 L & 5 M @ 2 358.76	354	0	4,574	5,632	6,476	6,908	7,322	7,761	8,084	8,408	8,744	9,094
2 L @ 3 \$282.73	357	0	-	-	-	-	-	-	-	-	-	-
Garbage Bill Zero Amount	395	0	-	-	-	-	-	-	-	-	-	-
GARBAGE-MIXED USE PROPERTIES	399	0	4,777	5,881	6,763	7,214	7,647	8,105	8,442	8,780	9,131	9,497
Other	0	0	-	-	-	-	-	-	-	-	-	-
Total			302,999	374,503	432,354	462,934	492,605	524,170	548,056	572,154	597,303	623,549
Total Rate and Fee Revenues			1,049,486	1,202,133	1,319,764	1,381,653	1,440,850	1,502,885	1,549,205	1,595,433	1,643,196	1,692,551
Special Service Fee Revenues												
Recycle -- Residential			\$ 2,341	\$ 2,683	\$ 2,969	\$ 3,170	\$ 3,370	\$ 3,580	\$ 3,765	\$ 3,954	\$ 4,148	\$ 4,348
Recycle -- Residential Low Income 1/2			827	943	1,039	1,104	1,169	1,236	1,295	1,355	1,416	1,480
Recycle -- Residential Low Income			4,162	4,604	4,927	5,090	5,243	5,400	5,512	5,623	5,735	5,850
Non Residential			229,257	254,110	272,393	281,929	290,914	300,183	306,984	313,689	320,539	327,537
Other			-	-	-	-	-	-	-	-	-	-
Sub-Total Special Service Fees			236,587	262,340	281,328	291,293	300,695	310,400	317,557	324,620	331,838	339,215
TOTAL SW Annual Rate & Fee Revenues			1,286,073	1,464,473	1,601,092	1,672,946	1,741,545	1,813,285	1,866,762	1,920,053	1,975,034	2,031,766

Forecast Period		CITY OF BISBEE										
2026 -- 2035		SANITATION COST OF SERVICE MODEL										
Customer Class	Acct No	Current Monthly Rate	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Input Area -- Rate Calculator
Scenario: 2025 07 15 -- Scenario I and II

MONTHLY CHARGE -- STATUS QUO

Calculation Area

Sanitation Revenues																				
Residential	\$	746,487	\$	827,630	\$	887,410	\$	918,719	\$	948,245	\$	978,715	\$	1,001,149	\$	1,023,279	\$	1,045,893	\$	1,069,003
Non-Residential		302,999		374,503		432,354		462,934		492,605		524,170		548,056		572,154		597,303		623,549
Special Service Fee Revenues		236,587		262,340		281,328		291,293		300,695		310,400		317,557		324,620		331,838		339,215
Total Sanitation Revenues		1,286,073		1,464,473		1,601,092		1,672,946		1,741,545		1,813,285		1,866,762		1,920,053		1,975,034		2,031,766
Sanitation Cost of Service																				
Residential	\$	793,954	\$	734,671	\$	773,566	\$	798,510	\$	824,661	\$	852,091	\$	880,874	\$	886,553	\$	918,324	\$	951,711
Non-Residential		822,454		762,982		805,408		833,465		862,905		893,812		926,273		934,517		970,350		1,008,045
Special Service Fee Items		na		na		na		na		na		na		na		na		na		na
Total Sanitation Cost of Service		1,616,408		1,497,654		1,578,974		1,631,975		1,687,567		1,745,902		1,807,147		1,821,071		1,888,675		1,959,755
		1,616,408																		
Amount Greater/(Less Than) COS																				
Residential	\$	(47,467)	\$	92,959	\$	113,844	\$	120,208	\$	123,583	\$	126,625	\$	120,275	\$	136,726	\$	127,569	\$	117,292
Non-Residential		(519,455)		(388,479)		(373,053)		(370,531)		(370,300)		(369,642)		(378,217)		(362,363)		(373,047)		(384,496)
Special Service Fee Revenues		236,587		262,340		281,328		291,293		300,695		310,400		317,557		324,620		331,838		339,215
Net Revenues		(330,335)		(33,181)		22,118		40,970		53,978		67,382		59,616		98,982		86,359		72,011
Net Revenues - __CY		(294,336)		(44,335)		44,128		40,813		24,519		22,157		20,146		67,419		63,039		57,276

CITY OF BISBEE SOLID WASTE MONTHLY CHARGE SCHEDULE													
	Number Containers	Pickups/ Week	Monthly Charge										
			Current	Effective Jan-26	Effective Jul-26	Effective Jul-27	Effective Jul-28	Effective Jul-29	Effective Jul-30	Effective Jul-31	Effective Jul-32	Effective Jul-33	Effective Jul-34
Scenario: 2025 07 15 -- Scenario I and II			MONTHLY CHARGE PER CY CONTAINER										
Residential													
Residential	1	1	\$ 21.40	\$ 21.40	\$ 21.40	\$ 21.40	\$ 21.83	\$ 22.26	\$ 22.93	\$ 23.62	\$ 24.33	\$ 25.06	\$ 25.81
Low Income -- 1/2	1	1	6.42	6.42	6.42	6.42	6.55	6.68	6.88	7.09	7.30	7.52	7.74
Low Income	1	1	12.84	12.84	12.84	12.84	13.10	13.36	13.76	14.17	14.60	15.04	15.49
2 Cubic Yard													
Non-Residential -- 2 CY	1	1	53.50	53.50	64.20	80.25	81.86	83.49	86.00	88.58	91.23	93.97	96.79
Non-Residential -- 2 CY	1	2	107.00	107.00	128.40	160.50	163.71	166.98	171.99	177.15	182.47	187.94	193.58
Non-Residential -- 2 CY	1	3	160.50	160.50	192.60	240.75	245.57	250.48	257.99	265.73	273.70	281.91	290.37
Non-Residential -- 2 CY	1	4	214.00	214.00	256.80	321.00	327.42	333.97	343.99	354.31	364.94	375.88	387.16
Non-Residential -- 2 CY	1	5	267.50	267.50	321.00	401.25	409.28	417.46	429.98	442.88	456.17	469.86	483.95
3 Cubic Yard													
Non-Residential -- 3 CY	1	1	64.20	64.20	90.95	117.70	120.05	122.46	126.13	129.91	133.81	137.82	141.96
Non-Residential -- 3 CY	1	2	128.40	128.40	181.90	235.40	240.11	244.91	252.26	259.83	267.62	275.65	283.92
Non-Residential -- 3 CY	1	3	192.60	192.60	272.85	353.10	360.16	367.37	378.39	389.74	401.43	413.47	425.88
Non-Residential -- 3 CY	1	4	256.80	256.80	363.80	470.80	480.22	489.82	504.51	519.65	535.24	551.30	567.84
Non-Residential -- 3 CY	1	5	321.00	321.00	454.75	588.50	600.27	612.28	630.64	649.56	669.05	689.12	709.79
4 Cubic Yard													
Non-Residential -- 4 CY	1	1	85.60	85.60	128.40	171.20	174.62	178.12	183.46	188.96	194.63	200.47	206.49
Non-Residential -- 4 CY	1	2	171.20	171.20	256.80	342.40	349.25	356.23	366.92	377.93	389.27	400.94	412.97
Non-Residential -- 4 CY	1	3	256.80	256.80	385.20	513.60	523.87	534.35	550.38	566.89	583.90	601.42	619.46
Non-Residential -- 4 CY	1	4	342.40	342.40	513.60	684.80	698.50	712.47	733.84	755.86	778.53	801.89	825.94
Non-Residential -- 4 CY	1	5	428.00	428.00	642.00	856.00	873.12	890.58	917.30	944.82	973.16	1,002.36	1,032.43
6 Cubic Yard													
Commercial -- 6 CY	1	1	128.40	128.40	171.20	235.40	240.11	244.91	252.26	259.83	267.62	275.65	283.92
Commercial -- 6 CY	1	2	256.80	256.80	342.40	470.80	480.22	489.82	504.51	519.65	535.24	551.30	567.84
Commercial -- 6 CY	1	3	385.20	385.20	513.60	706.20	720.32	734.73	756.77	779.48	802.86	826.95	851.75
Commercial -- 6 CY	1	4	513.60	513.60	684.80	941.60	960.43	979.64	1,009.03	1,039.30	1,070.48	1,102.59	1,135.67
Commercial -- 6 CY	1	5	642.00	642.00	856.00	1,177.00	1,200.54	1,224.55	1,261.29	1,299.13	1,338.10	1,378.24	1,419.59
8 Cubic Yard													
Commercial -- 8 CY	1	1	214.00	214.00	267.50	321.00	327.42	333.97	343.99	354.31	364.94	375.88	387.16
Commercial -- 8 CY	1	2	428.00	428.00	535.00	642.00	654.84	667.94	687.97	708.61	729.87	751.77	774.32
Commercial -- 8 CY	1	3	642.00	642.00	802.50	963.00	982.26	1,001.91	1,031.96	1,062.92	1,094.81	1,127.65	1,161.48
Commercial -- 8 CY	1	4	856.00	856.00	1,070.00	1,284.00	1,309.68	1,335.87	1,375.95	1,417.23	1,459.75	1,503.54	1,548.64
Commercial -- 8 CY	1	5	1,070.00	1,070.00	1,337.50	1,605.00	1,637.10	1,669.84	1,719.94	1,771.54	1,824.68	1,879.42	1,935.80
Commercial -- 8 CY	1	6	1,284.00	1,284.00	1,605.00	1,926.00	1,964.52	2,003.81	2,063.92	2,125.84	2,189.62	2,255.31	2,322.97
Special Service fees													
Recycle -- Residential	1	1	6.77	6.77	6.77	6.77	6.91	7.04	7.25	7.47	7.70	7.93	8.17
Recycle -- Residential Low Inco	1	1	2.03	2.03	2.03	2.03	2.07	2.11	2.18	2.24	2.31	2.38	2.45
Recycle -- Residential Low Inco	1	1	4.06	4.06	4.06	4.06	4.14	4.22	4.35	4.48	4.62	4.75	4.90
Non Residential	1	1	6.77	6.77	6.77	6.77	6.91	7.04	7.25	7.47	7.70	7.93	8.17

Forecast Period 2026 -- 2035		CITY OF BISBEE SANITATION COST OF SERVICE MODEL									
Total Expense:		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Forecast SB -- Basic Summary Sanitation Financial Data		MONTHLY CHARGE PER CY CONTAINER									
Scen: 2025 07 15 -- Scenario I and II											
2	Total Accounts										
	Residential	2,886	2,893	2,900	2,907	2,914	2,921	2,928	2,935	2,942	2,949
	2 Cubic Yard	5	5	5	5	5	5	5	5	5	5
	3 Cubic Yard	22	23	24	25	26	27	28	29	30	31
	4 Cubic Yard	41	42	43	44	45	46	47	48	49	50
	6 Cubic Yard	32	32	32	32	32	32	32	32	32	32
	8 Cubic Yard	8	8	8	8	8	8	8	8	8	8
	10 Cubic Yard	-	-	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-	-	-
	Total	2,994	3,003	3,012	3,021	3,030	3,039	3,048	3,057	3,066	3,075
	Annual Percent Inc		0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
3	Fund Balance, Revenues and Expenses										
	Beginning Fund Balance	\$ 194,974	\$ (99,362)	\$ (143,697)	\$ (99,569)	\$ (58,756)	\$ (34,237)	\$ (12,080)	\$ 8,067	\$ 75,486	\$ 138,525
	Total Revenues										
	Residential	711,002	712,517	714,032	728,666	744,813	768,168	792,881	818,386	844,707	871,871
	2 Cubic Yard	7,062	8,357	10,416	10,787	11,003	11,324	11,664	12,014	12,374	12,745
	3 Cubic Yard	35,438	50,039	66,511	70,476	73,353	77,003	80,869	84,897	89,093	93,466
	4 Cubic Yard	98,611	145,306	197,137	207,114	213,391	221,814	230,730	239,982	249,581	259,541
	6 Cubic Yard	161,784	211,218	289,863	302,042	308,083	317,073	326,585	336,383	346,474	356,868
	8 Cubic Yard	74,472	91,539	110,157	113,756	116,031	119,417	123,000	126,690	130,490	134,405
	10 Cubic Yard	-	-	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-	-	-
	Special Service Fee Revenues	233,702	234,344	234,986	239,947	245,413	253,260	261,565	270,140	278,993	288,135
	Total Monthly Fee Revenue	1,322,072	1,453,319	1,623,102	1,672,789	1,712,086	1,768,059	1,827,293	1,888,490	1,951,714	2,017,031
	Non-Rate Revenues	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
	Total Revenues	1,329,572	1,460,819	1,630,602	1,680,289	1,719,586	1,775,559	1,834,793	1,895,990	1,959,214	2,024,531
	Cost of Service:										
	Operating Expenses										
	Personnel	554,159	579,625	606,562	635,071	665,260	697,247	731,154	767,119	805,284	845,807
	Operating	465,200	481,747	498,926	516,764	535,291	554,535	574,531	595,312	616,914	639,374
	Total	1,019,359	1,061,372	1,105,488	1,151,835	1,200,551	1,251,782	1,305,686	1,362,431	1,422,198	1,485,181
	Net Revenues for Transfers, Cap Outlays and Debt	310,213	399,447	525,114	528,453	519,035	523,777	529,107	533,559	537,015	539,350
	Transfers	184,803	191,035	197,475	204,130	211,005	218,110	225,451	233,036	240,873	248,970
	Truck Replacement Fund	-	-	-	-	-	-	-	-	-	-
	Capital Outlays	297,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
	Total	481,803	321,035	327,475	334,130	341,005	348,110	355,451	363,036	370,873	378,970
	Net Revenues for Debt Service	(171,590)	78,411	197,638	194,324	178,029	175,667	173,656	170,523	166,143	160,380

CITY OF BISBEE SANITATION COST OF SERVICE MODEL										
Forecast Period 2026 -- 2035										
Total Expense:	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Forecast SB -- Basic Summary Sanitation Financial Data
Scen: 2025 07 15 -- Scenario I and II

MONTHLY CHARGE PER CY CONTAINER

Debt Service

Existing	122,746	122,746	-	-	-	-	-	-	-	-	-
Forecast	-	-	153,510	153,510	153,510	153,510	153,510	153,510	103,104	103,104	103,104
Total	122,746	122,746	153,510	153,510	153,510	153,510	153,510	153,510	103,104	103,104	103,104
Total Cost of Service	1,623,908	1,505,154	1,586,474	1,639,475	1,695,067	1,753,402	1,814,647	1,828,571	1,896,175	1,967,255	
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE

Net Revenues	(294,336)	(44,335)	44,128	40,813	24,519	22,157	20,146	67,419	63,039	57,276	
Percent of COS	-22.1%	-3.0%	2.7%	2.4%	1.4%	1.2%	1.1%	3.6%	3.2%	2.8%	

Ending Fund Balance	\$ (99,362)	\$ (143,697)	\$ (99,569)	\$ (58,756)	\$ (34,237)	\$ (12,080)	\$ 8,067	\$ 75,486	\$ 138,525	\$ 195,801	
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One Day Operating Expenditures (Op.Exp)	2,793	2,908	3,029	3,156	3,289	3,430	3,577	3,733	3,896	4,069	
Days of Operating Expenditures	(36)	(49)	(33)	(19)	(10)	(4)	2	20	36	48	

Fund Balance Goal Days	90	251,349	261,708	272,586	284,014	296,026	308,659	321,950	335,942	350,679	366,209
Over (Short) of Requirement		(350,711)	(405,405)	(372,155)	(342,770)	(330,263)	(320,738)	(313,883)	(260,456)	(212,154)	(170,409)

4 Financial Ratios and Fund Balance

Financial Ratios

Debt Coverage	2.53	3.25	3.42	3.44	3.38	3.41	3.45	5.17	5.21	5.23	
(excludes Debt, Cap Outlays, G/F Transfers)											

Forecast Period
2026 -- 2035

CITY OF BISBEE
SANITATION COST OF SERVICE MODEL

Customer Class	Acct No	Total Cont.	Pickups/ Week	Cont. Size (Gallons)	Test Year Cost	Current Monthly Rate	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
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Input Area -- Rate Calculator

Scenario: 2025 07 15 -- Scenario I and II

Sanitation Rates							MONTHLY CHARGE PER CY CONTAINER									
							Jan-26	Jul-26	Jul-27	Jul-28	Jul-29	Jul-30	Jul-31	Jul-32	Jul-33	Jul-34
Month Rate in Effect (July =1)							7	1	1	1	1	1	1	1	1	1
Percent Increase:																
Residential							0.0%	0.0%	0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%
2 Cubic Yard							0.0%	0.0%	0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%
3 Cubic Yard							0.0%	0.0%	0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%
4 Cubic Yard							0.0%	0.0%	0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%
6 Cubic Yard							0.0%	0.0%	0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%
8 Cubic Yard							0.0%	0.0%	0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%
10 Cubic Yard							0.0%	0.0%	0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other							0.0%	0.0%	0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Special Service Fees							0.0%	0.0%	0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Residential							(294,336)	(44,335)	44,128	40,813	24,519	22,157	20,146	67,419	63,039	57,276
Cost per Month							\$ 22.93	\$ 21.16	\$ 22.23	\$ 22.89	\$ 23.58	\$ 24.31	\$ 25.07	\$ 25.17	\$ 26.01	\$ 26.89
Residential							21.40	21.40	21.40	21.83	22.26	22.93	23.62	24.33	25.06	25.81
Low Income -- 1/2							6.42	6.42	6.42	6.55	6.68	6.88	7.09	7.30	7.52	7.74
Low Income							12.84	12.84	12.84	13.10	13.36	13.76	14.17	14.60	15.04	15.49
Vacancy Rate							-	-	-	-	-	-	-	-	-	-
2 Cubic Yard																
Premium over Residential							250.0%	250.0%	300.0%	375.0%	425.3%	425.3%	425.3%	425.3%	425.3%	425.3%
Cost per Month - 1 cont/1 weekly pick up							\$ 97.49	\$ 90.00	\$ 94.53	\$ 97.34	\$ 100.29	\$ 103.38	\$ 106.62	\$ 107.05	\$ 110.62	\$ 114.37
Non-Residential -- 2 CY							53.50	53.50	64.20	80.25	81.86	83.49	86.00	88.58	91.23	93.97
Non-Residential -- 2 CY							107.00	107.00	128.40	160.50	163.71	166.98	171.99	177.15	182.47	187.94
Non-Residential -- 2 CY							160.50	160.50	192.60	240.75	245.57	250.48	257.99	265.73	273.70	281.91
Non-Residential -- 2 CY							214.00	214.00	256.80	321.00	327.42	333.97	343.99	354.31	364.94	375.88
Non-Residential -- 2 CY							267.50	267.50	321.00	401.25	409.28	417.46	429.98	442.88	456.17	469.86
Non-Residential -- 2 CY							321.00	321.00	385.20	481.50	491.13	500.95	515.98	531.46	547.40	563.83
3 Cubic Yard																
Premium over Residential							300.0%	300.0%	425.0%	550.0%	637.9%	637.9%	637.9%	637.9%	637.9%	637.9%
Cost per Month - 1 cont/1 weekly pick up							\$ 146.24	\$ 134.99	\$ 141.80	\$ 146.02	\$ 150.44	\$ 155.07	\$ 159.92	\$ 160.57	\$ 165.93	\$ 171.55
Non-Residential -- 3 CY							64.20	64.20	90.95	117.70	120.05	122.46	126.13	129.91	133.81	137.82
Non-Residential -- 3 CY							128.40	128.40	181.90	235.40	240.11	244.91	252.26	259.83	267.62	275.65
Non-Residential -- 3 CY							192.60	192.60	272.85	353.10	360.16	367.37	378.39	389.74	401.43	413.47
Non-Residential -- 3 CY							256.80	256.80	363.80	470.80	480.22	489.82	504.51	519.65	535.24	551.30
Non-Residential -- 3 CY							321.00	321.00	454.75	588.50	600.27	612.28	630.64	649.56	669.05	689.12
Non-Residential -- 3 CY							385.20	385.20	545.70	706.20	720.32	734.73	756.77	779.48	802.86	826.95

Forecast Period
2026 -- 2035

CITY OF BISBEE
SANITATION COST OF SERVICE MODEL

Customer Class	Acct No	Total Cont.	Pickups/ Week	Cont. Size (Gallons)	Test Year Cost	Current Monthly Rate	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
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Input Area -- Rate Calculator

Scenario: 2025 07 15 -- Scenario I and II

MONTHLY CHARGE PER CY CONTAINER

4 Cubic Yard																									
				Premium over Residential		400.0%		400.0%		600.0%		800.0%		850.5%		850.5%		850.5%		850.5%		850.5%		850.5%	
Cost per Month - 1 cont/1 weekly pick up						\$ 194.99		\$ 179.99		\$ 189.06		\$ 194.69		\$ 200.58		\$ 206.76		\$ 213.23		\$ 214.09		\$ 221.24		\$ 228.74	
Non-Residential -- 4 CY	0	1	1	808	194.99		85.60	85.60	128.40	171.20	174.62	178.12	183.46	188.96	194.63	200.47	206.49								
Non-Residential -- 4 CY	0	1	2	808	389.97	100.0%	171.20	171.20	256.80	342.40	349.25	356.23	366.92	377.93	389.27	400.94	412.97								
Non-Residential -- 4 CY	0	1	3	808	584.96	50.0%	256.80	256.80	385.20	513.60	523.87	534.35	550.38	566.89	583.90	601.42	619.46								
Non-Residential -- 4 CY	0	1	4	808	779.95	33.3%	342.40	342.40	513.60	684.80	698.50	712.47	733.84	755.86	778.53	801.89	825.94								
Non-Residential -- 4 CY	0	1	5	808	974.93	25.0%	428.00	428.00	642.00	856.00	873.12	890.58	917.30	944.82	973.16	1,002.36	1,032.43								
Non-Residential -- 4 CY	0	1	6	808	1,169.92	20.0%	513.60	513.60	770.40	1,027.20	1,047.74	1,068.70	1,100.76	1,133.78	1,167.80	1,202.83	1,238.91								

6 Cubic Yard																									
				Premium over Residential		600.0%		600.0%		800.0%		1100.0%		1275.8%		1275.8%		1275.8%		1275.8%		1275.8%		1275.8%	
Cost per Month - 1 cont/1 weekly pick up						\$ 292.48		\$ 269.99		\$ 283.59		\$ 292.03		\$ 300.87		\$ 310.14		\$ 319.85		\$ 321.14		\$ 331.86		\$ 343.11	
Commercial – 6 CY	0	1	1	1,212	292.48		128.40	128.40	171.20	235.40	240.11	244.91	252.26	259.83	267.62	275.65	283.92								
Commercial – 6 CY	0	1	2	1,212	584.96	100.0%	256.80	256.80	342.40	470.80	480.22	489.82	504.51	519.65	535.24	551.30	567.84								
Commercial – 6 CY	0	1	3	1,212	877.44	50.0%	385.20	385.20	513.60	706.20	720.32	734.73	756.77	779.48	802.86	826.95	851.75								
Commercial – 6 CY	0	1	4	1,212	1,169.92	33.3%	513.60	513.60	684.80	941.60	960.43	979.64	1,009.03	1,039.30	1,070.48	1,102.59	1,135.67								
Commercial – 6 CY	0	1	5	1,212	1,462.40	25.0%	642.00	642.00	856.00	1,177.00	1,200.54	1,224.55	1,261.29	1,299.13	1,338.10	1,378.24	1,419.59								
Commercial – 6 CY	0	1	6	1,212	1,754.88	20.0%	770.40	770.40	1,027.20	1,412.40	1,440.65	1,469.46	1,513.54	1,558.95	1,605.72	1,653.89	1,703.51								

Cubic Yard																											
							Premium over Residential		1000.0%	1000.0%	1250.0%	1500.0%	1701.1%	1701.1%	1701.1%	1701.1%	1701.1%	1701.1%	1701.1%								
Cost per Month - 1 cont/1 weekly pick up								\$	389.97	\$	359.98	\$	378.13	\$	389.38	\$	401.16	\$	413.51	\$	426.46	\$	428.19	\$	442.48	\$	457.47
Commercial – 8 CY	0	1	1	1,616	389.97			214.00	214.00	267.50	321.00	327.42	333.97	343.99	354.31	364.94	375.88	387.16									
Commercial – 8 CY	0	1	2	1,616	779.95	100.0%		428.00	428.00	535.00	642.00	654.84	667.94	687.97	708.61	729.87	751.77	774.32									
Commercial – 8 CY	0	1	3	1,616	1,169.92	50.0%		642.00	642.00	802.50	963.00	982.26	1,001.91	1,031.96	1,062.92	1,094.81	1,127.65	1,161.48									
Commercial – 8 CY	0	1	4	1,616	1,559.89	33.3%		856.00	856.00	1,070.00	1,284.00	1,309.68	1,335.87	1,375.95	1,417.23	1,459.75	1,503.54	1,548.64									
Commercial – 8 CY	0	1	5	1,616	1,949.87	25.0%		1,070.00	1,070.00	1,337.50	1,605.00	1,637.10	1,669.84	1,719.94	1,771.54	1,824.68	1,879.42	1,935.80									
Commercial – 8 CY	0	1	6	1,616	2,339.84	20.0%		1,284.00	1,284.00	1,605.00	1,926.00	1,964.52	2,003.81	2,063.92	2,125.84	2,189.62	2,255.31	2,322.97									

10 Cubic Yard																							
				2026.3%																			
Cost per Month - 1 cont/1 weekly pick up				\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Commercial -- 10 CY	0	1	1	2,020	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial -- 10 CY	0	1	2	2,020	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial -- 10 CY	0	1	3	2,020	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial -- 10 CY	0	1	4	2,020	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial -- 10 CY	0	1	5	2,020	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial -- 10 CY	0	1	6	2,020	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

MONTHLY CHARGE PER CY CONTAINER

[illegible][illegible]

Sanitation Revenue	\$ 1,322,072	\$ 1,453,319	\$ 1,623,102	\$ 1,672,789	\$ 1,712,086	\$ 1,768,059	\$ 1,827,293	\$ 1,888,490	\$ 1,951,714	\$ 2,017,031
Sanitation Cost of Service	1,616,408	1,497,654	1,578,974	1,631,975	1,687,567	1,745,902	1,807,147	1,821,071	1,888,675	1,959,755
Amt Greater/(Less Than) Cost Service	(294,336)	(44,335)	44,128	40,813	24,519	22,157	20,146	67,419	63,039	57,276
	-18.2%	-3.0%	2.8%	2.5%	1.5%	1.3%	1.1%	3.7%	3.3%	2.9%
Days of Fund Balance	(36)	(49)	(33)	(19)	(10)	(4)	2	20	36	48

Residential																									
Residential	0	1	1			\$	704,146	\$	705,430	\$	706,714	\$	720,978	\$	736,731	\$	759,602	\$	783,804	\$	808,775	\$	834,538	\$	861,119
Low Income -- 1/2	0	1	1				2,542		2,619		2,696		2,824		2,961		3,130		3,308		3,495		3,690		3,893
							4,314		4,468		4,622		4,864		5,121		5,436		5,768		6,116		6,480		6,859
							-		-		-		-		-		-		-		-		-		-
Actual Property of Economists.com, LLC - Not used without express written permission							711,002		712,517		714,032		728,666		744,813		768,168		792,881		818,386		844,707		871,871

Forecast Period 2026 -- 2035							CITY OF BISBEE SANITATION COST OF SERVICE MODEL									
Customer Class	Acct No	Total Cont.	Pickups/ Week	Cont. Size (Gallons)	Test Year Cost	Current Monthly Rate	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Input Area -- Rate Calculator**Scenario:** 2025 07 15 -- Scenario I and II**MONTHLY CHARGE PER CY CONTAINER**

2 Cubic Yard																
Non-Residential -- 2 CY	0	1	1				\$ 1,284	\$ 1,519	\$ 1,894	\$ 1,961	\$ 2,001	\$ 2,059	\$ 2,121	\$ 2,184	\$ 2,250	\$ 2,317
Non-Residential -- 2 CY	0	1	2				2,568	3,039	3,788	3,923	4,001	4,118	4,241	4,369	4,500	4,635
Non-Residential -- 2 CY	0	1	3				-	-	-	-	-	-	-	-	-	-
Non-Residential -- 2 CY	0	1	4				-	-	-	-	-	-	-	-	-	-
Non-Residential -- 2 CY	0	1	5				3,210	3,799	4,735	4,903	5,001	5,147	5,302	5,461	5,625	5,793
Non-Residential -- 2 CY	0	1	6				-	-	-	-	-	-	-	-	-	-
Total							7,062	8,357	10,416	10,787	11,003	11,324	11,664	12,014	12,374	12,745
3 Cubic Yard																
Non-Residential -- 3 CY	0	1	1				\$ 2,311	\$ 4,259	\$ 6,928	\$ 8,630	\$ 10,269	\$ 12,079	\$ 13,997	\$ 16,018	\$ 18,149	\$ 20,392
Non-Residential -- 3 CY	0	1	2				24,653	34,069	44,341	46,025	46,946	48,316	49,765	51,258	52,796	54,380
Non-Residential -- 3 CY	0	1	3				4,622	6,388	8,314	8,630	8,802	9,059	9,331	9,611	9,899	10,196
Non-Residential -- 3 CY	0	1	4				-	-	-	-	-	-	-	-	-	-
Non-Residential -- 3 CY	0	1	5				3,852	5,323	6,928	7,191	7,335	7,549	7,776	8,009	8,249	8,497
Non-Residential -- 3 CY	0	1	6				-	-	-	-	-	-	-	-	-	-
Total							35,438	50,039	66,511	70,476	73,353	77,003	80,869	84,897	89,093	93,466
4 Cubic Yard																
Non-Residential -- 4 CY	0	1	1				\$ 5,136	\$ 8,988	\$ 14,081	\$ 16,737	\$ 19,205	\$ 21,962	\$ 24,883	\$ 27,959	\$ 31,198	\$ 34,605
Non-Residential -- 4 CY	0	1	2				59,578	86,884	116,673	121,340	123,767	127,378	131,200	135,136	139,190	143,365
Non-Residential -- 4 CY	0	1	3				3,082	4,494	6,035	6,276	6,402	6,589	6,786	6,990	7,199	7,415
Non-Residential -- 4 CY	0	1	4				-	-	-	-	-	-	-	-	-	-
Non-Residential -- 4 CY	0	1	5				30,816	44,940	60,348	62,762	64,017	65,885	67,862	69,898	71,995	74,154
Non-Residential -- 4 CY	0	1	6				-	-	-	-	-	-	-	-	-	-
Total							98,611	145,306	197,137	207,114	213,391	221,814	230,730	239,982	249,581	259,541
6 Cubic Yard																
Commercial -- 6 CY	0	1	1				\$ 3,082	\$ 4,023	\$ 5,521	\$ 5,753	\$ 5,868	\$ 6,039	\$ 6,221	\$ 6,407	\$ 6,600	\$ 6,797
Commercial -- 6 CY	0	1	2				46,224	60,348	82,818	86,298	88,024	90,592	93,310	96,109	98,993	101,962
Commercial -- 6 CY	0	1	3				-	-	-	-	-	-	-	-	-	-
Commercial -- 6 CY	0	1	4				12,326	16,093	22,085	23,013	23,473	24,158	24,883	25,629	26,398	27,190
Commercial -- 6 CY	0	1	5				100,152	130,754	179,439	186,978	190,718	196,283	202,172	208,237	214,484	220,919
Commercial -- 6 CY	0	1	6				-	-	-	-	-	-	-	-	-	-
Total							161,784	211,218	289,863	302,042	308,083	317,073	326,585	336,383	346,474	356,868
8 Cubic Yard																
Commercial -- 8 CY	0	1	1				\$ 5,136	\$ 6,313	\$ 7,597	\$ 7,845	\$ 8,002	\$ 8,236	\$ 8,483	\$ 8,737	\$ 8,999	\$ 9,269
Commercial -- 8 CY	0	1	2				5,136	6,313	7,597	7,845	8,002	8,236	8,483	8,737	8,999	9,269
Commercial -- 8 CY	0	1	3				-	-	-	-	-	-	-	-	-	-
Commercial -- 8 CY	0	1	4				-	-	-	-	-	-	-	-	-	-
Commercial -- 8 CY	0	1	5				64,200	78,913	94,963	98,066	100,027	102,946	106,034	109,215	112,492	115,866
Commercial -- 8 CY	0	1	6				-	-	-	-	-	-	-	-	-	-
Total							74,472	91,539	110,157	113,756	116,031	119,417	123,000	126,690	130,490	134,405

Forecast Period 2026 -- 2035							CITY OF BISBEE SANITATION COST OF SERVICE MODEL									
Customer Class	Acct No	Total Cont.	Pickups/ Week	Cont. Size (Gallons)	Test Year Cost	Current Monthly Rate	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Input Area -- Rate Calculator							MONTHLY CHARGE PER CY CONTAINER									
Scenario: 2025 07 15 -- Scenario I and II																
10 Cubic Yard																
Commercial -- 10 CY	0	1	1				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial -- 10 CY	0	1	2				-	-	-	-	-	-	-	-	-	-
Commercial -- 10 CY	0	1	3				-	-	-	-	-	-	-	-	-	-
Commercial -- 10 CY	0	1	4				-	-	-	-	-	-	-	-	-	-
Commercial -- 10 CY	0	1	5				-	-	-	-	-	-	-	-	-	-
Commercial -- 10 CY	0	1	6				-	-	-	-	-	-	-	-	-	-
Total							-	-	-	-	-	-	-	-	-	-
Other																
Other	0	1	1				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	0	1	2				-	-	-	-	-	-	-	-	-	-
Other	0	1	3				-	-	-	-	-	-	-	-	-	-
Other	0	1	4				-	-	-	-	-	-	-	-	-	-
Other	0	1	5				-	-	-	-	-	-	-	-	-	-
Other	0	1	6				-	-	-	-	-	-	-	-	-	-
Total							-	-	-	-	-	-	-	-	-	-
Total Rate and Fee Revenues							1,088,370	1,218,975	1,388,116	1,432,842	1,466,673	1,514,799	1,565,728	1,618,350	1,672,720	1,728,896
							1,088,370									

MONTHLY CHARGE PER CY CONTAINER

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Forecast Period 2026 -- 2035							CITY OF BISBEE SANITATION COST OF SERVICE MODEL									
Customer Class	Acct No	Total Cont.	Pickups/ Week	Cont. Size (Gallons)	Test Year Cost	Current Monthly Rate	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

Input Area -- Rate Calculator

Scenario: 2025 07 15 -- Scenario I and II

MONTHLY CHARGE PER CY CONTAINER**Calculation Area****Sanitation Revenues**

Total Residential	\$	711,002	\$	712,517	\$	714,032	\$	728,666	\$	744,813	\$	768,168	\$	792,881	\$	818,386	\$	844,707	\$	871,871
2 Cubic Yard		7,062		8,357		10,416		10,787		11,003		11,324		11,664		12,014		12,374		12,745
3 Cubic Yard		35,438		50,039		66,511		70,476		73,353		77,003		80,869		84,897		89,093		93,466
4 Cubic Yard		98,611		145,306		197,137		207,114		213,391		221,814		230,730		239,982		249,581		259,541
6 Cubic Yard		161,784		211,218		289,863		302,042		308,083		317,073		326,585		336,383		346,474		356,868
8 Cubic Yard		74,472		91,539		110,157		113,756		116,031		119,417		123,000		126,690		130,490		134,405
10 Cubic Yard		-		-		-		-		-		-		-		-		-		-
Other		-		-		-		-		-		-		-		-		-		-
Special Service Fee Revenues		233,702		234,344		234,986		239,947		245,413		253,260		261,565		270,140		278,993		288,135
Total Sanitation Revenues		1,322,072		1,453,319		1,623,102		1,672,789		1,712,086		1,768,059		1,827,293		1,888,490		1,951,714		2,017,031

Sanitation Cost of Service

Total Residential	\$	793,954	\$	734,671	\$	773,566	\$	798,510	\$	824,661	\$	852,091	\$	880,874	\$	886,553	\$	918,324	\$	951,711
2 Cubic Yard		12,869		11,879		12,478		12,849		13,238		13,646		14,073		14,130		14,602		15,097
3 Cubic Yard		80,725		76,136		81,675		85,858		90,262		94,902		99,792		102,123		107,522		113,225
4 Cubic Yard		224,625		209,510		222,338		231,291		240,699		250,590		260,994		264,619		276,105		288,209
6 Cubic Yard		368,525		340,183		357,329		367,963		379,101		390,771		403,005		404,636		418,140		432,313
8 Cubic Yard		135,711		125,274		131,588		135,504		139,605		143,903		148,408		149,009		153,982		159,201
10 Cubic Yard		-		-		-		-		-		-		-		-		-		-
Other		-		-		-		-		-		-		-		-		-		-
Special Service Fee Items		na		na		na		na		na		na		na		na		na		na
Total Sanitation Cost of Service		1,616,408		1,497,654		1,578,974		1,631,975		1,687,567		1,745,902		1,807,147		1,821,071		1,888,675		1,959,755
		1,616,408																		

Amount Greater/(Less Than) COS

Total Residential	\$	(82,951)	\$	(22,154)	\$	(59,534)	\$	(69,845)	\$	(79,849)	\$	(83,923)	\$	(87,993)	\$	(68,168)	\$	(73,617)	\$	(79,840)
2 Cubic Yard		(5,807)		(3,523)		(2,062)		(2,062)		(2,235)		(2,322)		(2,409)		(2,116)		(2,228)		(2,351)
3 Cubic Yard		(45,286)		(26,098)		(15,164)		(15,382)		(16,909)		(17,898)		(18,923)		(17,226)		(18,428)		(19,759)
4 Cubic Yard		(126,014)		(64,204)		(25,201)		(24,177)		(27,308)		(28,776)		(30,264)		(24,637)		(26,524)		(28,668)
6 Cubic Yard		(206,741)		(128,965)		(67,466)		(65,921)		(71,018)		(73,698)		(76,420)		(68,254)		(71,666)		(75,445)
8 Cubic Yard		(61,239)		(33,735)		(21,431)		(21,748)		(23,574)		(24,486)		(25,409)		(22,319)		(23,491)		(24,796)
10 Cubic Yard		-		-		-		-		-		-		-		-		-		-
Other		-		-		-		-		-		-		-		-		-		-
Special Service Fee Revenues		233,702		234,344		234,986		239,947		245,413		253,260		261,565		270,140		278,993		288,135
Net Revenues		(294,336)		(44,335)		44,128		40,813		24,519		22,157		20,146		67,419		63,039		57,276
		-		(0)		0		0		(0)		0		-		0		(0)		0
Net Revenues -- Status Quo		(330,335)		(33,181)		22,118		40,970		53,978		67,382		59,616		98,982		86,359		72,011

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