

M A N I T O B A) Order No. 65/09
)
THE MUNICIPAL ACT) April 30, 2009

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

TOWN OF MINNEDOSA
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 Minnedosa incurred a deficit at the end of the 2008 operating year of \$304,100.62;

AND WHEREAS the said cause of the 2008 deficit was due to emergency expenses for water treatment plant 1 and water treatment plant 2, the installation and drilling of new wells and repairs to the sewage force main;

AND WHEREAS it is proposed that the said 2008 actual deficit be recovered from the utility reserve fund;

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 Minnedosa plans to incur a deficit during the year 2009 for an amount estimated at \$370,043.11;

AND WHEREAS the said cause of the budgeted deficit is due to the purchase of lift station pumps, replacement of the waterline, purchase of two used trucks and the installation of water and sewer lines;

AND WHEREAS it is proposed that the said 2009 budgeted deficit be recovered from rates over three years;

AND WHEREAS the Board will approve the capital-related expenditures intended to be undertaken by the Town in 2009 on the condition that a rate study be filed by September 30, 2009, at which time the Board will provide a decision on the method of recovery;

IT IS THEREFORE ORDERED THAT:

1. The actual deficit incurred in the water and sewer utility of the Town of Minnedosa during the year 2008 estimated at \$304,100.62, for the purposes set out herein, BE AND THE SAME IS HEREBY APPROVED to be recovered from the utility reserve fund.
2. The budgeted deficit of the utility of the Town of Minnedosa during the year 2009 estimated at \$370,043.11, for the purposes set out herein, BE AND THE SAME IS HEREBY APPROVED;
3. The Public Utilities Board will approve the capital-related expenditures intended to be undertaken by the Town of Minnedosa in 2009 on the condition that a rate study be filed no later than September 30, 2009.
4. If, at the end of the year, the actual amount of the deficit exceeds \$10,000 or 5% of the utilities operating budget, or if the cause of the deficit differs from that approved herein, the Town of Minnedosa shall advise the Board by no later than April 1, 2010 and seek the Board's approval for recovery thereof.

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. 65/09 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