

M A N I T O B A ) Order No. 168/11  
)  
THE PUBLIC UTILITIES BOARD ACT ) December 12, 2011

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

**CITY OF DAUPHIN  
WATER AND SEWER UTILITY  
ACTUAL DEFICIT 2010**

**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 City Of Dauphin Water and Sewer Utility (Utility) incurred an operating deficit at the end of the 2010 operating year of \$70,871, when calculated for regulatory purposes;

**AND WHEREAS** the said cause of the deficit is a combination of the effect of introducing Public Sector Accounting Board standards into the financial statements, especially as related to amortization expenses and lower water sales as expected;

**AND WHEREAS** it is proposed that said deficit be recovered as follows:

- \$28,101 from the Utility's surplus balance, which is \$11,275,546 at December 31, 2010, when calculated for regulatory purposes; and
- \$42,770 from the Utility's reserve fund, which held a balance of \$584,826 at December 31, 2011;

**AND WHEREAS** the Utility has indicated that it will make a submission for a rate increase to avoid future deficits.

**IT IS THEREFORE ORDERED THAT:**

1. The actual 2010 operating deficit, when calculated for regulatory purposes, of \$70,871 incurred in The City Of Dauphin Water and Sewer Utility, for the purposes set out herein, is HEREBY APPROVED to be recovered as follows:
  - a. \$28,101 from the Utility's surplus balance, which is \$11,275,546 at December 31, 2010, when calculated for regulatory purposes; and
  - b. \$42,770 from the Utility's reserve fund, which held a balance of \$584,826 at December 31, 2011.
2. The City of Dauphin review its water and sewer rates for adequacy and file a report with the Public Utilities Board, as well as an application for revised rates if required, by no later than May 31, 2012.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD

"GRAHAM LANE, CA"  
Chairman

"K. SHIELDS"  
Acting Secretary

Certified a true copy of Order No.  
168/11 issued by The Public  
Utilities Board

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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](http://www.pub.gov.mb.ca).