

M A N I T O B A) Order No. 110/09
)
THE PUBLIC UTILITIES BOARD ACT) July 7, 2009

BEFORE: Graham Lane, CA, Chairman
 Susan Proven, P.H.Ec., Member
 Monica Girouard, C.G.A., Member

**TOWN OF LEAF RAPIDS
WATER AND SEWER UTILITY
ACTUAL DEFICIT 2008 AND
BUDGETED DEFICIT 2009**

WHEREAS the Public Utilities Board issued Order No. 151/08 on November 7, 2008 requiring all water and/or sewer utilities to report an actual year-end deficit to the Board if the utility:

1. had not received prior approval for the deficit from the Board and such deficit either exceeds \$10,000 or represents 5% of the utility's operating budget; or
2. had received prior approval for the deficit from the Board and the actual deficit:
 - a. exceeds the previously approved amount by either \$10,000 or 5% of the utility's operating budget; or
 - b. is caused as a result that differs from that upon which said approval was granted;

AND WHEREAS the Town of Leaf Rapids incurred a deficit at the end of 2008 operating year of \$22,968.52;

AND WHEREAS the said cause of the deficit was due to increased costs associated with providing the service and commodity and to a decrease in population;

AND WHEREAS it is proposed that the deficit be recovered by a tax levy over three years beginning in 2010;

AND WHEREAS Section 164(4) of *The Municipal Act*, SM 1996, c. 58, as amended, provides:

"164(4) The council must ensure that the amount of estimated revenue and transfers provided for in the utility budget is not less than the amount of estimated expenditures in respect of the utility unless, before adopting the operating budget, the council obtains The Public Utilities Board's written approval, which may include any condition the Board considers necessary or advisable. "

AND WHEREAS the Town of Leaf Rapids plans to incur a deficit during the year 2009 in an amount estimated at \$29,030;

AND WHEREAS the said cause of the budgeted deficit is a result of insufficient utility rates;

AND WHEREAS it is proposed that the said budgeted deficit be recovered from revenues generated by new rates;

IT IS THEREFORE ORDERED THAT:

1. The actual deficit of \$22,968.52 incurred in the Town of Leaf Rapids water and sewer utility during the year 2008 for the purposes set out herein, BE AND THE SAME IS HEREBY APPROVED to be recovered by a tax levy in approximate equal amounts over three years beginning in 2010.
2. The budgeted deficit proposed for the water and sewer utility of the Town of Leaf Rapids during the year 2009 estimated at \$29,030.00 for the purposes set out herein, BE AND THE SAME IS HEREBY APPROVED to be recovered from future revenues.

3. If, at the end of the year, the actual amount of the 2009 deficit exceeds the amount previously approved by \$10,000 or 5% of the utilities operating budget, or if the cause of the deficit differs from that approved herein, the Town of Leaf Rapids shall advise the Board by no later than April 1, 2010 and seek the Board's approval for recovery thereof.
4. On an interim ex parte basis the Town of Leaf Rapids implement a 10% across the board increase to water and sewer rates to be effective on all consumption after July 1, 2009.
5. The Town of Leaf Rapids advise its customers immediately of the 10% increase authorized by this Order, by public notice, which notice is to be approved by the Public Utilities Board prior to distribution and/or posting.
6. The Town of Leaf Rapids is hereby required to file with the Public Utilities Board an application for revised rates by no later than October 15, 2009.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD

"GRAHAM F. J. LANE, C.A."
Chairman

"KRISTINE SCHWANKE"
Acting Secretary

Certified a true copy of Order
No. 110/09 issued by The Public
Utilities Board

Acting Secretary

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with Section 36 of the Board's Rules of Practice and Procedure (Rules). The Board's Rules may be viewed on the Board's website at www.pub.gov.mb.ca.