

MANITOBA) Order No. 131/10
)
THE PUBLIC UTILITIES BOARD ACT) December 20, 2010

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

TOWN OF MORRIS
WATER AND SEWER UTILITY
ACTUAL 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 Town of Morris water and sewer Utility (Utility) incurred an operating deficit at the end of the 2009 operating year of \$74,627;

AND WHEREAS the said cause of the deficit is a combination of
a) writing off a longstanding account receivable variance; and
b) the effect of introducing Public Sector Accounting Board standards into the financial statements, especially as related to amortization expenses;

AND WHEREAS it is proposed that \$14,627 of the said deficit be recovered from the Utility's reserve account balance and if approved by the Board would reduce the reserve from \$58,973 to \$44,346;

AND WHEREAS the principal cause of the remaining deficit was the introduction of amortization expense in relation to tangible capital assets;

AND WHEREAS the Utility has fund surplus of \$2,906,461 at December 31, 2009, consisting mostly of tangible capital assets of \$3,100,597 net of depreciation;

IT IS THEREFORE ORDERED THAT:

The actual 2009 operating deficit of \$74,627 incurred in the water and sewer Utility of the Town of Morris, for the purposes set out herein, IS HEREBY APPROVED to be recovered as follows:
a. \$14,627 from the utility's reserve account, as requested; and
b. \$60,000 applied against the Utility's accumulated Fund Surplus.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD
"GRAHAM LANE, CA"

Chairman

"K. SHIELDS"

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Associate Secretary

Certified a true copy of Order No.
131/10 issued by The Public
Utilities Board

Associate 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.