



The Corporation of the Town of Marathon

2012 – 2017 Consolidated Water & Wastewater
Financial Plan

Approved by Motion 258/11 on November 14, 2011

The Corporation of the Town of Marathon

Water & Wastewater System

Notes to the Consolidated Six Year Financial Plan

- Cost and Revenue Inflation – 2% per year effective 2012
- Cash – Reserve Fund for Water & Sewer Infrastructure – bank account defined by By-law #1415
- Capital Requirements – projects identified by Works Manager and OCWA in October 2011
- 10% of billing revenue to be transferred annually into Water & Sewer Reserve Fund as established by By-law #1415
- as there is no separate accounting system for the water and wastewater system, receivables and payables will not be included in these financial statements
- the Water & Sewer Reserve Fund can only be utilized on capital projects costing more than \$500,000
- with the fluctuation of capital spending during the six years, funding will be handled through working capital reserves. For example, in 2012, \$123,690 will be required. In the following two years, surplus funds will be credited to working capital.
- Figures shown for 2009 and 2010 are audited amounts. Activity reported for 2011 is based on 2011 budget.

THE CORPORATION OF THE TOWN OF MARATHON - WATER & WASTEWATER SYSTEM

2009	2010	2011	2012	2013	2014	2015	2016	2017
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STATEMENT OF FINANCIAL POSITION

Cash/Reserve Funds

Water/Sewer	123,159	725,545	907,425	1,012,792	1,120,267	1,229,891	1,341,708	1,455,761	1,572,096
Sewage Treatment Plant	13,682	13,771	13,771	13,771	13,771	13,771	13,771	13,771	13,771
Total	136,841	739,316	921,196	1,026,563	1,134,038	1,243,662	1,355,479	1,469,532	1,585,867

Debt

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Net Financial Assets

136,841	739,316	921,196	1,026,563	1,134,038	1,243,662	1,355,479	1,469,532	1,585,867
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Tangible Capital Assets

Cost	18,206,717	18,327,623	18,539,123	18,876,173	19,075,373	19,139,173	19,399,173	19,659,973	19,862,273
Accumulated Amortization	(6,815,546)	(7,130,964) ⁽¹⁾	(7,446,230)	(7,767,801) ⁰	(8,095,804) ⁰	(8,430,367) ⁰	(8,771,621)	(9,119,700) ⁽⁰⁾	(9,474,741)

Net Book Value

11,391,171	11,196,658	11,092,893	11,108,372	10,979,569	10,708,806	10,627,552	10,540,273	10,387,532
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Accumulated Surplus

11,528,012	11,935,974	12,014,089	12,134,935	12,113,607	11,952,468	11,983,031	12,009,805	11,973,399
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THE CORPORATION OF THE TOWN OF MARATHON - WATER & WASTEWATER SYSTEM

2009	2010	2011	2012	2013	2014	2015	2016	2017
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STATEMENT OF OPERATIONS

<u>Revenue</u>									
Sewer Charges	(221,847)	(201,240)	(205,012)	(209,112)	(213,294)	(217,560)	(221,912)	(226,350)	(230,877)
Water Charges	(896,344)	(815,387)	(828,003)	(844,563)	(861,454)	(878,683)	(896,257)	(914,182)	(932,466)
Penalties	(24,066)	(17,736)	(18,000)	(18,360)	(18,727)	(19,102)	(19,484)	(19,873)	(20,271)
Interest	(15)	(749)	-	-	-	-	-	-	-
Government Grants	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Other	(8,832)	(8,311)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)
Total Revenue	(1,176,104)	(1,068,424)	(1,085,015)	(1,106,035)	(1,127,476)	(1,149,346)	(1,171,652)	(1,194,405)	(1,217,614)
<u>Expenses</u>									
<u>Wastewater</u>									
Labour	51,892	51,556	66,258	67,583	68,935	70,314	71,720	73,154	74,617
Materials	22,631	11,580	32,000	32,640	33,293	33,959	34,638	35,331	36,037
Electricity	37,055	38,378	47,973	48,932	49,911	50,909	51,928	52,966	54,025
OCWA sourced materials/services	16,511	40,925	37,800	38,556	39,327	40,114	40,916	41,734	42,569
OCWA	175,725	177,558	182,696	186,350	190,077	193,878	197,756	201,711	205,745
Amortization	177,571	176,791	176,582	180,114	183,716	187,390	191,138	194,961	198,860
Total Wastewater	481,384	496,788	543,309	554,175	565,259	576,564	588,095	599,857	611,854
<u>Water</u>									
Labour	41,902	35,529	40,873	41,690	42,524	43,375	44,242	45,127	46,030
Material	89,928	63,081	75,050	76,551	78,082	79,644	81,237	82,861	84,518
Electricity	77,975	74,037	92,546	94,397	96,285	98,211	100,175	102,178	104,222
OCWA sourced materials/services	6,453	-	8,000	8,160	8,323	8,490	8,659	8,833	9,009
OCWA	179,835	182,838	188,354	192,121	195,964	199,883	203,880	207,958	212,117
Monitoring/Training/Admin	15,858	14,294	32,085	32,727	33,381	34,049	34,730	35,424	36,133
Write offs & Bad Debt	37,225	394	5,000	5,100	5,202	5,306	5,412	5,520	5,631
Amortization	143,132	138,626	138,684	141,458	144,287	147,173	150,116	153,118	156,181
Total Water	592,309	508,800	580,592	592,204	604,048	616,129	628,451	641,020	653,841
Total Expenses	1,073,692	1,005,588	1,123,901	1,146,379	1,169,307	1,192,693	1,216,547	1,240,878	1,265,695
Annual <surplus>/<shortfall	(102,411)	(62,836)	38,886	40,344	41,831	43,347	44,894	46,472	48,081

THE CORPORATION OF THE TOWN OF MARATHON - WATER & WASTEWATER SYSTEM

2009	2010	2011	2012	2013	2014	2015	2016	2017
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STATEMENT OF CASH FLOW

Operating Transactions

Cash Received from:

Revenue 1,176,104 1,068,424 1,085,015 1,106,035 1,127,476 1,149,346 1,171,652 1,194,405 1,217,614

Cash Paid for:

Operating - wastewater (303,813) (319,998) (366,727) (374,062) (381,543) (389,174) (396,957) (404,896) (412,994)

Operating - water (449,177) (370,173) (441,908) (450,746) (459,761) (468,956) (478,335) (487,902) (497,660)

TOTAL OPERATIONS 423,114 378,253 276,380 281,228 286,172 291,216 296,360 301,607 306,959

Capital Transactions

Acquisition of capital - wastewater - (22,825) (31,500) (146,800) (113,500) (11,900) (155,400) (143,700) (153,200)

Acquisition of capital - water - (98,081) (180,000) (190,250) (85,700) (51,900) (104,600) (117,100) (49,100)

TOTAL CAPITAL - (120,906) (211,500) (337,050) (199,200) (63,800) (260,000) (260,800) (202,300)

Finance Transactions

(Reduce)/Increase Tax Levy (310,763) (154,935) - 37,500 37,500 37,500 37,500 37,500 37,500

Use Capital Reserve / <Replenish Reserve> 117,000 123,690 (16,997) (155,292) 37,957 35,746 (25,825)

Tsf Special Grant to Reserves 500,063

TOTAL FINANCING (310,763) 345,128 117,000 161,190 20,503 (117,792) 75,457 73,246 11,675

Increase <decrease> in cash 112,351 602,475 181,880 105,367 107,475 109,624 111,817 114,053 116,335

Opening Cash 24,490 136,841 739,316 921,196 1,026,563 1,134,038 1,243,662 1,355,479 1,469,532

Ending Cash 136,841 739,316 921,196 1,026,563 1,134,038 1,243,662 1,355,479 1,469,532 1,585,867

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