

M A N I T O B A) Order No. 39/10
)
THE MUNICIPAL ACT) April 26, 2010

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

**TOWN OF BEAUSEJOUR
WATER AND SEWER UTILITY
BUDGETED DEFICIT 2010**

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 Beausejour (Town) currently projects a budgeted 2010 utility deficit of \$68,766.80;

AND WHEREAS the said cause of the deficit is due to anticipated increased operating costs in 2010;

AND WHEREAS the Town proposes that the 2010 deficit, as projected, be recovered from utility rates;

AND WHEREAS the Board notes that the Town's projected 2010 utility deficit does not reflect now-required Public Sector Accounting Board (PSAB) accounting standards with respect to amortization of capital assets or the treatment of annual debt payments;

AND WHEREAS the Board expects the Town's 2010 utility deficit will increase once the prescribed accounting standards have been applied;

AND WHEREAS the Board will require the Town to submit a proposal to recover the 2010 budgeted deficit in a rate study to be prepared and submitted to the Board for approval by June 30, 2010;

AND WHEREAS the Board will review and set rates taking into account the rate study, the rates sought by the Town, the potential impact of reflecting amortization of capital assets on rates, the "ability to pay" of ratepayers, and the general public interest.

IT IS THEREFORE ORDERED THAT:

1. The preliminary 2010 budgeted deficit for the water and sewer utility of the Town of Beausejour, now estimated at \$68,766.80, and for the purposes set out herein, BE AND THE SAME IS HEREBY APPROVED; and
2. The Public Utilities Board provides this approval on the condition that the Town of Beausejour file a rate study which considers the appropriateness of revised water and sewer rates with the Board no later than June 30, 2010; and
3. The Public Utilities Board directs the Town of Beausejour to recalculate their 2010 utility deficit in accordance with prescribed accounting standards and include in their application a proposal to address recovery of the budgeted 2010 utility deficit as amended.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD

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

"KRISTINE SHIELDS"
Acting Secretary

Certified to be a true copy of Order No. 39/10 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.