

## **Town of Berwick Council Meeting**

April 9, 2024

Town of Berwick Council Chambers

6:30 pm

### **AGENDA**

**1. Call to Order**

**2. Approval of the Agenda**

**3. Approval of the Minutes**

- a. March 12, 2024 Council Minutes
- b. March 18, 2024 Special Council Minutes

**4. First Reading**

- a. Development Agreement – 106 Commercial Street

**5. New Business**

- a. Approval of 2022/23 Audited Financial Statements
- b. RFD011-2024: Pre-Approval of Debenture Issuance- Refinance of Fire Hall and BEC Dam

**6. Correspondence**

**7. Mayor's Report**

**8. In-Camera**

- a. **Contract Negotiation**

**9. Adjournment**

Report to Council – Development Agreement Application for 106 Commercial Street (PID 55240022)	
Prepared by:	Ben Croll of Brighter Community Planning
Subject:	Development Agreement Application for 106 Commercial Street (PID 55240022)
Date:	April 2 <sup>nd</sup> , 2024
Purpose:	For Council to consider entering into a Development Agreement to permit the development of 16 residential units in two buildings at 106 Commercial Street.
Motion	<b>That Council give First Reading to enter into a development agreement with Rydel Homes Ltd to permit the development of 16 residential units at 106 Commercial Street and forward the application to a public hearing.</b>

## Part 1: Background

### 1.1: Introduction

Property Owner(s)	Rydel Homes Limited
Applicant	Riley Peckford
Civic Address	106 Commercial Street
Designation	Residential
Zone	R1
Subject Property Area	41, 548 ft <sup>2</sup>
Existing Land Use	Residential – Single Unit Dwelling
Adjacent Land Use	A low-density residential area with the United Church Camp Meeting to the West and Grandview Manor to the East.

### 1.2: Location

The Subject Property is located on Commercial Street in the southern section of the town’s boundaries. Although primarily in a low-density residential area, there are two large institutional uses adjacent to the property. To the east, directly across Commercial Street, is the Berwick Campgrounds. The property to the north is the entrance to the Grandview Manor which lies to the east of the Subject Property. The Commercial District and access to the Harvest Moon Trail is within a 10-minute walking distance to the north.

The property is designated Residential (R) and zoned Residential Single Unit (R1). There is currently a single unit dwelling on the Subject Property, which will be demolished if the proposed development proceeds. The Subject Property is mainly cleared and grassed with a tree line bordering the south and east property lines. There are no easements, burdens, or significant environmental features on the lot.

Context Map for 106 Commercial Street



Figure 1 Context Map

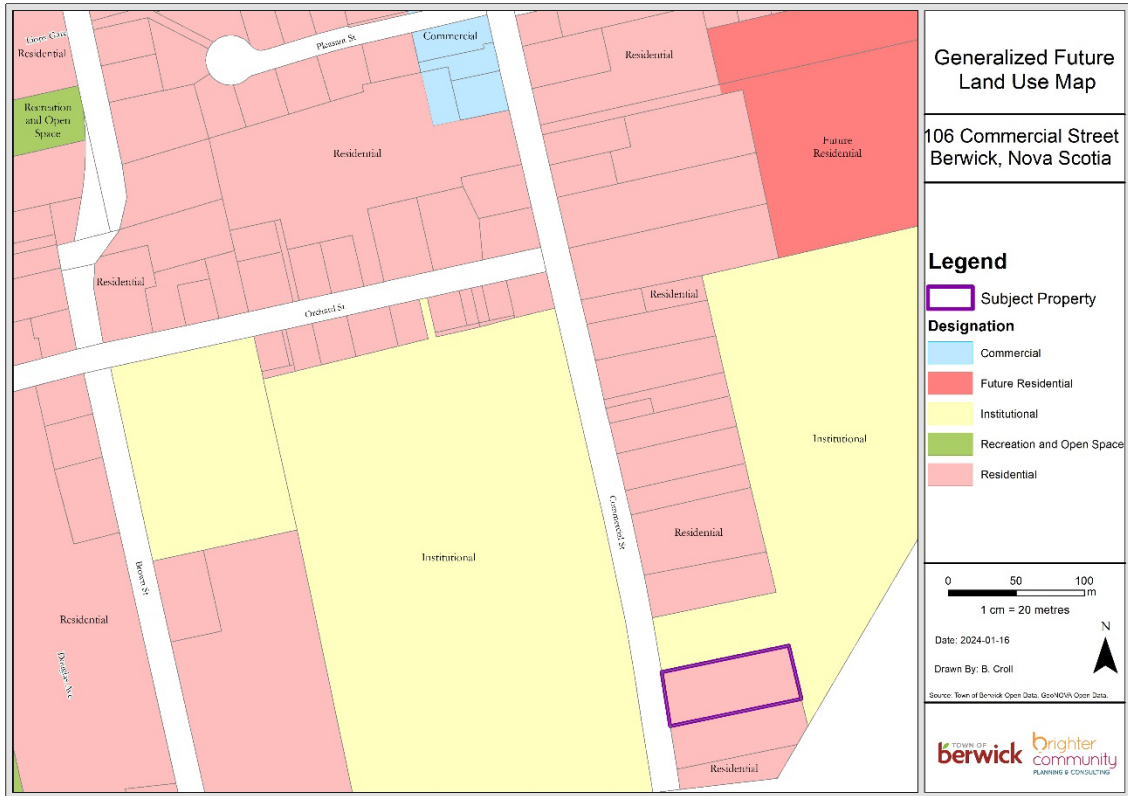


Figure 2 Generalized Future Land Use Map

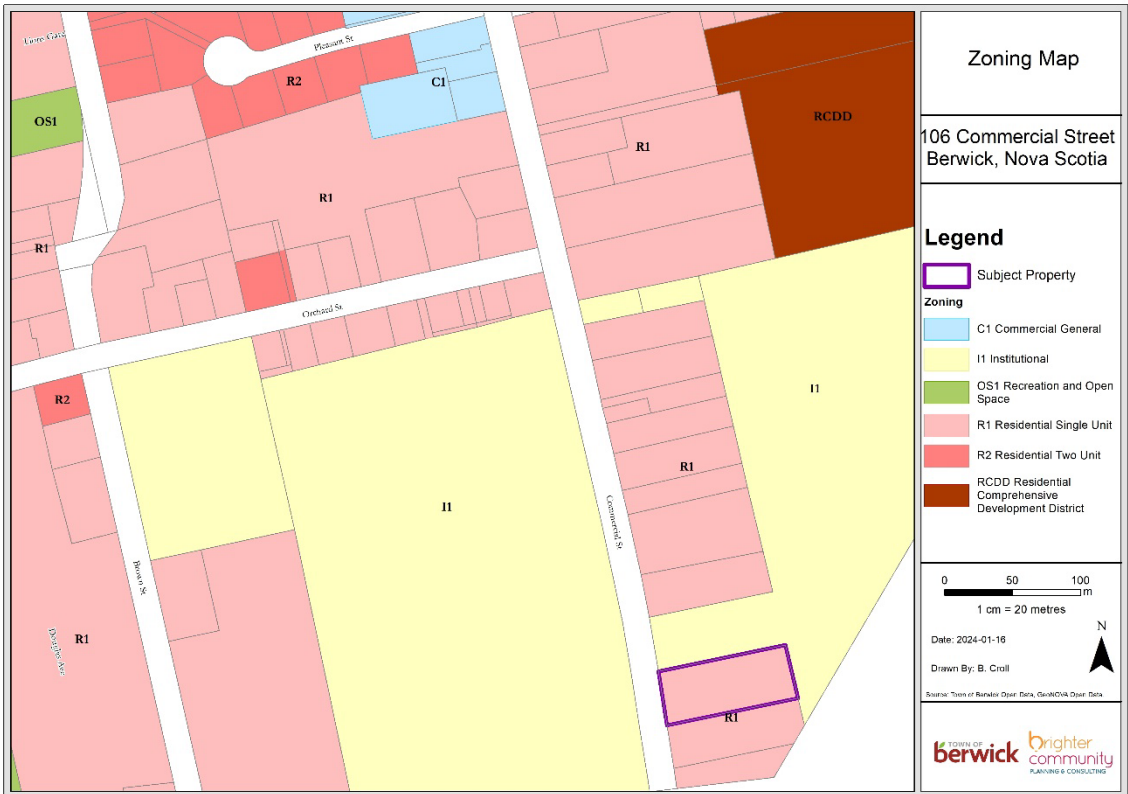


Figure 3 Zoning Map

### 1.3: Background

The owner of the property is Rydel Homes Limited, but the Development Agreement has been submitted by Riley Peckford. Scott Peckford, Riley's father, is an owner of Rydel Homes Limited. The Town of Berwick received the Development Agreement application on January 11<sup>th</sup>, 2024.

### 1.4: The Proposal

The applicant originally applied for 20 units within 3 buildings but amended the application to be more consistent with the Town of Berwick Municipal Planning Strategy ("MPS") policies. More specifically, regarding the compatibility criteria with the surrounding area. The amended application is now seeking a Development Agreement to permit 16 units over 2 buildings on the site. The proposed buildings are two-storeys in height with each containing 8 units. There will be one entryway off Commercial Street that will lead to the development's parking lot containing a total of 25 parking spaces. This parking lot will include 4 accessible stalls and 4 EV charge stations. There is a proposed fence on the south property line to provide a sense of separation and privacy to the adjacent resident. There is a proposed fence and landscaping fronting Commercial Street to enhance the streetview of the development while a green buffer is proposed on the north abutting the Grandview Manor entrance.

This applicant is proposing to leave the rear of the property vacant to help more effectively manage stormwater and to provide amenity space for the residents.

Each unit is approximately 880 ft<sup>2</sup>, resulting in approximately 7,040 ft<sup>2</sup> per building. With a proposed 16 units on the lot, this results to a gross density of 16.8 units/acre. The applicant intends to market this development to younger family and the workers of Grandview Manor.

See Appendix A for site plan.

## Part 2: Policy Analysis

When considering Development Agreement applications, the policies of the MPS guide decision making. The property is designated Residential on the Future Land Use Map. Within this designation, Policy R8 allows for the development of multi unit buildings. Policy R8 also helps guide the development of new multiple unit dwellings or grouped dwellings on a single lot only by Development Agreement subject to the general enabling policies of Policy IM7. Policy R9 establishes the specific compatibility criteria for evaluating proposals. The chart in Appendix B addresses each policy separately.

The main policies for consideration by Council are related to ensuring compatibility of uses. Compatibility does not mean mimicry of a building, but rather considers if the development integrates well with the existing built form in the area. To assess compatibility, the policies of R9 speak to issues such as landscaping, building heights, roof line, window places and other similar issues.

Section 2.3 of the MPS provides direction regarding residential development. The MPS states that Berwick will promote new residential development that provides a variety of housing options, affordability, be respectful of the character of existing neighbourhoods, and to accommodate growth.

## 2.1: Consistency with existing development

To the north and south of the property is a series of single unit dwellings with a height mixture of single and two storeys. Although the proposed buildings are larger than the surrounding single unit dwellings, they do not exceed two storeys in height. The opaque fence on the south property line will further differentiate the proposed multi unit dwellings to the adjacent single unit dwelling.



*Figure 4 Single Unit Dwellings to the South*

To the west, across Commercial Street, is the United Church Camp Meeting that is surrounded by a wooded fence. The proposed fence and landscaping of the development fronting Commercial Street provides consistency with the neighbourhood along with a buffer to the multi unit building.

To the north of the property is the entrance to Grandview Manor. This entrance is mainly cleared with a selection of trees throughout. The proposed development will transition from that landscape to the multi unit building by implementing a natural buffer of shrubs and trees.

Due to the layout of the buildings running lengthwise of the property, the exterior design does not present any concerns with the consistency of the neighbourhood. Only one side of an 8-unit building will be facing Commercial Street, which will be subdued by a fence and landscaping.

Initially, the developer applied for a total of 20 units within 3 buildings. Staff considered this density excessive for the site and requested that the developer resubmit with a lesser density. The current request includes a reduction in density, building massing, and parking. It also includes additional details on landscaping, buffering, and recreational space.

## 2.2: Parking

The Land Use Bylaw requires a minimum of 1.5 parking spaces per unit. The proposed development will have one parking area with maximum of 25 parking stalls resulting in a parking ratio of 1.6 stalls per unit. However, the draft Development Agreement proposes a minimum of 20 parking stalls resulting to a parking ratio of 1.25 stalls per unit.

## 2.3: Implementation Policies (IM7)

The implementation policies were reviewed and no issues arose. The property will be serviced by municipal sewer and will require an onsite well.

## 2.4: Public Information Meeting Summary

A Public Information Meeting (PIM) was held on February 6<sup>th</sup>, 2024, to get feedback on this application. The purpose of a PIM is to identify public issues of concern so that these concerns, if possible, can be addressed through the approval process or within the Development Agreement

itself.

Approximately 17 people attended the PIM. Overall, there were two major concerns that were identified: Accessibility and stormwater management. The following chart provides a summary of the concerns, the staff or developer comments, and if (or how) the draft Development Agreement will respond to the issue.

Concern raised by the public	Staff or Developer Comments	Addressed within the DA
Concerns that the units will be built in an accessible manner	The units will be built to the accessibility requirements in the current building codes. The units will also be electric heated with heat pumps.	This is regulated by the Building Code and the DA does not address this issue.
The amount of hard surfacing and how this will impact stormwater management	Stormwater must be managed on site according to provincial and Town requirements.	Section 3.2 of the DA requires a stormwater management plan acceptable to the Town

### 2.5: Summary

The proposal has been reviewed against the policies of the MPS. Although the proposal is denser than the surrounding properties, the site plan and elevations (see appendix B) demonstrate a layout that is generally consistent with the character of the neighbourhood using criteria such as roof lines, height, buffering, and landscaping. Furthermore, it will provide much needed housing to the town and province. The town's infrastructure is capable of supporting the development.

## Part 3: Draft Development Agreement

The draft Development Agreement is attached and has provisions regarding the use and references the site plan. Key components of the Development Agreement:

- Two (2) eight-unit residential buildings
- Water withdrawal permit, if required, is needed before a development permit can be provided.
- A drainage plan that is acceptable to the Town Engineer
- A servicing connection plan that is acceptable to the Town Engineer
- Must comply with parking regulations of section 5.26 of the Land Use Bylaw. The entryway shall not be less than 7 meters in width.
- The minimum number of parking spaces of 20 units
- No development shall occur in the area shown as “the Stormwater Management Area” as shown on the Site Plan
- Buffering and landscaping requirements
- Commencement date of 2 years from the date of registration of this Agreement at the Registry of Deeds or Land Registry Office
- Completion date of 5 years from the date of registration of this Agreement at the Registry of Deeds or Land Registry Office

## Part 4: Recommendation

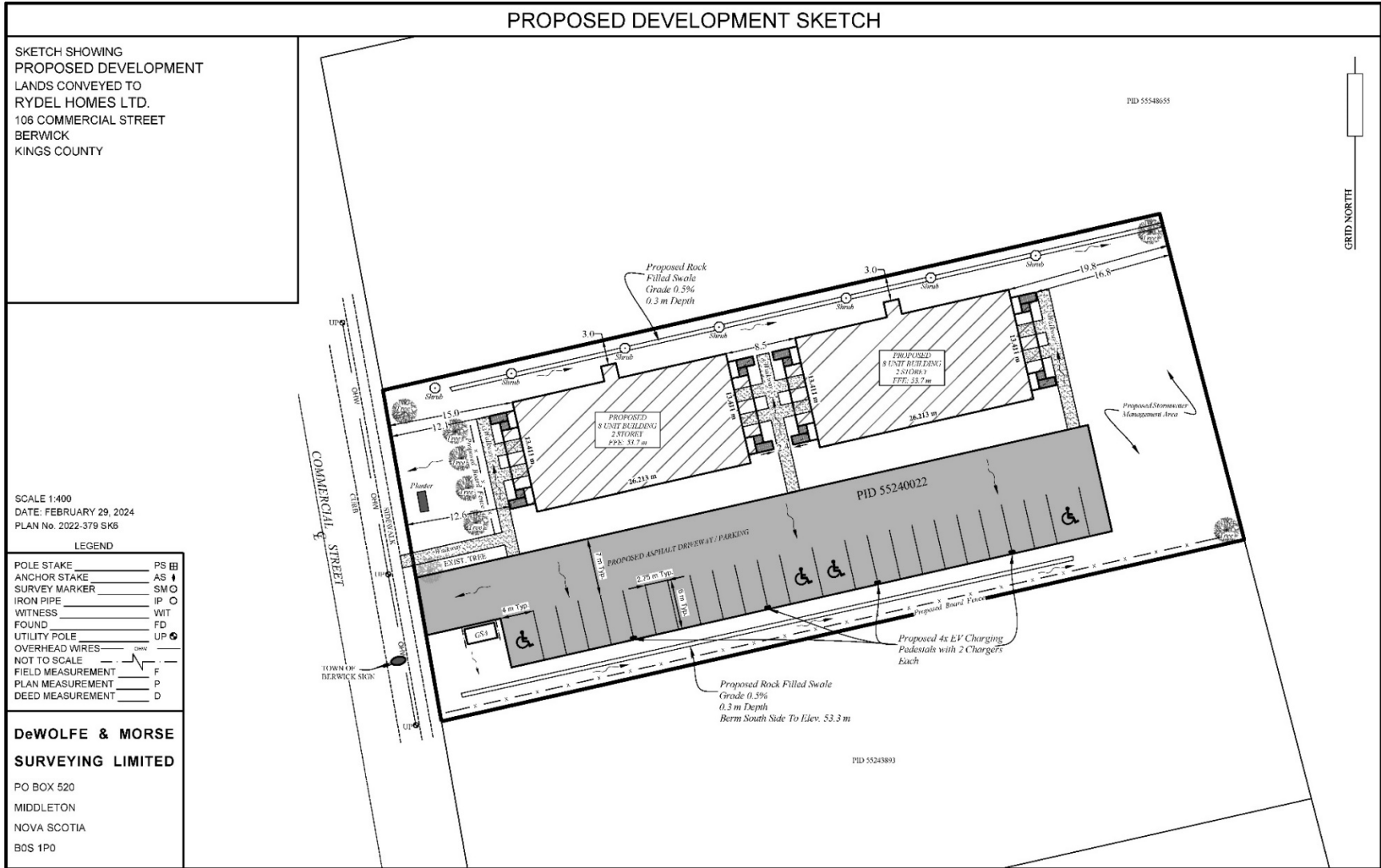
The subject lands are in a primarily low-residential area with Grandview Manor to the north and

east of property, and the Berwick Campgrounds to the west. From a municipal perspective, maximizing the use of existing infrastructure such as streets and underground pipes is a positive. New development that does not entail the municipality assuming new streets and services is fiscally and environmental beneficial.

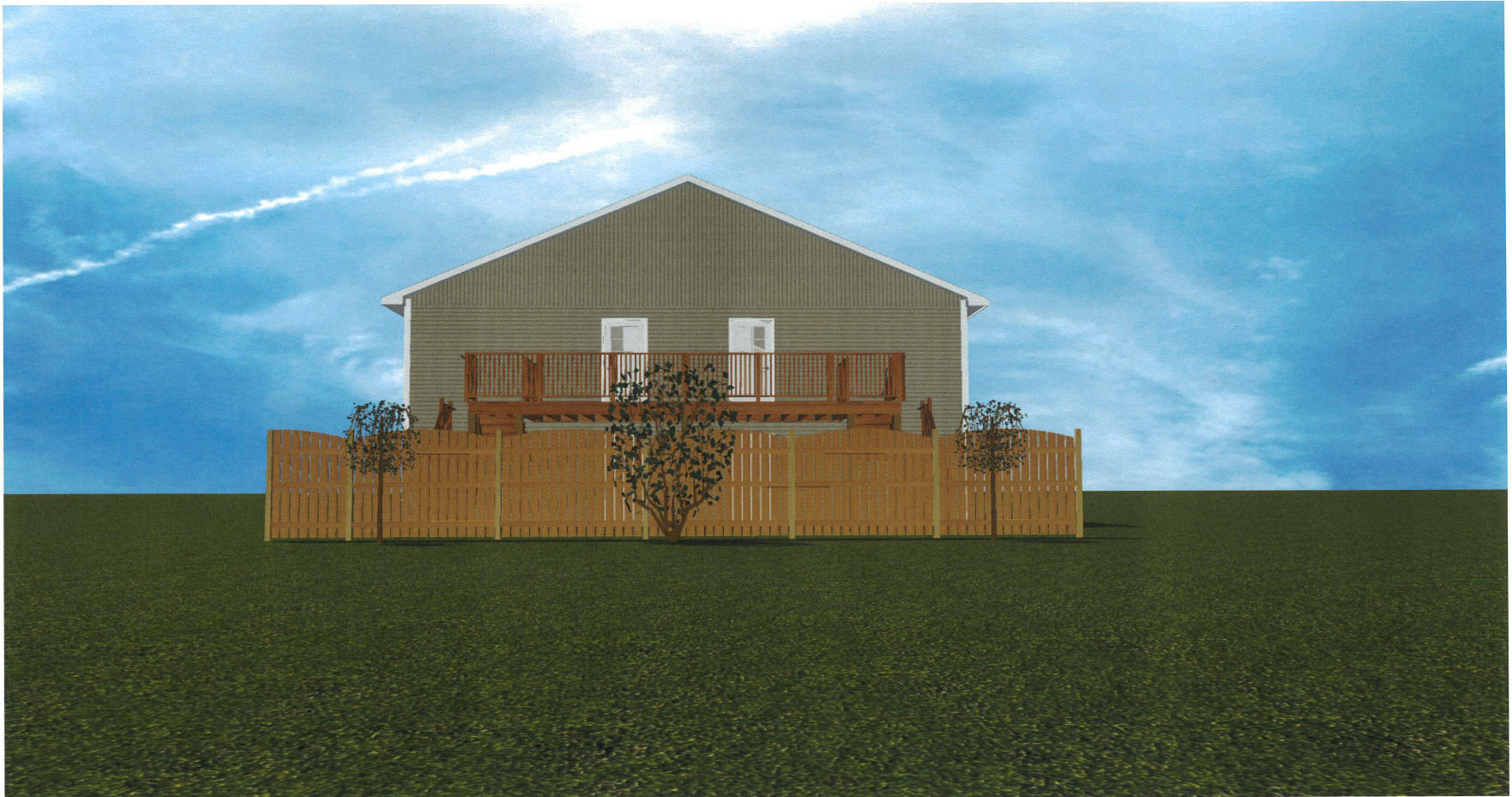
After a review of the applicable policies, the specifics of the site, the receipt of internal departmental comments and the information received from the public information meeting and applicant, planning staff are recommending the following motion for PAC's consideration:

**That PAC forward the attached development agreement to Council for First Reading with a positive recommendation.**

# Appendix A



## Appendix B



## Appendix C

Policy R8. It shall be the intention of Council to consider the development of new multiple unit residential dwellings containing four (4) or more units or grouped dwellings on a single lot only by Development Agreement subject to the criteria contained in Policy IM7.	
Policy R9. It shall be the intention of Council to zone all existing residential structures containing four (4) or units and/or existing grouped dwellings located on a single lot as Residential Single Unit (R1). Expansion or redevelopment of existing residential structures containing four (4) or more units and group dwellings on a single lot shall be considered only by Development Agreement. In addition to the criteria contained in Policy IM7, Council shall give consideration to the following when reviewing applications for the development of multiple unit dwellings:	
(a) That the proposed structure is generally compatible with existing dwellings on adjacent properties;	Proposal compatible with adjacent properties and neighbourhood.
(b) That the design of the proposed structure and site reflects and is consistent with adjacent existing dwellings with respect to:	
(1) Building Mass;	Building mass is larger than surrounding dwellings, but generally consistent. The buffering and landscaping helps reduce the impact.
(2) Relationship to and setback from the street line	Only one side of a building will be fronting the street line. The buffering and landscaping will enhance the streetview.
(3) Roof line heights and orientations;	Orientation differs than surrounding properties, but height is generally consistent.
(4) Building Height:	The proposed development consists of two-storey buildings keeping the building height compatible with the neighbourhood dwellings.
(5) Placement and Proportions of window and door openings along the primary façade;	Due to the placement of the development, windows and door openings are parallel to the frontage. The side that is fronting Commercial street will be subdued with buffering and landscaping.
(6) Location of on-site parking	The parking lot will be located parallel to the buildings.
(7) Landscaping and landscape treatment	Landscaping will be provided as shown

	on the site plan. This includes natural buffers, walkways, and a recreational area. Fence/landscaping to be added in front of garbage.
<b>IM7</b> In considering amendments to the Land Use By-law and/or the entering into a Development Agreement, in addition to the criteria set out in various policies of this Strategy, Council shall consider:	
(a) That the proposal is in conformance with the intents of this Strategy and with the requirements of all other Town By-laws and regulations:	Proposal is generally consistent with the Municipal Planning Strategy, Land Use Bylaw, and all other Town By-Laws.
(b) That the proposal is not premature or inappropriate by reasons of:	
(1) The financial capability of the Town to absorb any costs relating to the development	No known impact. The end use will be a financial benefit to the Town, increase density on existing infrastructure and contribute to the tax base without increase infrastructure costs.
(2) The adequacy of sewer and ground water to support the proposed density of development;	No concerns. Approval from NSE for the private sanitary sewer connection is required upon permitting.
(3) The adequacy and proximity of school, recreation, and other community facilities;	No concerns.
(4) The adequacy of road networks adjacent to, or leading to the development;	No concerns.
(5) The potential for the contamination of watercourses or the creation of erosion or sedimentation	No concerns. A drainage plan demonstrating the net zero requirement is required upon permitting.
(6) The potential for damage to or destruction of historical buildings and site;	N/A
(c) That controls are contained in a Land Use By-law or a Development Agreement so as to reduce conflict between the development and any other adjacent or nearby land use by reason of:	
(1) Type of use;	Use is permitted by development agreement, subject to policies.
(2) Emissions including air and water pollutants and noise	No controls required.
(3) Height, bulk and lot coverage of proposed building	Bulk is larger than surrounding dwellings, but generally consistent. The buffering and landscaping helps reduce the impact.
(4) Traffic generation, access to and egress from the site, and parking;	Proposed development circulated to the traffic authority and no issues arose.
(5) Open storage	N/A
(6) signs	N/A
(7) similar matters of planning concern;	
(d) The suitability and development costs of the proposed site in terms of steepness of grades,	No impact.

soil and geological conditions, marshes, swamps, or bogs and proximity of highway ramps, railway rights-of-way and other nuisance factors;	
(e) That provision is made for buffering, landscaping, screening and access control to reduce potential incompatibility with adjacent land uses and traffic;	Installation of board fence and shrubs for buffering between adjacent neighbour.
(f) That the development is located so as not obstruct any natural drainage channels or watercourses	N/A

# Draft

**Town of Berwick**  
**Berwick, Nova Scotia**  
**March 31, 2023**

**Financial Statements**

# Draft

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# Draft

## Morse Brewster Lake

Chartered Professional Accountants

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### **Independent Auditor's Report**

**To His Worship the Mayor and  
Members of the Town Council  
of the Town of Berwick**

#### **Opinion**

We have audited the accompanying financial statements of **Town of Berwick**, which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statement of operations, change in net financial assets and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Town of Berwick as at March 31, 2023, and the results of operations and changes in net assets for the year then ended, in accordance with Canadian accounting standards for the public sector

#### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not for profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

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## Independent Auditor's Report (continued)

### Auditor's Responsibilities for the Audit of the Financial Statements (continued)

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Berwick, Nova Scotia  
Date

Chartered Professional Accountants  
Registered Municipal Auditor

# Draft

## Town of Berwick Consolidated Statement of Financial Activities

Year Ended March 31, 2023

	<u>2023</u> Budget	<u>2023</u> Actual	<u>2022</u> Actual
<b>Revenue</b>			
Taxation	\$ 4,154,261	\$ 4,250,403	\$ 3,937,032
Less: School Board requisition	<u>(573,477)</u>	<u>(569,337)</u>	<u>(549,984)</u>
	3,580,784	3,681,066	3,387,048
Grants in lieu of taxes	38,850	41,099	42,684
Sales of services	480,228	501,665	365,170
Revenue from own sources	361,452	311,129	228,989
Unconditional transfer from other governments	227,739	218,627	444,355
Berwick Electric Utility	5,475,331	5,543,154	5,346,931
Gain on sale of assets	-	4,522	28,175
Alternative Resource Energy Authority	4,459,188	8,249,462	6,996,357
Grants and contributions	<u>114,545</u>	<u>4,407,869</u>	<u>2,735,390</u>
	<u>14,738,117</u>	<u>22,958,593</u>	<u>19,575,099</u>
<b>Expenditures</b>			
General government services			
Legislative services	135,423	134,589	117,407
Administrative services	828,294	938,913	812,389
Protective services			
Police services	760,061	761,792	685,968
Fire services	271,050	237,255	214,338
Other services	42,150	7,981	54,142
Transportation services	968,778	982,081	869,687
Environmental health services	644,346	698,701	579,760
Environmental development	172,508	269,707	140,375
Recreational and cultural services	504,561	498,391	450,918
Fiscal services	244,588	220,716	263,061
Amortization	-	703,080	700,954
Alternative Resource Energy Authority	3,701,849	8,060,679	6,739,224
Disposal/write down of capital assets	-	7,844	-
Electric utility operating expenditures	4,976,312	4,999,581	4,687,362
Electric utility depreciation	325,000	279,494	332,575
Electric utility non-operating expenditures	<u>39,539</u>	<u>32,616</u>	<u>38,752</u>
	<u>13,614,459</u>	<u>18,833,420</u>	<u>16,686,912</u>
<b>Annual Surplus</b>	<u>\$ 1,123,658</u>	<u>\$ 4,125,173</u>	<u>\$ 2,888,187</u>

See accompanying notes to the consolidated financial statements

# Draft

## Town of Berwick Consolidated Statement of Financial Position

March 31, 2023

	<u>2023</u>	<u>2022</u>
<b>Financial Assets</b>		
Cash (note 3)	\$ 3,117,511	\$ 2,554,209
Taxes receivable (net of allowance) (note 4)	82,005	62,058
Accounts receivable (note 6)	6,886,046	6,389,750
Hst receivable	<u>405,605</u>	<u>243,013</u>
	<u>10,491,167</u>	<u>9,249,030</u>
<b>Financial Liabilities</b>		
Bank indebtedness (note 7)	529,968	100,130
Short term borrowings (note 8)	5,304,017	3,214,873
Payables and accruals (note 9)	4,984,567	4,270,247
Deferred revenue (note 18)	689,508	397,148
Long term debt (page 17 and 18)	<u>15,257,192</u>	<u>16,208,087</u>
	<u>26,765,252</u>	<u>24,190,485</u>
<b>Net Financial Assets / (Liabilities)</b>	<u>(16,274,085)</u>	<u>(14,941,455)</u>
<b>Non-Financial Assets</b>		
Inventory and prepaid expenses (note 10)	297,393	332,651
Deferred pension charge (note 13)	41,980	51,945
Equity in Valley Waste Resource Management	253,863	253,863
Tangible capital assets (note 11)	<u>35,875,038</u>	<u>30,381,977</u>
	36,468,274	31,020,436
<b>Non-Financial Liabilities</b>		
<b>Unfunded pension liability</b> (note 13)	<u>41,980</u>	<u>51,945</u>
<b>Net Non-Financial Assets/(Liabilities)</b>	<u>36,426,294</u>	<u>30,968,491</u>
<b>Net Assets/Liabilities</b>	<u>\$ 20,152,209</u>	<u>\$ 16,027,036</u>
<b>Net Assets</b>		
<b>Fund balances</b> (note 12)	2,562,931	2,738,205
<b>Investment in Capital Assets</b> (note 16)	<u>17,589,278</u>	<u>13,288,831</u>
	<u>\$ 20,152,209</u>	<u>\$ 16,027,036</u>
Commitments (note 17)		
On behalf of the Town of Berwick		
_____, Mayor		_____, Clerk

See accompanying notes to the consolidated financial statements

# Draft

## Town of Berwick

### Consolidated Statement of Changes in Net Financial Assets

Year Ended March 31, 2023

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Annual Surplus	\$ 1,123,658	\$ 4,125,173	\$ 2,888,187
<b>Add (Deduct):</b>			
Acquisition of tangible capital assets	(1,041,338)	(7,024,371)	(4,175,885)
Amortization of tangible capital assets	865,083	1,523,468	1,574,423
Disposal of assets	-	7,844	-
Use (acquisition) of prepaids assets and deferred charges	<u>-</u>	<u>35,256</u>	<u>(65,270)</u>
Increase (decrease) in net assets	\$ <u><u>947,403</u></u>	(1,332,630)	221,455
Net Financial Assets (liabilities), beginning of year		<u>(14,941,455)</u>	<u>(15,162,910)</u>
Net Financial Assets (liabilities), end of year		\$ <u><u>(16,274,085)</u></u>	\$ <u><u>(14,941,455)</u></u>

See accompanying notes to the consolidated financial statements

# Draft

**Town of Berwick**  
**Consolidated Statement of Cash Flow**  
**Year Ended March 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>Cash flow from operating activities:</b>		
Annual surplus	\$ 4,125,173	\$ 2,888,187
(Gain) loss on sale of assets	3,322	(28,175)
Depreciation and amortization	1,523,468	1,574,423
Change in		
Taxes receivable	(19,947)	3,282
Accounts receivable	(496,296)	(4,105,550)
HST rebate	(162,592)	-
Inventory and prepaid expenses	35,256	(65,270)
Deferred revenue	292,360	(52,786)
Payables and accruals	<u>714,320</u>	<u>2,239,954</u>
	<u>6,015,064</u>	<u>2,454,065</u>
<b>Cash flow from investing activities:</b>		
Proceeds on sale of assets	4,522	28,175
Purchase of tangible capital assets	<u>(7,024,371)</u>	<u>(4,175,885)</u>
	<u>(7,019,849)</u>	<u>(4,147,710)</u>
<b>Cash flow from financing activities:</b>		
Proceeds on issue of short term debt	2,089,144	3,214,873
Repayment of short term debt	-	(250,000)
Proceeds from long term debt	-	250,000
Reduction of long term debt	<u>(950,895)</u>	<u>(941,072)</u>
	<u>1,138,249</u>	<u>2,273,801</u>
<b>Cash Increase</b>	133,464	580,156
<b>Cash and Equivalencies, beginning of year</b>	<u>2,454,079</u>	<u>1,873,923</u>
<b>Cash and Equivalencies, end of year</b>	<u>\$ 2,587,543</u>	<u>\$ 2,454,079</u>
<b>Represented by:</b>		
Cash	\$ 3,117,511	\$ 2,554,209
Bank indebtedness	<u>(529,968)</u>	<u>(100,130)</u>
	<u>\$ 2,587,543</u>	<u>\$ 2,454,079</u>

See accompanying notes to the consolidated financial statements

## Town of Berwick Notes to Consolidated Financial Statements

March 31, 2023

### 1. Significant Accounting Policies

#### **Basis of Presentation**

The consolidated financial statements of the Town of Berwick are prepared in accordance with generally accepted accounting principals for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Professional Accountants.

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures and changes in fund balances and in financial position of the reporting entity. The activities under the control of Council and included in the reporting entity are the general operating fund, general capital fund, electric operating fund, electric capital fund, capital reserve fund, operating reserve fund, open space reserve fund and PCB disposal reserve fund.

Interdepartmental transactions and balances have been eliminated on the consolidated financial statements.

The Town of Berwick is in a government partnership with other municipalities to form Alternative Resource Energy Authority (AREA). The Town has accounted for 27% of AREA using the proportionate consolidated method, which represents the Town's interest in the partnership.

#### **Basis of Accounting**

The financial statements have been prepared using the accrual basis of accounting.

#### **Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess revenues over expenses, provides the consolidated Change in Net Financial Assets for the year.

## Town of Berwick Notes to Consolidated Financial Statements

March 31, 2023

### 1. Significant Accounting Policies (continued)

#### Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributed to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital asset are amortized on a straight line basis over their estimated useful life as follows:

Buildings	40 years
Machinery and equipment	5 to 15 years
General office equipment	5 years
Parks and open space infrastructure	5 to 15 years
Vehicles	7 years
Streets	30 years
Sidewalks	20 to 30 years
Street lighting	25 years
Sewer collection system	40 years
Storm water system	40 years
Sewer treatment plant	25 years
Power Generation	30 to 50 years
Substations	31 years
Distribution	22 to 32 years
General property	8 to 37 years

#### Electric Utility Capital Assets

Capital assets and projects in progress are recorded at the utility's gross cost. Interest incurred during construction on significant utility capital projects is capitalized. Interest is calculated at the prevailing prime rate for projects temporarily funded by general or utility operations.

#### Electric Utility - Depreciation

Depreciation of fixed assets is recorded in the accounts of the Electric Utility Capital Fund on a straight line basis over the estimated useful lives as prescribed by the Nova Scotia Utility and Review Board.

The depreciation charge in the Utility's Operating Fund is transferred to a special bank account in the Electric Utility's Capital Fund which is used to help fund replacement of existing plant and equipment, or subject to approval by the Nova Scotia Utility and Review Board to repay the principal of capital debt.

## Town of Berwick Notes to Consolidated Financial Statements

March 31, 2023

### 1. Significant Accounting Policies (continued)

#### Valuation allowances

The Town provides a valuation allowance for estimated losses that will be incurred in collecting receivables outstanding.

In the electric utility, a valuation allowance is provided for estimated losses that will be incurred in collecting rates receivable outstanding.

#### Financial Instruments

The financial instruments consist of cash, accounts receivables, accounts payables, accrued liabilities, short term borrowings and long term debt. Unless otherwise noted, it is managements's opinion that the Town is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

#### Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. The most significant accounting estimates in these financial statements include allowance for doubtful accounts and estimated useful life of tangible capital assets.

#### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, short term borrowing with original maturities of three months or less. Bank borrowings are considered to be financing activities.

### 2. Contributions to Non-Consolidated Boards and Commissions

The Town of Berwick is required to finance the operations of the various Boards and Commissions, along with the other Municipal Units in Kings County to the extent of its participation based on prescribed formulae.

In addition to any budgeted contributions, the Town shares in the deficits or surpluses of these Boards excluding the Annapolis Valley Regional School Board based on prescribed formulae. The Town's share of any deficit is to be paid in the next fiscal year while a surplus is to be taken into the next year's estimates.

# Draft

## Town of Berwick Notes to Consolidated Financial Statements

March 31, 2023

### 2. Contributions to Non-Consolidated Boards and Commissions (continued)

Details of contributions to the boards are as follows:

Annapolis Valley Housing Authority - 2.5% of net operating deficit

During fiscal 2023, the Town of Berwick paid \$18,441 (2022- \$51,759) to the Annapolis Valley Housing Authority to fund its share of the deficit.

Annapolis Valley Regional Library - 2.34%

During fiscal 2023, the Town of Berwick paid \$17,400 (2022 - \$17,400) to the Annapolis Valley Regional Library.

Annapolis Valley Regional School Board - 3.4245%

In fiscal 2023, the Town of Berwick contributed \$569,337 (2022 - \$549,984) as its share of operations for the Board.

Valley Waste-Resource Management Authority - 3.53% share

The Town of Berwick has shared use of waste management and recycling facilities in the Kings and Annapolis regions. In fiscal 2023, the Town of Berwick paid \$232,231 (2022 - \$223,078) as its share of net operating costs.

Kings Transit Authority - 5% share

During fiscal 2023, the Town of Berwick paid \$73,021 (2022 - \$65,444) to the Kings Transit Authority to fund its share of the deficit.

Valley Community Fibre Network Authority - 1.06% share

During fiscal 2023, the Town of Berwick paid \$3,204 (2022 - \$3,799) to the Valley Community Fibre Network Authority to fund its share of operations.

Valley Regional Enterprise Network – 4.57% share

During fiscal 2023, the Town of Berwick paid \$14,865 (2022 - \$14,865) to the Valley Regional Enterprise Network to fund its share of operations.

### 3. Cash

	<u>2023</u>	<u>2022</u>
Depreciation bank - Electric capital fund	\$ 319,068	\$ 133,158
Capital Reserve fund	952,758	501,855
Operating Reserve fund	775,555	-
Town operating	629,798	1,298,289
AREA	<u>440,332</u>	<u>620,907</u>
	<u>\$ 3,117,511</u>	<u>\$ 2,554,209</u>

# Draft

## Town of Berwick Notes to Consolidated Financial Statements

March 31, 2023

### 4. Taxes receivable

	Current Year	Prior Year	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ -	\$ 62,058	\$ 62,058	\$ 65,340
Add (Deduct):				
Current year's tax levy	4,250,403	-	4,250,403	3,937,032
Current year collections	(4,181,516)	(36,940)	(4,218,456)	(3,928,314)
Valuation allowance	-	-	(12,000)	(12,000)
Balance, end of year	<u>\$ 61,503</u>	<u>\$ 25,118</u>	<u>\$ 82,005</u>	<u>\$ 62,058</u>

### 5. Valuation allowance

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 12,000	\$ 12,000
Add:		
Increase (Decrease) in allowance	-	-
Balance, end of year	<u>\$ 12,000</u>	<u>\$ 12,000</u>

### 6. Accounts Receivable

	<u>2023</u>	<u>2022</u>
General Operating Fund	\$ 425,286	\$ 2,628,886
Capital Fund - General	2,761,233	-
Capital Reserve	154,467	-
Electric Utility Operating Fund AREA	1,479,175	1,643,979
	<u>2,065,885</u>	<u>2,116,885</u>
	<u>\$ 6,886,046</u>	<u>\$ 6,389,750</u>

### 7. Bank indebtedness

	<u>2023</u>	<u>2022</u>
General Operating Fund	\$ -	\$ -
Electric Utility Operating Fund	529,968	100,130
	<u>\$ 529,968</u>	<u>\$ 100,130</u>

### 8. Short Term Borrowings

As of March 31, 2023, the Town has \$5,304,017 in temporary financing at 6.30% interest (3.35% - 2022). This will be repaid with capital grants and long term debt when the project is complete.

# Draft

**Town of Berwick**  
**Notes to Consolidated Financial Statements**  
 -  
**March 31, 2023**

**9. Payables and accruals**

	<u>2023</u>	<u>2022</u>
General Operating Fund	\$ 1,901,043	\$ 1,029,266
Electric Utility Operating Fund	911,857	958,991
AREA	<u>2,171,667</u>	<u>2,281,990</u>
	<u>\$ 4,984,567</u>	<u>\$ 4,270,247</u>

**10. Inventory and Prepaid**

	<u>2023</u>	<u>2022</u>
General Operating Fund - Prepaid	\$ 107,577	\$ 143,943
General Operating Fund - Inventory	2,909	4,400
Electric Utility Operating Fund- Prepaid	64,593	5,512
Electric Utility Operating Fund- Inventory	44,642	127,289
AREA - Prepaid	<u>77,672</u>	<u>51,505</u>
	<u>\$ 297,393</u>	<u>\$ 332,649</u>

**11. Tangible Capital Assets**

	<u>Cost</u> <u>Opening</u>	<u>Additions</u>	<u>Disposals</u>	<u>Write</u> <u>Downs</u>	<u>Cost</u> <u>Closing</u>	<u>Amortization</u>	<u>Accum</u> <u>Amort</u>	<u>Net Book</u> <u>Value</u>
<b><u>General Capital</u></b>								
Land	\$ 729,844	\$ -	\$ -	\$ -	\$ 729,844	\$ -	\$ -	\$ 729,844
Buildings	5,901,359	31,144	-	-	5,932,503	145,193	1,478,592	4,453,911
Machinery & equipment	2,800,329	63,664	(8,751)	(115,215)	2,740,027	134,770	1,779,447	960,580
General office equip/ software	267,235	57,879	-	(12,110)	313,004	28,328	261,001	52,003
Parks and open space infrastructure	1,174,754	126,832	-	(9,134)	1,292,452	77,016	632,098	660,354
Vehicles	139,503	106,283	(42,921)	-	202,865	25,978	105,051	97,814
Streets	2,033,799	-	-	-	2,033,799	31,191	1,560,260	473,539
Sidewalks	1,297,243	7,765	-	-	1,305,008	42,735	718,460	586,548
Street lighting	240,886	20,860	-	-	261,746	5,296	206,452	55,294
Solar Garden	3,667,451	6,410,100	-	-	10,077,551	-	-	10,077,551
Sewer collection system	1,427,761	-	-	-	1,427,761	32,408	692,718	735,043
Storm water system	1,115,189	-	-	-	1,115,189	23,283	513,319	601,870
Sewage treatment plt.	<u>5,529,885</u>	<u>106,261</u>	<u>-</u>	<u>-</u>	<u>5,636,146</u>	<u>156,882</u>	<u>3,872,418</u>	<u>1,763,728</u>
	<u>26,325,238</u>	<u>6,930,788</u>	<u>(51,672)</u>	<u>(136,459)</u>	<u>33,067,895</u>	<u>703,080</u>	<u>11,819,816</u>	<u>21,248,079</u>

There are \$10,270,590 (2022 - \$3,802,404) of assets included above that are not being amortized as they are still under construction.

**Electric Capital**

Intangible assets	1,094	-	-	-	1,094	-	-	1,094
Power generation	2,920,146	28,288	-	-	2,948,434	61,710	964,187	1,984,247
Transmission line right of way	55,046	-	-	-	55,046	-	-	55,046
Substations	1,543,779	19,517	-	-	1,563,296	49,203	790,629	772,667
Distribution	3,952,620	45,778	-	-	3,998,398	140,584	2,965,882	1,032,516
General property	<u>1,283,022</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,283,022</u>	<u>80,957</u>	<u>823,347</u>	<u>459,675</u>
	<u>9,755,707</u>	<u>93,583</u>	<u>-</u>	<u>-</u>	<u>9,849,290</u>	<u>332,454</u>	<u>5,544,045</u>	<u>4,305,245</u>
<b><u>AREA</u></b>	<u>13,909,797</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,909,797</u>	<u>540,893</u>	<u>3,588,083</u>	<u>10,321,714</u>
	<u>\$ 49,990,742</u>	<u>\$ 7,024,371</u>	<u>\$ (51,672)</u>	<u>\$ (136,459)</u>	<u>\$ 56,826,982</u>	<u>\$ 1,576,427</u>	<u>\$ 20,951,944</u>	<u>\$ 35,875,038</u>

## Town of Berwick Notes to Consolidated Financial Statements

March 31, 2023

### 12. Fund Balances

	<u>2023</u>	<u>2022</u>
General operating fund	\$ -	\$ -
Capital reserve fund	698,804	798,464
Operating reserve fund	1,184,565	1,214,978
Electric operating fund	263,337	231,679
PCB Disposal reserve fund	4,000	4,000
AREA net assets	142,225	219,084
AREA Reserve	<u>270,000</u>	<u>270,000</u>
	<u>\$ 2,562,931</u>	<u>\$ 2,738,205</u>

### 13. Retired Clerk's Pension - Past Service Costs

Under provincial legislation, municipalities were required to have a defined benefit pension plan for a former municipal clerk for a benefit equal to 2% per year, times clerk's years of service to April 1, 1993, times the average of the final five years of salary, before actual retirement. The actuarial present value of accrued pension benefits attributed to services to April 1, 2019 is being funded to March 31, 2030. The unfunded amount of this liability at April 1, 2020 was \$65,700 based on an actuarial valuation of the pension plan done as at that date. Since then the municipality has made payments totaling \$23,720 which has reduced the unfunded amount to \$41,980 at March 31, 2023 (2022 - \$51,495). During the year contributions were made as follows \$9,515 (2022 - \$7,381)

### 14. Defined Contribution Pension Plan

The Town and Electric Commission have defined contribution pension plans for their employees. The total contribution to the employees defined contribution pension for the year ending March 31, 2023 was \$ 102,739 (2022 -\$98,318).

### 15. Cash - General Capital Reserve

\$608,210 (2022 \$501,855) of the cash balance held in the general capital reserve fund relates to monies received from the Canada-Nova Scotia Federal Fuel Tax program and must be expended within the guidelines of that program.

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## Town of Berwick Notes to Consolidated Financial Statements

March 31, 2023

### 16. Investment in Capital Assets

	<u>2023</u>	<u>2022</u>
<b>General Capital</b>		
Balance, beginning of year	\$10,476,614	\$ 8,188,857
Add (Deduct):		
Long term debt retired	308,891	310,380
Grants for capital purposes:		
Province of Nova Scotia - Solar	4,077,768	2,308,721
Restart Funds	50,023	9,499
Federal Gas tax	-	56,742
FCM Grant	49,950	-
Berwick Fire Department	30,516	61,955
Beautification grant	9,949	-
Transfer from operating reserve	95,410	42,716
Transfer from capital reserve fund	287,762	198,698
Amortization	(703,080)	(700,954)
Disposal of property and equipment	(7,844)	-
Balance, end of year	<u>14,675,959</u>	<u>10,476,614</u>
<b>Electric Capital</b>		
Balance, beginning of year	\$ 3,548,802	\$ 3,466,292
Add (Deduct):		
Term debt retired	<u>80,833</u>	<u>82,510</u>
Balance, end of year	<u>3,629,635</u>	<u>3,548,802</u>
<b>AREA</b>		
Balance, beginning of year	(736,586)	(745,364)
Debt repayment	561,164	549,672
Amortization	<u>(540,894)</u>	<u>(540,894)</u>
Balance, end of year	<u>(716,316)</u>	<u>(736,586)</u>
<b>Total</b>	<u>\$ 17,589,278</u>	<u>\$ 13,288,829</u>

## Town of Berwick Notes to Consolidated Financial Statements

March 31, 2023

### 17. Commitments

The Town has commitments under property leases over the next year and are estimated as follows:

On December 10, 2013 Council approved a resolution to guarantee the Town's portion of existing borrowings incurred by Valley Waste Resource Management Authority.

On June 17, 2014 Council approved a resolution to guarantee borrowing by Alternative Resource Energy Authority up to \$6,480,000 towards the construction of a wind farm facility.

On February 17, 2017 Council approved a resolution to guarantee borrowing by Alternative Resource Energy Authority up to \$4,340,000 towards phase 2 of the construction of a wind farm facility.

On September 13, 2016 Council approved a resolution to guarantee borrowing by Alternative Resource Energy Authority up to \$3,915,000 towards phase three of the construction of a wind farm facility.

On January 14, 2020, Council approved a limited guarantee in the amount of \$385,700 for NB Power for the Town's obligations arising under a Master Power Purchase and Sale Agreement and the Alternative Resource Energy Authority for 2021.

On November 9, 2021, Council approved to unconditionally guarantees the payment obligations of the Alternative Resource Energy Authority due to LG Electronics re the Community solar garden. (Not to exceed \$1,000,000 US Dollars)

### 18. Deferred Revenue

	<u>2023</u>	<u>2022</u>
Restart funding - Province of Nova Scotia	\$ 310,694	\$ 370,887
Sustainable Services Growth -Province of Nova Scotia	\$ 326,419	\$ -
Accessible Grant	44,809	-
Apple Fund	<u>7,587</u>	<u>8,036</u>
	<u>\$ 689,509</u>	<u>\$ 378,923</u>

### 19. Remuneration and Expenses

The total remuneration and expenses paid to the Mayor, Council and Chief Administration Officer are as follows:

	Wages	Expenses	<u>2023</u>	<u>2022</u>
Council members				
D. Clarke (Mayor)	\$ 21,525	\$ 3,668	\$ 25,193	\$ 27,385
D. Jamieson	-	1,789	1,789	9,677
M. Trinacty	11,059	1,867	12,926	10,883
T. Walsh	10,062	1,311	11,373	10,291
A. Lutz	10,062	-	10,062	9,677
R. Reeves	10,062	-	10,062	9,677
C. Goddard	10,062	-	10,062	9,677
Jen Boyd, CAO	115,804	3,695	119,499	-
Michael Payne, CAO	-	-	-	<u>108,104</u>
	<u>\$ 188,636</u>	<u>\$ 12,330</u>	<u>\$ 200,966</u>	<u>\$ 195,371</u>

## Town of Berwick Notes to Consolidated Financial Statements

March 31, 2023

### 20. Government Partnership - Alternative Resource Energy Authority

Alternative Resource Energy Authority (AREA) is an Intermunicipal Authority incorporated in July 2013 and is owned by the Towns of Antigonish, Berwick and Mahone Bay. The Town of Antigonish receives 63% of the power generated. The Town of Berwick receives 27% and the remaining 10% of power is received by the Town of Mahone Bay. The revenue, expenses, assets and liabilities are shared between the municipalities based on the each municipalities share of the power generated. The Town has proportionately consolidated it's ownership of AREA into it's consolidated financial statements.

The Town owns 27% of AREA and the following the financial information for the fiscal years 2023 and 2022 as per their audited financial statements.

Summary of AREA Financial information

March 31, 2023

#### Consolidated Statement of Financial Position

	<u>2023</u>	<u>2022</u>
Financial Assets	\$ <u>9,282,285</u>	\$ <u>10,139,969</u>
Liabilities		
Long-Term Debt	40,881,590	42,959,970
Other liabilities	<u>8,043,210</u>	<u>8,519,314</u>
	<u>48,924,800</u>	<u>51,479,284</u>
Non-Financial Assets		
Tangible capital assets	38,228,569	40,231,879
Prepaid and Inventory expenses	<u>287,682</u>	<u>190,767</u>
	<u>38,516,251</u>	<u>40,422,646</u>
Accumulated Surplus (Deficit)	\$ <u><u>(1,126,264)</u></u>	\$ <u><u>(916,669)</u></u>

#### Consolidated Statement of Operations

Revenues	\$ 30,553,563	\$ 25,912,435
Expenses	<u>29,854,366</u>	<u>24,960,088</u>
Annual Surplus	<u><u>\$ 699,197</u></u>	<u><u>\$ 952,347</u></u>

Included in total revenue is power sold to the Berwick Electric Utility in the amount of \$2,884,642 (2022 \$3,234,653). These revenues were not eliminated in the consolidation.

### 21. Comparative Figures

The comparative figures have been restated for the financial statement presentation adopted in the current year.

**Town of Berwick**  
**Notes to Consolidated Financial Statements**  
**Schedule of Capital Debt Charges and Term Debt**  
**March 31, 2023**

	Due	Balance		Issue	Redeemed	Balance		Interest	Interest Rate
		April 1	2022			2023	March 31		
<b>Town Hall</b>									
Debenture - Nova Scotia Municipal Finance Corporation	2032	\$ 1,920,000	\$ -	-	\$ 120,000	\$ 1,800,000	\$ 51,833	1.86 - 3.209%	
Debenture - Nova Scotia Municipal Finance Corporation	2035	71,867	-	-	5,133	66,734	1,176	0.859-2.378%	
<b>Sewer</b>									
Debenture - Nova Scotia Municipal Finance Corporation	2026	60,328	-	-	6,016	54,312	2,302	3.766 - 4.026%	
Debenture - Nova Scotia Municipal Finance Corporation	2022	11,400	-	-	11,400	-	440	3 - 3.16%	
Debenture - Nova Scotia Municipal Finance Corporation	2023	51,800	-	-	25,900	25,900	1,500	3.469 - 3.614%	
Debenture - Nova Scotia Municipal Finance Corporation	2032	66,000	-	-	6,000	60,000	1,629	1.86 - 3.209%	
Debenture - Nova Scotia Municipal Finance Corporation	2035	24,800	-	-	6,200	18,600	220	0.859-2.378%	
<b>Fire department</b>									
Debenture - Nova Scotia Municipal Finance Corporation	2024	466,000	-	-	58,250	407,750	23,484	5.359 - 5.644%	
Debenture - Nova Scotia Municipal Finance Corporation	2035	191,333	-	-	13,667	177,666	3,130	0.859-2.378%	
<b>Public Works</b>									
Debenture - Nova Scotia Municipal Finance Corporation	2026	93,922	-	-	9,409	84,513	3,585	3.766 4.026%	
Debenture - Nova Scotia Municipal Finance Corporation	2022	11,400	-	-	11,400	-	-	3.16%	
Debenture - Nova Scotia Municipal Finance Corporation	2035	116,667	-	-	8,333	108,334	1,909	0.859-2.378%	
<b>Administration</b>									
Debenture - Nova Scotia Municipal Finance Corporation	2026	45,177	-	-	9,041	36,137	1,629	3.766 4.026%	
Debenture - Nova Scotia Municipal Finance Corporation	2034	<u>326,700</u>	-	-	<u>18,150</u>	<u>308,550</u>	<u>8,562</u>	2.039-3.048%	
		<u>\$ 3,457,394</u>	\$ -	\$ -	<u>\$ 308,899</u>	<u>\$ 3,148,496</u>	<u>\$ 101,399</u>		

**Town of Berwick**  
**Electric Utility**  
**Notes to Consolidated Financial Statements**  
**Schedule of Capital Debt Charges and Term Debt**  
**March 31, 2023**

	Balance April 1 2022	Issue	Redeemed	Balance March 31 2023	Interest	Interest Rate
Due	2022			2023		
Debtenture - Nova Scotia Municipal Finance Corporation	2024	\$ 152,000	\$ -	\$ 133,000	\$ 7,660	5.359 - 5.644%
Debtenture - Nova Scotia Municipal Finance Corporation	2032	165,000	-	150,000	4,072	1.86 - 3.209%
Debtenture - Nova Scotia Municipal Finance Corporation	2033	252,000	-	231,000	7,638	2.761 - 3.501%
Debtenture - Nova Scotia Municipal Finance Corporation	2035	332,500	-	315,000	6,088	0.859-2.378%
Debtenture - Nova Scotia Municipal Finance Corporation	2036	250,000	-	241,667	5,799	0.4 - 2.809%
		<u>\$1,151,500</u>	<u>\$ -</u>	<u>\$ 1,070,667</u>	<u>\$ 31,257</u>	

	Balance April 1 2022	Issue	Redeemed	Balance March 31 2023	Interest	Interest Rate
Due	2022			2023		
Alternative Resource Energy Authority	2032	\$ 11,599,192	\$ -	\$ 561,163	\$ 11,038,029	352,338
Total		<u>\$ 16,208,086</u>	<u>\$ -</u>	<u>\$ 950,895</u>	<u>\$ 15,257,192</u>	<u>\$ 484,994</u>

Principal repayments required during the next five years are as follows:

	General Capital	Electric Utility	AREA	Total
2023	\$ 286,091	\$ 80,833	\$ 574,009	\$ 940,933
2024	551,441	175,833	587,999	1,315,273
2025	201,941	61,833	603,646	867,420
2026	272,871	61,833	620,568	955,272
2027	171,283	61,833	638,726	871,842
	<u>\$ 1,483,627</u>	<u>\$ 442,165</u>	<u>\$ 3,024,948</u>	<u>\$ 4,950,740</u>

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## Morse Brewster Lake

Chartered Professional Accountants

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B0P 1E0  
Tel: (902) 538-8531  
Fax: (902) 538-7610  
Email: [info@mblcpa.ca](mailto:info@mblcpa.ca)

### **Auditors' Report on Supplemental Financial Information**

**To the Mayor and Councillors of  
Town of Berwick**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in the Schedules is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Berwick, Nova Scotia  
Date

*Morse Brewster Lake*

Chartered Professional Accountants  
Registered Municipal Auditor

# Draft

## Town of Berwick General Section Statement of Operations

Year Ended March 31, 2023

	Page	2023 <u>Budget</u>	2023 <u>Actual</u>	2022 <u>Actual</u>
<b>Revenue</b>				
Taxation	24	\$ 4,154,261	\$ 4,250,403	\$ 3,937,032
Less: School Board requisition		<u>(573,477)</u>	<u>(569,337)</u>	<u>(549,984)</u>
		3,580,784	3,681,066	3,387,048
Grants in lieu of taxes	24	38,850	41,099	42,684
Sale of services	24	684,478	705,915	569,420
Revenue from own sources	25	346,452	457,513	531,032
Unconditional transfers from other governments	25	227,739	218,627	444,355
Other transfers	25	<u>48,939</u>	<u>19,794</u>	<u>6,023</u>
		<u>4,927,242</u>	<u>5,124,014</u>	<u>4,980,562</u>
<b>Expenditures</b>				
General government services				
Legislative services	26	135,423	134,589	117,407
Administrative services	26	828,294	938,913	812,389
Protective services				
Police services	27	760,061	761,792	685,968
Fire services	27	271,050	237,255	214,338
Other services	27	42,150	7,981	54,142
Transportation services	28	968,778	982,081	869,687
Environmental health services	28	690,938	698,701	579,760
Economic Development	29	172,508	269,707	140,375
Recreation and cultural services	29	504,561	498,391	450,918
Fiscal services	30	<u>244,588</u>	<u>220,716</u>	<u>263,061</u>
		<u>4,618,351</u>	<u>4,750,126</u>	<u>4,188,045</u>
<b>Net Revenue over Expenditures</b>		308,891	373,888	792,517
Debt principal installments		(308,891)	(308,891)	(310,380)
Transfers (to) from:				
Operating reserve fund		<u>-</u>	<u>(64,997)</u>	<u>(482,137)</u>
<b>Change in Fund Balance</b>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# Draft

**Town of Berwick  
General Section  
Operating Fund  
Statement of Financial Position**

**March 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 629,798	\$1,298,289
Taxes receivable (net of allowance - note 5) (note 4)	82,005	62,058
Accounts receivable	425,286	2,628,886
Inventory	2,909	4,400
HST rebate	319,035	188,299
Due from capital reserve	25,250	-
Due from Berwick electric operating	-	460,706
Due from general capital fund	1,517,873	-
Prepaid expenses	<u>107,577</u>	<u>143,943</u>
	3,109,733	4,786,581
<b>Deferred pension charge (note 13)</b>	<u>41,980</u>	<u>51,945</u>
	<u>\$3,151,713</u>	<u>\$4,838,526</u>
<b>Liabilities</b>		
<b>Current</b>		
Payables and accruals	1,901,043	1,029,266
Due to capital reserve	-	296,609
Due to Berwick electric operating	110,172	-
Due to operating reserve	409,010	1,214,978
Deferred revenue	<u>689,508</u>	<u>378,924</u>
	3,109,733	2,919,777
<b>Due to the general capital fund</b>	-	1,866,804
<b>Unfunded pension liability (note 13)</b>	<u>41,980</u>	<u>51,945</u>
	<u>3,151,713</u>	<u>4,838,526</u>
<b>Surplus</b>		
<b>Operating Surplus</b>	<u>-</u>	<u>-</u>
	<u>\$3,151,713</u>	<u>\$4,838,526</u>

On Behalf of the Town of Berwick

\_\_\_\_\_, Mayor \_\_\_\_\_, Clerk

# Draft

**Town of Berwick  
General Section  
Capital Fund  
Statement of Financial Position**

**March 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
<b>Current</b>		
Accounts receivable	\$ 2,761,233	\$ -
Due from general operating fund	<u>-</u>	<u>1,866,804</u>
	2,761,233	1,866,804
<b>Equity in assets of</b>		
<b>Valley Waste-Resource Management</b>	253,863	253,863
<b>Due from reserve fund</b>	383,171	-
<b>Tangible capital assets (note 11)</b>	<u>21,248,079</u>	<u>15,028,214</u>
	<u>\$24,646,346</u>	<u>\$17,148,881</u>
<b>Liabilities</b>		
<b>Current</b>		
Short term borrowings (note 8)	\$ 5,304,017	\$ 3,214,873
Due to general operating fund	<u>1,517,874</u>	<u>-</u>
	6,821,891	3,214,873
<b>Long Term Debt (page 18)</b>		
Debentures issued to Province of Nova Scotia or its agencies:		
Nova Scotia Municipal Finance Corporation	<u>3,148,496</u>	<u>3,457,393</u>
	<u>9,970,387</u>	<u>6,672,266</u>
<b>Equity</b>		
<b>Investment in Capital Assets (page 23)</b>	<u>14,675,959</u>	<u>10,476,614</u>
	<u>\$24,646,346</u>	<u>\$17,148,880</u>

On Behalf of the Town of Berwick

\_\_\_\_\_, Mayor \_\_\_\_\_, Clerk

# Draft

**Town of Berwick  
General Section  
Statement of Investments in Capital Assets**

**March 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>Balance, beginning of year</b>	\$10,476,614	\$ 8,188,857
Add (Deduct):		
Long term debt retired	308,891	310,380
Grants for capital purposes:		
Province of Nova Scotia	4,077,768	2,308,721
Federal Gas tax	-	56,742
FCM Grant	49,950	-
Beautification Grant	9,949	-
Berwick Fire Department	30,516	61,955
Restart Funds	50,023	9,499
Transfer from operating reserve	95,410	42,716
Transfer from capital reserve fund	287,762	198,698
Amortization	(703,080)	(700,954)
Disposal of property and equipment	<u>(7,844)</u>	<u>-</u>
<b>Balance, end of year</b>	<u><u>\$14,675,959</u></u>	<u><u>\$10,476,614</u></u>

# Draft

**Town of Berwick  
General Section  
Schedules to Statement of Operations**

**Year Ended March 31, 2023**

	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
<b>Taxation</b>			
Residential	\$ 2,486,117	\$ 2,488,091	\$ 2,228,105
Commercial	<u>999,667</u>	<u>1,001,618</u>	<u>990,836</u>
	<u>3,485,784</u>	<u>3,489,709</u>	<u>3,218,941</u>
Resource	18,808	18,816	16,563
Deed transfer tax	125,000	184,313	178,186
Sewer:			
Residential	203,200	204,501	201,873
Commercial	<u>321,469</u>	<u>353,064</u>	<u>321,469</u>
	<u>668,477</u>	<u>760,694</u>	<u>718,091</u>
	<u>\$ 4,154,261</u>	<u>\$ 4,250,403</u>	<u>\$ 3,937,032</u>
<b>Grants in Lieu of Taxes</b>			
Federal government agencies	\$ 6,850	\$ 15,143	\$ 7,011
HST recovery	20,000	14,730	23,618
Aliant Telecom Incorporated	<u>12,000</u>	<u>11,226</u>	<u>12,055</u>
	<u>\$ 38,850</u>	<u>\$ 41,099</u>	<u>\$ 42,684</u>
<b>Sales of Services</b>			
Fire protection - Kings County	\$ 190,435	\$ 151,800	\$ 149,000
Sewer service fees	26,000	26,000	26,000
Administration fee	204,250	204,250	204,250
Recreation program revenue	183,793	230,005	130,023
Fitness Centre	<u>80,000</u>	<u>93,860</u>	<u>60,147</u>
	<u>\$ 684,478</u>	<u>\$ 705,915</u>	<u>\$ 569,420</u>

# Draft

**Town of Berwick  
General Section  
Schedules to Statement of Operations**

**Year Ended March 31, 2023**

	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
<b>Revenue from Own Sources</b>			
Facility rental	\$ 55,432	\$ 70,819	\$ 66,030
PACE program	8,700	4,089	14,948
Alternative Resource Energy Authority	225,000	245,375	378,775
Fines	500	389	958
Interest on investments	2,000	39,179	2,242
Interest on taxes	15,000	20,834	15,434
Planning services	6,000	11,139	14,496
By-law administration fees	3,200	2,675	3,668
Miscellaneous	<u>30,620</u>	<u>63,014</u>	<u>34,481</u>
	<u>\$ 346,452</u>	<u>\$ 457,513</u>	<u>\$ 531,032</u>
<b>Unconditional Transfers from Other Governments</b>			
Provincial government			
Equalization grant	\$ 221,479	\$ 211,479	\$ 442,958
Farm property acreage	1,460	1,460	1,397
Other	<u>4,800</u>	<u>5,688</u>	<u>-</u>
	<u>\$ 227,739</u>	<u>\$ 218,627</u>	<u>\$ 444,355</u>
<b>Other Transfers</b>			
Other reserves	48,939	-	-
Valley Waste Resource Centre	<u>-</u>	<u>19,794</u>	<u>6,023</u>
	<u>\$ 48,939</u>	<u>\$ 19,794</u>	<u>\$ 6,023</u>

# Draft

**Town of Berwick  
General Section  
Schedules to Statement of Operations**

**Year Ended March 31, 2023**

	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
<b>General Government Services</b>			
Legislative			
Honorarium	\$ 84,923	\$ 87,716	\$ 81,169
Legislative Grants to organizations	31,600	33,013	27,727
Legislative expenses	<u>18,900</u>	<u>13,860</u>	<u>8,511</u>
	<u>\$ 135,423</u>	<u>\$ 134,589</u>	<u>\$ 117,407</u>
Chief Administrative Office			
Salaries and benefits	\$ 139,624	\$ 158,246	\$ 131,047
Travel and conferences	6,200	4,040	3,266
Legal and professional fees	10,000	2,073	10,183
Advertising	2,000	5,394	3,328
Communication expense	1,000	1,869	1,327
Office and supplies	<u>500</u>	<u>417</u>	<u>693</u>
	<u>159,324</u>	<u>172,039</u>	<u>149,844</u>
Administration			
Salaries and benefits	304,470	344,949	331,352
Travel and conferences	6,500	4,467	4,626
Office and equipment expense	15,000	23,535	13,117
Liability insurance	20,000	23,770	22,342
Tax sale expenses	1,000	-	-
Bad debts	10,000	-	-
Postage	15,000	16,852	13,939
Communication expense	2,000	3,398	2,059
Audit	8,500	18,250	7,822
Bank fees and interest charges	<u>15,000</u>	<u>37,755</u>	<u>12,536</u>
	<u>397,470</u>	<u>472,976</u>	<u>407,793</u>
Tax appeals and exemptions	130,000	127,501	123,990
Information technology	37,000	60,299	36,479
Utilities and maintenance of			
Town Hall, Annex and vacant building	102,000	106,098	92,783
Grants to organizations	<u>2,500</u>	<u>-</u>	<u>1,500</u>
	<u>\$ 828,294</u>	<u>\$ 938,913</u>	<u>\$ 812,389</u>

# Draft

**Town of Berwick  
General Section  
Schedules to Statement of Operations**

**Year Ended March 31, 2023**

	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
<b>Protective Services</b>			
Police protection			
RCMP services	\$ <u>760,061</u>	\$ <u>761,792</u>	\$ <u>685,968</u>
Fire protection			
Honorarium	12,000	10,150	10,265
Utilities and maintenance of fire hall	105,750	101,347	78,312
Clothing and safety equipment	-	680	1,176
Vehicle expenses	54,000	50,911	38,049
Training and conferences	12,500	8,414	5,514
Dues and fees	1,000	655	1,113
Office supplies	2,000	1,225	2,267
Workers Compensation	6,900	7,258	7,063
Operational materials and supplies	54,000	40,921	49,990
Communication expense	<u>22,900</u>	<u>15,694</u>	<u>20,589</u>
	<u>271,050</u>	<u>237,255</u>	<u>214,338</u>
Emergency measures	8,550	7,523	7,112
By-Law services	100	458	19,475
Building and fire inspection	<u>33,500</u>	<u>-</u>	<u>27,555</u>
	<u>42,150</u>	<u>7,981</u>	<u>54,142</u>
	<u>\$1,073,261</u>	<u>\$1,007,028</u>	<u>\$ 954,448</u>

# Draft

**Town of Berwick**  
**General Section**  
**Schedules to Statement of Operations**  
**Year Ended March 31, 2023**

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
<b>Transportation Services</b>			
Administration			
Salaries and benefits	\$ 92,115	\$ 72,633	\$ 65,174
Travel and conferences	11,900	9,081	10,703
Advertising	2,000	1,057	1,971
Office supplies and expense	1,000	69	483
Communication expense	6,000	5,213	8,144
Utilities and maintenance of			
Public Works building	29,000	38,295	25,993
Vehicle and equipment expense	85,000	104,953	81,283
General operations			
Salaries and benefits	307,084	349,502	364,380
Operational materials and supplies	245,650	244,607	167,693
Contracted services	-	1,564	-
Crosswalk guard expense	20,729	9,647	16,016
Roads and streets			
Street lighting	98,000	72,439	62,403
Kings Transit services	<u>70,300</u>	<u>73,021</u>	<u>65,444</u>
	<u>\$ 968,778</u>	<u>\$ 982,081</u>	<u>\$ 869,687</u>
<b>Environmental Health Services</b>			
Administration			
Salaries and benefits	\$ 30,704	\$ 22,961	\$ 21,065
Travel and courses	5,500	4,118	487
Office and communication expense	4,500	2,319	4,045
Administration fees	26,000	26,000	26,000
Sewer collections			
Salaries and benefits	9,818	8,033	5,438
Power	35,000	26,855	31,594
Insurance	300	305	241
Repairs and maintenance	30,000	75,092	25,469
Sewer treatment			
Salaries and benefits	78,534	73,447	43,837
Power	102,000	110,048	96,777
Repairs and maintenance	76,000	84,284	68,383
Sampling	20,000	33,008	33,346
Solid waste disposal	225,990	232,231	223,078
Contribution to reserves	<u>46,592</u>	<u>-</u>	<u>-</u>
	<u>\$ 690,938</u>	<u>\$ 698,701</u>	<u>\$ 579,760</u>

# Draft

**Town of Berwick**  
**General Section**  
**Schedules to Statement of Operations**  
**Year Ended March 31, 2023**

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
<b>Economic Development</b>			
Tourism			
Salaries and benefits	\$ 9,813	\$ 3,341	\$ 5,002
Communication and utility expense	<u>1,750</u>	<u>2,019</u>	<u>1,557</u>
	<u>11,563</u>	<u>5,360</u>	<u>6,559</u>
Planning and Development			
Office supplies	2,100	31	386
Advertising	3,000	4,799	3,287
Contracted services	<u>115,882</u>	<u>181,699</u>	<u>73,490</u>
	<u>120,982</u>	<u>186,529</u>	<u>77,163</u>
Economic development expenses			
Salaries and benefits	33,763	48,772	48,560
Marketing and community development	5,000	24,012	6,327
Office and operational supplies	1,000	2,905	1,766
Travel and courses	<u>200</u>	<u>2,129</u>	<u>-</u>
	<u>39,963</u>	<u>77,818</u>	<u>56,653</u>
	<u>\$ 172,508</u>	<u>\$ 269,707</u>	<u>\$ 140,375</u>
<b>Recreational and Cultural Services</b>			
Administration			
Salaries and benefits	\$ 123,486	\$ 111,080	\$ 125,611
Travel and courses	2,100	1,773	1,556
Office supplies and postage	150	244	67
Advertising	500	797	473
Dues and subscriptions	2,500	3,549	1,800
Communication expense	250	1,641	21
Community events	20,750	15,870	11,824
Building expense	3,500	9,539	1,223
Parks and playgrounds			
Salaries and benefits	42,397	36,485	64,310
Insurance	4,200	4,631	3,972
Power	5,000	5,144	5,102
Vehicle expense	14,000	7,201	13,001
Operational material and supplies	21,850	23,174	22,285
Recreation programs			
Salaries and benefits	91,930	109,978	59,202
Program material and supplies	10,100	13,948	12,403
Fitness Centre			
Salaries and benefits	120,198	120,655	91,831
Advertising	600	364	611
Operational material and supplies	11,250	11,913	7,064
Utilities and maintenance	<u>29,800</u>	<u>20,405</u>	<u>28,562</u>
	<u>\$ 504,561</u>	<u>\$ 498,391</u>	<u>\$ 450,918</u>

# Draft

**Town of Berwick**  
**General Section**  
**Schedules to Statement of Operations**  
**Year Ended March 31, 2023**

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
<b>Fiscal Services</b>			
Debt charges			
Interest on long term debt	104,520	99,457	110,315
Unconditional transfers to other government and agencies			
Valley Community Fibre Network Authority	3,200	3,204	3,799
Valley Regional Enterprise Network	14,865	14,865	14,865
Conditional transfers to other governments and agencies			
Assessment services	31,015	38,800	31,266
Correctional services	28,549	28,549	28,717
Kings Point to Point	5,039	-	4,940
Public Health and Welfare Services			
Deficit Annapolis Valley Housing Authority	40,000	18,441	51,759
Recreation and Cultural Services			
Regional library	<u>17,400</u>	<u>17,400</u>	<u>17,400</u>
	<u>\$ 244,588</u>	<u>\$ 220,716</u>	<u>\$ 263,061</u>

# Draft

## Town of Berwick Electric Utility Statement of Operations

Year Ended March 31, 2023

	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
<b>Revenue</b>			
Operating			
Domestic power	\$ 2,792,593	\$ 2,734,080	\$ 2,689,773
Industrial power	1,377,034	1,454,520	1,336,701
General service power	1,189,888	1,228,157	1,190,406
Yard lighting sales	32,626	31,595	32,002
Connection fees	4,000	4,240	3,780
Wiring permit fees	7,500	22,511	15,177
Energy credits	20,000	13,343	24,297
Municipal street lighting	<u>51,690</u>	<u>54,708</u>	<u>54,795</u>
	5,475,331	5,543,154	5,346,931
Non-operating			
Interest on overdue accounts	15,000	23,877	15,639
Miscellaneous	<u>225,000</u>	<u>61,401</u>	<u>60,814</u>
	<u>5,715,331</u>	<u>5,628,432</u>	<u>5,423,384</u>
<b>Operating Expenditures</b>			
Production expenses (page 35)	4,318,141	4,356,914	4,043,642
Distribution expenses (page 35)	447,797	504,461	441,455
General expenses (page 35)	414,624	342,456	406,515
Depreciation	<u>325,000</u>	<u>279,494</u>	<u>332,575</u>
	<u>5,505,562</u>	<u>5,483,325</u>	<u>5,224,187</u>
<b>Operating profit</b>	<u>209,769</u>	<u>145,107</u>	<u>199,197</u>
<b>Non-Operating Expenditures</b>			
Short term interest	7,600	1,000	7,713
Interest on debentures	<u>31,939</u>	<u>31,616</u>	<u>31,039</u>
	<u>39,539</u>	<u>32,616</u>	<u>38,752</u>
<b>Other Expenditures</b>			
Bonds retired	80,833	80,833	82,510
	<u>80,833</u>	<u>80,833</u>	<u>82,510</u>
<b>Operating Surplus For The Year</b>	89,397	31,658	77,935
	<u>\$ 89,397</u>	31,658	77,935
<b>Surplus, beginning of year</b>		<u>231,679</u>	<u>153,744</u>
<b>Surplus, end of year</b>		<u>\$ 263,337</u>	<u>\$ 231,679</u>



# Draft

**Town of Berwick  
Electric Utility  
Capital Fund  
Statement of Financial Position**

**March 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
<b>Depreciation bank</b>	\$ 319,068	\$ 133,158
<b>Utility plant in service (note 11)</b>	9,849,290	9,755,705
<b>Due from operating fund</b>	<u>75,989</u>	<u>75,988</u>
	<u>\$10,244,347</u>	<u>\$ 9,964,851</u>
<b>Liabilities</b>		
<b>Current</b>		
<b>Long Term Debt (page 19)</b>		
5.059-5.644% debenture due June 1, 2024	133,000	152,000
1.35-3.209% debenture due May 9, 2032	150,000	165,000
0.678-2.378% debenture due July 2035	315,000	332,500
2.367-3.501% debenture due May 30, 2033	231,000	252,000
0.4 - 2.809% debenture due May 28, 2036	<u>241,667</u>	<u>250,000</u>
	<u>1,070,667</u>	<u>1,151,500</u>
<b>Accumulated allowance for depreciation (note 11)</b>	<u>5,544,045</u>	<u>5,264,549</u>
	6,614,712	6,416,049
<b>Equity</b>		
<b>Investment in Capital Assets (page 34)</b>	<u>3,629,635</u>	<u>3,548,802</u>
	<u>\$10,244,347</u>	<u>\$ 9,964,851</u>

On Behalf of the Town of Berwick

\_\_\_\_\_, Mayor \_\_\_\_\_, Clerk

# Draft

**Town of Berwick  
Electric Utility  
Statement of Investment in Capital Assets**

**March 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>Balance, beginning of year</b>	\$ 3,548,802	\$ 3,466,292
Add (Deduct):		
Term debt retired	<u>80,833</u>	<u>82,510</u>
<b>Balance, end of year</b>	<u>\$ 3,629,635</u>	<u>\$ 3,548,802</u>

# Draft

**Town of Berwick**  
**Electric Utility**  
**Schedule to Statement of Operations**  
**Year Ended March 31, 2023**

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
<b>Production expenses</b>			
Salaries and benefits	\$ 76,436	\$ 85,221	\$ 78,142
Communications	6,500	3,920	5,397
Materials and supplies	18,000	4,123	1,785
Facility expenses	30,500	57,064	11,420
Vehicle expenses	31,000	16,131	10,860
Power purchases	<u>4,155,705</u>	<u>4,190,455</u>	<u>3,936,038</u>
	<u>\$ 4,318,141</u>	<u>\$ 4,356,914</u>	<u>\$ 4,043,642</u>
<b>Distribution expenses</b>			
Salaries and benefits	\$ 331,191	\$ 363,794	\$ 333,260
Property insurance and taxes	6,800	10,460	6,089
Supplies and equipment maintenance	46,990	29,873	19,374
Clothing and safety equipment	3,000	935	877
Tree management	39,316	58,696	29,818
Facility expenses	13,500	8,971	16,168
Vehicle expenses	<u>7,000</u>	<u>31,732</u>	<u>35,869</u>
	<u>\$ 447,797</u>	<u>\$ 504,461</u>	<u>\$ 441,455</u>
<b>General expenses</b>			
Salaries and benefits	\$ 37,774	\$ 38,417	\$ 35,733
Administration fee	204,250	204,250	204,250
Travel and conference	4,500	182	3,271
Office and operational expenses	13,200	3,812	5,814
Communication expense	6,000	5,857	5,119
Liability insurance	25,000	28,405	24,062
Professional fees	80,000	60,686	117,076
Uncollectible bills (recovery)	25,500	(1,553)	7,485
Load growth initiatives	10,000	-	423
Honorariums	2,400	2,400	3,262
Licenses and permits	<u>6,000</u>	<u>-</u>	<u>20</u>
	<u>\$ 414,624</u>	<u>\$ 342,456</u>	<u>\$ 406,515</u>

# Draft

**Town of Berwick**  
**Capital Reserve Fund**  
**Statement of Financial Position**

**March 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Cash	\$ 952,758	\$ 501,855
Accounts receivable	154,467	-
Due from operating	-	<u>296,609</u>
	<u>1,107,225</u>	<u>798,464</u>
<b>Liabilities</b>		
Due to general capital	383,171	-
Due to operating	<u>25,250</u>	<u>-</u>
	408,421	-
Reserve	<u>698,804</u>	<u>798,464</u>
	<u>\$1,107,225</u>	<u>\$ 798,464</u>
<b>Balance, beginning of year</b>	\$ 798,464	\$ 676,259
Add (Deduct):		
Transfer to capital fund	(287,762)	(329,611)
Interest	13,713	279
Donation	15,400	-
Canada-Nova Scotia Federal Gas Tax	154,467	312,171
Capital Grants	-	111,191
Proceeds on disposal of assets	<u>4,522</u>	<u>28,175</u>
<b>Balance, end of year</b>	<u>\$ 698,804</u>	<u>\$ 798,464</u>

On Behalf of the Town of Berwick

\_\_\_\_\_, Mayor \_\_\_\_\_, Clerk

# Draft

**Town of Berwick**  
**Operating Reserve Fund**  
**Statement of Financial Position**  
**March 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Cash	\$ 775,555	\$ -
Due from operating	<u>409,010</u>	<u>1,214,978</u>
	<u>\$ 1,184,565</u>	<u>\$ 1,214,978</u>
<b>Reserve</b>		
<b>Balance, beginning of year</b>	\$1,214,978	\$ 775,557
Add (Deduct):		
Contributions from operating	64,997	482,137
Transfer to capital fund	<u>(95,410)</u>	<u>(42,716)</u>
<b>Balance, end of year</b>	<u>\$1,184,565</u>	<u>\$1,214,978</u>

On Behalf of the Town of Berwick

\_\_\_\_\_, Mayor      \_\_\_\_\_, Clerk

# Draft

**Town of Berwick**  
**Open Space Reserve Fund**  
**Statement of Financial Position**

**March 31, 2023**

		<u>2023</u>	<u>2022</u>
	<b>Assets</b>		
<b>Cash</b>		\$ <u>-</u>	\$ <u>-</u>
	<b>Reserve</b>		
<b>Balance, end of year</b>		\$ <u>-</u>	\$ <u>-</u>

On Behalf of the Town of Berwick

\_\_\_\_\_, Mayor      \_\_\_\_\_, Clerk

# Draft

**Town of Berwick  
Electric Utility  
PCB Disposal Reserve Fund  
Statement of Financial Position**

**March 31, 2023**

		<u>2023</u>	<u>2022</u>
	<b>Assets</b>		
<b>Due from Electric Operating</b>		\$ <u>4,000</u>	\$ <u>4,000</u>
	<b>Reserve</b>		
<b>Balance, beginning of year</b>		\$ 4,000	\$ 4,000
Add (Deduct):			
Provision for PCB disposal		<u>-</u>	<u>-</u>
<b>Balance, end of year</b>		\$ <u><u>4,000</u></u>	\$ <u><u>4,000</u></u>

On Behalf of the Town of Berwick

\_\_\_\_\_, Mayor                      \_\_\_\_\_, Clerk

**REQUEST FOR DECISION**  
**RFD012-2024**  
**Pre-Approval of Debenture**  
**Issuance: Refinance of Fire Hall and**  
**BEC Dam Debenture**



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**To: Town Council**  
**From: Director of Finance**  
**Date: April 9<sup>th</sup>, 2024**  
**Subject: Pre-Approval of Debenture Issuance: Refinance of Fire Hall and**  
**BEC Dam Debenture**

**References/Attachments**

Resolution for Pre-approval of Debenture Subject to Interest Rate: Fire Hall  
Resolution for Pre-approval of Debenture Subject to Interest Rate: BEC Dam  
Notification of Balloon Payment Due in Fiscal 2024-25.

**Legislation**

Pursuant to the Municipal Government Act, Section 88

**Recommendation**

That Council approve the Town of Berwick's Pre-approval of Debentures Subject to Interest Rate for (a) the Fire Hall in the amount of \$291,250 and (b) the BEC Dam in the amount of \$95,000 and proceed with participation in the Spring Debenture Intake with the Municipal Finance Division (MFD) of the Department of Finance and Treasury Board.

**Background**

The Town of Berwick initially borrowed by way of debenture, to fund the New Fire Hall (\$1,165,000) and the BEC Dam Remediation (\$380,000) in June of 2009. As the initial term concludes June 1, 2024, the Town had the option of making balloon payments of \$349,500 for the Fire Hall debenture and \$114,000 for the BEC Dam Remediation debenture. As the Town is not in a financial position to make these balloon payments, staff are recommending the refinancing of the balloon payments of \$291,250 for the Fire Hall and \$95,000 for the BEC Dam Remediation. Both will be refinanced over a 5-year term, which is the only available option. While each respective entity, Town of Berwick and BEC, will make their own debt repayments, the original debenture was executed as one from the Town of Berwick, rather than separate entities, and the refinancing must remain consistent in application.

**Financial Implications**

Staff has incorporated the debt repayment, both principal and interest, into the draft operating budget for 2024/25.

**REQUEST FOR DECISION**  
**RFD012-2024**  
**Pre-Approval of Debenture**  
**Issuance: Refinance of Fire Hall and**  
**BEC Dam Debenture**



**Priority Alignment**

Check Applicable	Strategic Priority Area	Comments
X	Economic	
	Environmental	
	Social	
	Cultural	

**Alternatives**

Staff have included the required payments of \$58,250 for the Fire Hall and \$19,000 for the BEC Dam Remediation in their respective operating budgets. Council may direct staff to utilize the Town of Berwick Operating Reserves to make the balance of the balloon payment of \$291,250 for the Fire Hall. BEC does not have capacity in reserves to cover the additional \$95,000 balance of their balloon payment owing.

**Community Engagement/Communication**

N/A

**CAO Comments**

N/A

CAO Initials: LB per CAO

Target Decision Date: April 9, 2024

Name of Unit: \_\_\_\_\_ Town of Berwick \_\_\_\_\_

**Resolution for Pre-Approval of Debenture Issuance Subject to Interest Rate**

**WHEREAS** clause 66 (1) of the Municipal Government Act (the "Act") provides that a municipality may borrow to carry out an authority to expend funds for capital purposes conferred by the Act or another Act of the Legislature;

**AND WHEREAS** clause 91(1)(a) of the Act provides that where a municipality is authorized to borrow money, subject to the approval of the Minister of Municipal Affairs and Housing (the "Minister"), that the sum shall be borrowed by the issue and sale of debentures, in one sum or by installments, as determined by the council;

**AND WHEREAS** clause 91(1)(b) of the *Municipal Government Act* authorizes the council to determine the amount and term of, and the rate of interest, on each debenture, when the interest on a debenture is to be paid, and where the principal and interest on a debenture are to be paid;

**AND WHEREAS** clause 91(2) of the *Municipal Government Act* states, that in accordance with the *Finance Act*, the mayor or warden and clerk or the person designated by the council, by policy, shall sell and deliver the debentures on behalf of the municipality at the price, in the sums and in the manner deemed proper;

**AND WHEREAS** the resolution of council to borrow for was approved by the municipal council on \_\_\_\_\_ 13th day of February 2024 \_\_\_\_\_.  
(council's TBR approval date)

**BE IT THEREFORE RESOLVED**

**THAT** under the authority of Section 91 of the *Municipal Government Act*, the

Town of Berwick  
\_\_\_\_\_  
(Name of Unit)

borrow by the issue and sale of debentures a sum or sums not exceeding \$ \_\_95,000\_\_\_\_\_, for a period not to exceed \_\_5\_\_\_\_ years, subject to the approval of the Minister;

**THAT** the sum be borrowed by the issue and sale of debentures of the

Town of Berwick  
\_\_\_\_\_  
(Name of Unit)

in the amount that the mayor or warden and clerk or the person designated by the council deems proper, provided the average interest rate of the debenture does not exceed the rate of 6.5%;

**THAT** the debenture be arranged with the Province of Nova Scotia with interest to be paid semi-annually and principal payments made annually;

**THAT** this resolution remains in force for a period not exceeding twelve months from the passing of this resolution.

**For Province use only:**  
  
TBR #: \_\_\_\_\_  
  
Minister  
signed: \_\_\_\_\_

**THIS IS TO CERTIFY** that the foregoing is a true copy of a resolution duly passed at a meeting of the Council of the  
Town of Berwick

\_\_\_\_\_  
(Name of Unit)

held on the 9th day of April 2024

**GIVEN** under the hands of the Mayor/Warden and the Clerk of the  
Town of Berwick

\_\_\_\_\_  
(Name of Unit)

this 9th day of April 20 24

\_\_\_\_\_  
Mayor/Warden

\_\_\_\_\_  
Clerk

Name of Unit: \_\_\_\_\_ Town of Berwick \_\_\_\_\_

**Resolution for Pre-Approval of Debenture Issuance Subject to Interest Rate**

**WHEREAS** clause 66 (1) of the Municipal Government Act (the "Act") provides that a municipality may borrow to carry out an authority to expend funds for capital purposes conferred by the Act or another Act of the Legislature;

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**AND WHEREAS** clause 91(2) of the *Municipal Government Act* states, that in accordance with the *Finance Act*, the mayor or warden and clerk or the person designated by the council, by policy, shall sell and deliver the debentures on behalf of the municipality at the price, in the sums and in the manner deemed proper;

**AND WHEREAS** the resolution of council to borrow for was approved by the municipal council on \_\_\_\_\_ 13th day of February 2024 \_\_\_\_\_.  
(council's TBR approval date)

**BE IT THEREFORE RESOLVED**

**THAT** under the authority of Section 91 of the *Municipal Government Act*, the

\_\_\_\_\_  
Town of Berwick  
(Name of Unit)

borrow by the issue and sale of debentures a sum or sums not exceeding \$ 291,250 \_\_\_\_\_, for a period not to exceed 5 \_\_\_\_\_ years, subject to the approval of the Minister;

**THAT** the sum be borrowed by the issue and sale of debentures of the

\_\_\_\_\_  
Town of Berwick  
(Name of Unit)

in the amount that the mayor or warden and clerk or the person designated by the council deems proper, provided the average interest rate of the debenture does not exceed the rate of 6.5%;

**THAT** the debenture be arranged with the Province of Nova Scotia with interest to be paid semi-annually and principal payments made annually;

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Town of Berwick

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(Name of Unit)

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Town of Berwick

\_\_\_\_\_  
(Name of Unit)

this 9th day of April 20 24

\_\_\_\_\_  
Mayor/Warden

\_\_\_\_\_  
Clerk