

M A N I T O B A ) Order No. 142/11  
)  
THE PUBLIC UTILITIES BOARD ACT ) October 18, 2011

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

**Rural Municipality of Victoria  
Cypress River Utility  
Application to address recovery of  
2009 ACTUAL DEFICIT**

**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 audited financial statements record a \$45,900 deficit at the end of the 2009 operating year for the Cypress River Utility in the Rural Municipality of Victoria (RM);

**AND WHEREAS** following further inquiries with the RM, the 2009 deficit to address recovery of is \$35,297;

**AND WHEREAS** the utility reported a working capital surplus of \$112,256, of which \$44,003 was maintained in the reserve fund;

**AND WHEREAS** the utility has not reviewed its rates for adequacy since 2007;

**AND WHEREAS** the said cause of the deficit is the result of changed accounting standards and the requirement for this utility to record an annual amortization expense of \$48,994;

**AND WHEREAS** it is proposed that the said deficit be recovered from Cypress River Utility fund surplus;

**IT IS THEREFORE ORDERED THAT:**

1. The 2009 operating deficit of \$35,297 incurred in the Cypress River utility of the Rural Municipality of Victoria during the year 2009, for the purposes set out herein, BE AND THE SAME IS HEREBY APPROVED to be recovered from the utility's fund surplus.
2. The Rural Municipality of Victoria review rates for the Cypress River Utility and file a report, as well as an application for revised rates if required, with the Public Utilities Board not later than January 31, 2012.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD

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

"KRISTINE SHIELDS"  
Acting Secretary

Certified a true copy of Order No. 142/11 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).