Town of Berwick

Berwick, Nova Scotia

March 31, 2024

Financial Statements

Contents

	Page
Independent Auditors' Report	1-2
Management's Responsibility for the Consolidated Financial Statements	3
Consolidated Statement of Financial Activities	4
Consolidated Statement of Financial Position	5
Consolidated Statement of Changes in Net Financial Assets (Liabilities)	6
Consolidated Statement of Changes of Cash Flow	7
Notes to Consolidated Financial Statements	8-18
Schedule of Capital Debt Charges and Term Debt	19-20
Auditors' Report on Supplemental Financial Information	21
General Section	
Statement of Operations	22
Operating Fund Statement of Financial Position	23
Capital Fund Statement of Financial Position	24
Statement of Investment in Capital Assets	25
Schedules to Statement of Operations	26- 32
Electric Utility	
Statement of Operations	33
Operating Fund Statement of Financial Position	34
Capital Fund Statement of Financial Position	35
Statement of Investment in Capital Assets	36
Schedule to Statement of Operations	37
Special Funds	
Capital Reserve Fund Statement of Financial Position	38
Operating Reserve Fund Statement of Financial Position	39
Open Space Reserve Fund Statement of Financial Position	40
PCB Disposal Reserve Fund Statement of Financial Position - Electric Utility	41

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, 2024, 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, 2024, 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.

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.

Morse Brewster Lohnes

Berwick, Nova Scotia
January 14, 2025

Chartered Professional Accountants
Registered Municipal Auditor

Town of Berwick
Consolidated Financial Statements
Year Ended March 31, 2024

Management's Responsibility for the Consolidated Financial Statements

The management of the **Town of Berwick** (the "Town") is responsible for the integrity, objectivity and accuracy of the financial information presented in the accompanying financial statements The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA"). A summary of the significant accounting policies is described in Note 2 to the consolidated financial statements.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded and reliable financial information is available on a timely basis for preparation of the consolidated financial statements.

These systems are monitored and evaluated by management. The Audit Committee meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to the approval of the consolidated financial statements.

The consolidated financial statements have been audited by Morse Brewster Lake Chartered Professional Accountants, independent external auditors appointed by the Town. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

Chief Administrative Officer - Jen Boyd

Director of Finance - Lisa Buchan

Town of Berwick

Consolidated Statement of Financial Activities

Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Revenue			
Taxation	$ 4,572,610	$ 4,685,207	$ 4,250,403
Less: School Board requisition	(583,099)	(584,136)	(569,337)
	3,989,511	4,101,071	3,681,066
Grants in lieu of taxes	33,089	45,264	32,843
Sales of services	536,490	529,023	501,665
Revenue from own sources	188,001	559,930	285,378
Unconditional transfer from other governments	249,559	259,355	252,312
Conditional transfer from other governments	80,361	80,361	10,171
Berwick Electric Utility	5,984,745	6,193,790	5,545,476
Gain on sale of assets	-	-	4,522
Alternative Resource Energy Authority	2,701,784	5,517,437	8,249,462
Grants and contributions	1,969,270	2,498,521	4,377,903
	15,732,810	19,784,752	22,940,798
Expenditures			
General government services			
Legislative services	148,667	148,596	134,589
Administrative services	995,888	1,165,750	938,913
Protective services			
Police services	779,063	807,686	761,792
Fire services	253,724	227,875	239,255
Other services	38,986	39,982	7,981
Transportation services	1,181,345	1,097,388	980,391
Environmental health services	723,237	624,521	680,596
Environmental development	230,479	342,404	269,708
Recreational and cultural services	541,698	539,999	498,391
Fiscal services	230,493	261,762	220,716
Amortization	-	1,100,094	703,080
Alternative Resource Energy Authority (2023 restated - note 23)	2,033,392	5,462,981	8,091,822
Disposal/write down of capital assets	-	198	7,844
Electric utility operating expenditures	5,804,748	5,678,740	4,999,581
Electric utility depreciation	350,000	320,307	279,494
Electric utility non-operating expenditures	60,109	54,668	32,616
	13,371,829	17,872,951	18,846,769
Annual Surplus	$ 2,360,981	$ 1,911,801	$ 4,094,029

See accompanying notes to the consolidated financial statements

Town of Berwick

Consolidated Statement of Financial Position

March 31, 2024

	2024	2023
Financial Assets		
Cash (note 3)	$ 3,320,125	$ 2,798,443
Taxes receivable (net of allowance) (note 4)	128,913	82,005
Accounts receivable (note 6)	6,043,297	6,887,241
Hst receivable	363,627	410,571
	9,855,962	10,178,260
Financial Liabilities		
Bank indebtedness (note 7)	158,161	210,898
Short term borrowings (note 8)	5,654,725	5,304,017
Payables and accruals (note 9)	3,995,135	4,990,727
Deferred revenue (note 19)	1,655,856	689,509
Asset Retirement Obligation (2023 restated - note 23)	1,238,193	1,196,322
Long term debt (page 17 and 18)	14,563,510	15,257,192
	27,265,580	27,648,665
Net Financial Assets / (Liabilities)	(17,409,618)	(17,470,405)
Non-Financial Assets		
Inventory and prepaid expenses (note 10)	323,176	297,393
Deferred pension charge (note 13)	33,860	41,980
Equity in Valley Waste Resource Management	253,863	253,863
Tangible capital assets (note 11) (2023 restated - note 23)	38,865,447	37,040,216
	39,476,346	37,633,452
Non-Financial Liabilities		
Unfunded pension liability (note 13)	33,860	41,980
Net Non-Financial Assets/(Liabilities)	39,442,486	37,591,472
Net Assets/Liabilities	$ 22,032,868	$ 20,121,067
Accumulated Surplus		
Accumulated Surplus (note 12) (2023 restated - note 23)	$ 22,032,868	$ 20,121,067
Commitments (note 18)		

On behalf of the Town of Berwick

_____, Mayor _____, Clerk

See accompanying notes to the consolidated financial statements

Town of Berwick

Consolidated Statement of Changes in Net Financial Assets (Liabilities)

Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Annual Surplus	$ 2,360,981	$ 1,911,801	$ 4,094,029
Add (Deduct):			
Acquisition of tangible capital assets	(3,742,590)	(3,786,913)	(7,024,371)
Amortization of tangible capital assets	889,329	1,951,983	1,514,156
Proceeds on sale of assets	-	9,500	-
Disposal of assets	-	198	7,844
Use (acquisition) of prepaids assets and deferred charges	-	(25,782)	35,256
Increase (decrease) in net assets	$ (492,280)	60,787	(1,373,086)
Net Financial Assets (liabilities), beginning of year (2023 restated - note 23)		(17,470,405)	(16,097,319)
Net Financial Assets (liabilities), end of year		$ (17,409,618)	$ (17,470,405)

See accompanying notes to the consolidated financial statements

Town of Berwick

Consolidated Statement of Cash Flow

Year Ended March 31, 2024

	2024	2023
Cash flow from operating activities:		
Annual surplus	$ 1,911,801	$ 4,094,029
Accretion expense (AREA)	41,871	40,455
(Gain) loss on sale of assets	198	3,322
Depreciation and amortization	1,951,983	1,514,156
Change in		
Taxes receivable	(46,908)	(19,947)
Accounts receivable	843,944	(496,296)
HST rebate	46,944	(162,592)
Inventory and prepaid expenses	(25,782)	35,256
Deferred revenue	966,347	292,360
Payables and accruals	(995,592)	714,323
	4,694,806	6,015,066
Cash flow from investing activities:		
Proceeds on sale of assets	9,500	4,522
Purchase of tangible capital assets	(3,786,913)	(7,024,371)
	(3,777,413)	(7,019,849)
Cash flow from financing activities:		
Proceeds on issue of short term debt	350,708	2,089,144
Proceeds from long term debt	247,250	-
Reduction of long term debt	(940,932)	(950,895)
	(342,974)	1,138,249
Cash Increase	574,419	133,466
Cash and Equivalencies, beginning of year	2,587,545	2,454,079
Cash and Equivalencies, end of year	$ 3,161,964	$ 2,587,545
Represented by:		
Cash	$ 3,320,125	$ 2,798,443
Bank indebtedness	(158,161)	(210,898)
	$ 3,161,964	$ 2,587,545

See accompanying notes to the consolidated financial statements

Town of Berwick
Notes to Consolidated Financial Statements

March 31, 2024

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.

Asset retirement obligations

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

a) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;

b) The past transaction or event giving rise to the liability has occurred;

c) It is expected that a future economic benefits will be given up; and

d) A reasonable estimate of the amount can be made.

The Town has assessed it's assets and the only material asset retirement obligations is the decommissioning of the windfarm for AREA. See note 23.

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.

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.

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 2024, the Town of Berwick paid $30,483 (2023- $18,441) to the Annapolis Valley Housing Authority to fund its share of the deficit.

Annapolis Valley Regional Library - 2.34%
During fiscal 2024, the Town of Berwick paid $17,400 (2023 - $17,400) to the Annapolis Valley Regional Library.

Annapolis Valley Regional School Board - 3.4245%
In fiscal 2024, the Town of Berwick contributed $584,136 (2023 - $569,337) 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 2024, the Town of Berwick paid $179,880 (2023 - $212,437) as its share of net operating costs.

Kings Transit Authority - 5% share
During fiscal 2024, the Town of Berwick paid $82,319 (2023 - $67,982) to the Kings transit Authority to fund its share of the operations.

Valley Community Fibre Network Authority - 1.06% share
During fiscal 2024, the Town of Berwick paid $670 (2023 - $3,204) to the Valley Community Fibre Network Authority to fund its share of operations.

Valley Regional Enterprise Network – 4.57% share
During fiscal 2024, the Town of Berwick paid $13,631 (2023 - $14,865) to the Valley Regional Enterprise Network to fund its share of operations.

3. Cash

	2024	2023
Capital Reserve fund	$ 1,013,159	$ 937,358
Operating Reserve fund	803,118	775,555
Open Space Reserve fund	22,150	15,400
Town operating	996,241	629,798
AREA	485,457	440,332
	$ 3,320,125	$ 2,798,443

Town of Berwick
Notes to Consolidated Financial Statements

March 31, 2024

4. Taxes receivable

	Current Year	Prior Year	2024	2023
Balance, beginning of year	$ -	$ 82,005	$ 82,005	$ 62,058
Add (Deduct):				
Current year's tax levy	4,685,207	-	4,685,207	4,250,403
Current year collections	(4,591,907)	(34,392)	(4,626,299)	(4,218,456)
Valuation allowance	-	-	(12,000)	(12,000)
Balance, end of year	$ 93,300	$ 47,613	$ 128,913	$ 82,005

5. Valuation allowance

	2024	2023
Balance, beginning of year	$ 12,000	$ 12,000
Add:		
Increase (Decrease) in allowance	-	-
Balance, end of year	$ 12,000	$ 12,000

6. Accounts Receivable

	2024	2023
General Operating Fund	$ 826,380	$ 425,286
Capital Fund - General	1,490,256	2,761,233
Capital Reserve	161,273	154,467
Electric Utility Operating Fund	1,921,975	1,480,370
AREA	1,643,413	2,065,885
	$ 6,043,297	$ 6,887,241

7. Bank indebtedness

	2024	2023
General Operating Fund	$ -	$ -
Electric Utility Operating Fund	158,161	210,898
	$ 158,161	$ 210,898

8. Short Term Borrowings

As of March 31, 2024, the Town has $5,654,725 ($5,304,017 - 2023) in temporary financing at 6.55% interest (6.30% -$5,304,017 2023). Subsequent to year end the Town secured long term debt of $5,556,250 to pay off the short term borrowings.

Town of Berwick
Notes to Consolidated Financial Statements

March 31, 2024

9. Payables and accruals

	2024	2023
General Operating Fund	$ 1,119,595	$ 1,906,009
Electric Utility Operating Fund	1,022,266	913,055
AREA	1,853,274	2,171,667
	$ 3,995,135	$ 4,990,731

10. Inventory and Prepaid

	2024	2023
General Operating Fund - Prepaid	$ 142,840	$ 107,577
General Operating Fund - Inventory	599	2,909
Electric Utility Operating Fund- Prepaid	68,065	64,593
Electric Utility Operating Fund- Inventory	51,190	44,642
AREA - Prepaid and Inventory	60,482	77,672
	$ 323,176	$ 297,393

11. Tangible Capital Assets

	Cost Opening	Additions	Disposals	Write Downs	Cost Closing	Amortization	Accum Amort	Net Book Value
General Capital								
Land	$ 729,844	$ -	$ -	$ -	$ 729,844	$ -	$ -	$ 729,844
Buildings	5,932,503	2,190	-	-	5,934,693	145,193	1,623,785	4,310,908
Machinery & equipment	2,740,027	500,524	(97,307)	-	3,143,244	154,405	1,846,243	1,297,001
General office equip/ software	313,004	-	-	-	313,004	13,475	274,477	38,527
Parks and open space infrastructure	1,292,452	65,181	-	-	1,357,633	73,805	705,902	651,731
Vehicles	202,865	-	-	-	202,865	18,898	123,949	78,916
Streets	2,033,799	-	-	-	2,033,799	30,318	1,590,579	443,220
Sidewalks	1,305,008	38,672	-	-	1,343,680	45,217	763,677	580,003
Street lighting	261,746	28,892	-	-	290,638	6,451	212,903	77,735
Solar Garden	10,077,551	2,484,582	-	-	12,562,133	418,738	418,738	12,143,395
Sewer collection system	1,427,761	-	-	-	1,427,761	32,408	725,126	702,635
Storm water system	1,115,189	-	-	-	1,115,189	23,265	536,584	578,605
Sewage treatment plt.	5,636,146	173,545	-	-	5,809,691	137,921	4,010,339	1,799,352
	33,067,895	3,293,586	(97,307)	-	36,264,174	1,100,094	12,832,302	23,431,872

There are $419,036 (2023 - $10,270,590) 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	2,948,434	-	-	-	2,948,434	61,710	1,025,898	1,922,536
Transmission line right of way	55,046	-	-	-	55,046	-	-	55,046
Substations	1,563,296	-	-	-	1,563,296	49,203	839,832	723,464
Distribution	3,998,398	493,327	-	-	4,491,725	136,204	3,102,086	1,389,639
General property	1,283,022	-	-	-	1,283,022	73,190	896,536	386,486
	9,849,290	493,327	-	-	10,342,617	320,307	5,864,352	4,478,265

There are $258,157 of assets included above that are not being amortized as they are still under construction.

AREA (2023 restated - note 23)	15,065,663	-	-	-	15,065,663	531,582	4,110,353	10,955,310
	$ 57,982,848	$ 3,786,913	$ (97,307)	$ -	$ 61,672,454	$ 1,951,983	$ 22,807,007	$ 38,865,447

Town of Berwick
Notes to Consolidated Financial Statements

March 31, 2024

12. Accumulated Surplus

	2024	2023
General operating fund	$ -	$ -
Capital fund (note 16)	16,463,836	14,675,959
Capital reserve fund	681,025	683,404
Operating reserve fund	1,372,882	1,184,565
Open Space reserve fund	22,150	15,400
Electric operating fund	205,509	263,337
Electric Capital (note 16)	3,564,419	3,310,566
Electric Depreciation fund (note 17)	146,049	319,069
PCB Disposal reserve fund	-	4,000
AREA operating	53,900	142,225
AREA Capital (note 16)	(746,902)	(747,458)
AREA Reserve	270,000	270,000
	$ 22,032,868	$ 20,121,067

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 $33,860 at March 31, 2024 (2023 - $41,980). During the year contributions were made as follows $8,120 (2023 - $9,515)

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, 2024 was $117,752 (2023 -$102,739).

15. Cash - General Capital Reserve

$558,508 (2023 - $522,086) of the cash balance held in the general capital reserve fund and $161,273 (2023 - $154,467) of receivables relates to monies received or receivable from the Canada Community Building Fund and must be expended within the guidelines of that program.

Town of Berwick
Notes to Consolidated Financial Statements

March 31, 2024

16. Investment in Capital Assets

	2024	2023
General Capital		
Balance, beginning of year	$ 14,675,959	$ 10,476,614
Add (Deduct):		
Long term debt retired	286,091	308,891
Grants for capital purposes:		
Province of Nova Scotia - ICIP grant	879,146	1,834,996
Federal ICIP grant	1,074,510	2,242,772
Restart Funds	-	50,023
Federal CCBF grant	177,055	61,265
Westfor Grant	39,199	-
FCM Grant	-	49,950
Federal Grants	4,455	-
Berwick Fire Commission	20,522	25,476
Berwick Fire Department	213,121	5,040
Beautification grant	4,179	9,949
SSGF Grant	95,364	-
Transfer from operating reserve	63,800	95,410
Transfer from capital reserve fund	30,727	226,497
Amortization	(1,100,094)	(703,080)
Disposal of property and equipment	(198)	(7,844)
Balance, end of year	$ 16,463,836	$ 14,675,959
Electric Capital		
Balance, beginning of year	$ 3,310,566	$ 3,415,644
Add (Deduct):		
Term debt retired	80,833	80,833
Transfer to Electric Depreciation fund	(320,307)	(279,494)
Assets Purchased	493,327	93,583
Balance, end of year	3,564,419	3,310,566
AREA		
Balance, beginning of year	(747,458)	(736,585)
Debt repayment	574,009	561,164
Asset retirement obligations	(41,871)	(40,455)
Amortization	(531,582)	(531,582)
Balance, end of year	(746,902)	(747,458)
Total	$ 19,281,353	$ 17,239,066

17. Electric Depreciation Fund

	2024	2023
Balance, beginning of year	$ 319,069	$ 133,158
Add (deduct):		
Depreciation	320,307	279,494
Capital assets purchased	(493,327)	(93,583)
Balance, end of year	$ 146,049	$ 319,069

18. Commitments

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

On June 14, 2022 Council approved a resolution to guarantee the Town's portion of bank indebtedness incurred by Valley Waste Resource Management Authority. ($72,205 or 3.43% of $2,105,100). As of March 31, 2024, $1,731,210 of term financing is outstanding, the Town's guarantee is 2.74% to 3.43% or $56,908.

On October 11, 2022 Council approved a resolution to guarantee the Town's portion of Kings Transit Electrification plan ($597,500 is the town's 5% of $11,950,000) and commit it's share of the cost in the amount of $289,868 out of $3,555,950.

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. The Town's share of the loan as of March 31, 2024 is $4,663,190.

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. The Town's share of the loan as of March 31, 2024 is $3,183,180.

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. The Town's share of the loan as of March 31, 2024 is $2,261,650.

The Town has entered into a contract to construct a fire truck. The remaining obligation of the contract once the fire truck is completed is $262,525.

19. Deferred Revenue

	2024	2023
Restart funding - Province of Nova Scotia	$ 220,733	$ 310,694
Municipal Capital Growth Program -Province of Nova Scotia	1,141,330	-
Sustainable Services Growth -Province of Nova Scotia	231,055	326,419
Accessible Grant - Government of Canada	42,619	44,809
Recreation - after school program	910	-
Apple Fund	7,031	7,587
AREA	12,178	-
	$ 1,655,856	$ 689,509

20. Remuneration and Expenses

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

	Wages	Expenses	2024	2023
Council members				
D. Clarke (Mayor)	$ 22,844	$ 3,075	$ 25,919	$ 26,022
D. Jamieson	10,678	1,844	12,522	12,238
M. Trinacty	11,736	2,612	14,348	13,352
T. Walsh	10,678	1,545	12,223	11,760
A. Lutz	10,678	1,638	12,316	10,449
R. Reeves	10,678	-	10,678	10,449
C. Goddard	10,678	1,614	12,292	10,449
Jen Boyd, CAO	125,808	3,627	129,435	119,499
	$ 213,778	$ 15,955	$ 229,733	$ 214,218

21. 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 2024 and 2023 as per their audited financial statements.

Summary of AREA Financial information

March 31, 2024

Consolidated Statement of Financial Position

	2024	2023
Financial Assets	$ 7,884,703	$ 9,282,285
Liabilities		
Asset Retirement Obligation	4,585,900	4,430,821
Long-Term Debt	38,755,630	40,881,590
Other liabilities	6,909,081	8,043,210
	50,250,611	53,355,621
Non-Financial Assets		
Tangible capital assets	40,575,222	42,544,044
Prepaid and Inventory expenses	224,008	287,682
	40,799,230	42,831,726
Accumulated Surplus (Deficit)	$ (1,566,678)	$ (1,241,610)

Consolidated Statement of Operations

Revenues	$ 20,434,953	$ 30,553,563
Expenses	20,233,263	29,969,712
Annual Surplus	$ 201,690	$ 583,851

Included in total revenue is power sold to the Berwick Electric Utility in the amount of $1,573,184 (2023 $2,884,642). These revenues were not eliminated in the consolidation.

22. Comparative Figures

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

23. Restatement

During the year a consultant was hired to calculate the cost of decommissioning AREA's wind farm. The estimated cost of decommissioning is $4,585,900 based on costs in 2024. The asset retirement obligation was set up as of April 1, 2022 at $4,280,986. The discount rate used was 3.50%. The decommissioning report also estimated the recovery cost of the scrap metals in the turbines and equipment based on 2024 market rates ($4,893,000). The residual value of $4,531,437 for the turbines and $196,099 for electrical equipment was added to the tangible capital asset calculation of the amortization. As the Town owns 27% of AREA, the effect on the Town's prior year consolidated statements is an increase in asset retirement obligation of $1,196,322, increase in tangible capital assets of $1,165,178, prior year expenses increased by $31,143 for the net effect of the changes to amortization and accretion expense.

Town of Berwick
Notes to Consolidated Financial Statements
Schedule of Capital Debt Charges and Term Debt
March 31, 2024

	Due	Balance April 1 2023	Issue	Redeemed	Balance March 31 2024	Interest	Interest Rate
Town Hall							
Debenture - Nova Scotia Municipal Finance Corporation	2032	$ 1,800,000	$ -	$ 120,000	$ 1,680,000	$ 49,382	2.059 - 3.209%
Debenture - Nova Scotia Municipal Finance Corporation	2035	66,734	-	5,133	61,601	1,128	0.859-2.378%
Sewer							
Debenture - Nova Scotia Municipal Finance Corporation	2026	54,281	-	6,031	48,250	2,073	3.826 - 4.026%
Debenture - Nova Scotia Municipal Finance Corporation	2023	25,900	-	25,900	-	585	3.614%
Debenture - Nova Scotia Municipal Finance Corporation	2032	60,000	-	6,000	54,000	1,506	2.059 - 3.209%
Debenture - Nova Scotia Municipal Finance Corporation	2035	18,600	-	6,200	12,400	163	0.955-2.378%
Fire department							
Debenture - Nova Scotia Municipal Finance Corporation	2024	407,750	-	58,250	349,500	20,269	5.534 - 5.644%
Debenture - Nova Scotia Municipal Finance Corporation	2035	177,666	-	13,667	163,999	3,002	0.955-2.378%
Public Works							
Debenture - Nova Scotia Municipal Finance Corporation	2026	84,544	-	9,394	75,150	3,228	3.826 4.026%
Debenture - Nova Scotia Municipal Finance Corporation	2033	-	247,250	-	247,250	5,507	0 -5.46%
Debenture - Nova Scotia Municipal Finance Corporation	2035	108,334	-	8,333	100,001	1,831	0.955-2.378%
Administration							
Debenture - Nova Scotia Municipal Finance Corporation	2026	36,137	-	9,033	27,105	1,286	3.826 4.026%
Debenture - Nova Scotia Municipal Finance Corporation	2034	308,550	-	18,150	290,400	8,176	2.131-3.048%
		$ 3,148,496	$ 247,250	$ 286,091	$ 3,109,656	$ 98,136	

Town of Berwick
Electric Utility
Notes to Consolidated Financial Statements
Schedule of Capital Debt Charges and Term Debt
March 31, 2024

	Due	Balance April 1 2023	Issue	Redeemed	Balance March 31 2024	Interest	Interest Rate
Debenture - Nova Scotia Municipal Finance Corporation	2024	$ 133,000	$ -	$ 19,000	$ 114,000	$ 6,611	5.534 - 5.644%
Debenture - Nova Scotia Municipal Finance Corporation	2032	150,000	-	15,000	135,000	3,766	2.059 - 3.209%
Debenture - Nova Scotia Municipal Finance Corporation	2033	231,000	-	21,000	210,000	7,035	2.884 - 3.501%
Debenture - Nova Scotia Municipal Finance Corporation	2035	315,000	-	17,500	297,500	5,925	0.955-2.378%
Debenture - Nova Scotia Municipal Finance Corporation	2036	241,667	-	8,333	233,334	5,754	0.565 - 2.809%
		$ 1,070,667	$ -	$ 80,833	$ 989,834	$ 29,091	

	Due	Balance April 1 2023	Issue	Redeemed	Balance March 31 2024	Interest	Interest Rate
Alternative Resource Energy Authority	2032	$ 11,038,029	$ -	$ 574,009	$ 10,464,020	339,538	1.15-3.501%
Total		$ 15,257,192	$ 247,250	$ 940,933	$ 14,563,510	$ 466,765	

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

	General Capital	Electric Utility	AREA	Total
2025	$ 576,166	$ 175,833	$ 587,999	$ 1,339,998
2026	226,666	61,833	603,646	892,145
2027	297,596	61,833	620,568	979,997
2028	196,008	61,833	638,726	896,567
2029	196,008	61,833	657,929	915,770
Thereafter	1,617,211	566,669	7,355,152	9,539,032
	$ 3,109,655	$ 989,834	$ 10,464,020	$ 14,563,509

Morse Brewster Lake

Morse Brewster Lake
Chartered Professional Accountants

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Email: 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.

Morse Brewster Lake

Berwick, Nova Scotia
January 14, 2025

Chartered Professional Accountants
Registered Municipal Auditor

Town of Berwick
General Section
Statement of Operations

Year Ended March 31, 2024

	Page	2024 Budget	2024 Actual	2023 Actual
Revenue				
Taxation	26	$ 4,572,610	$ 4,685,207	$ 4,250,403
Less: School Board requisition		(583,099)	(584,136)	(569,337)
		3,989,511	4,101,071	3,681,066
Grants in lieu of taxes	26	33,089	45,264	32,843
Sale of services	26	820,037	811,671	705,915
Revenue from own sources	27	278,431	482,013	423,913
Unconditional transfers from other governments	27	249,559	259,355	252,312
Conditional transfers from governments and agencies	27	80,361	80,361	10,171
		5,450,988	5,779,735	5,106,220
Expenditures				
General government services				
Legislative services	28	148,667	148,596	134,589
Administrative services	28	995,888	1,165,750	938,913
Protective services				
Police services	29	779,063	807,686	761,792
Fire services	29	253,724	227,875	239,255
Other services	29	38,986	39,982	7,981
Transportation services	30	1,181,345	1,097,388	980,391
Environmental health services	30	723,237	624,521	680,596
Economic Development	31	230,479	342,404	269,708
Recreation and cultural services	31	541,698	539,999	498,391
Fiscal services	32	230,493	261,762	220,716
		5,123,580	5,255,963	4,732,332
Net Revenue over Expenditures		327,408	523,772	373,888
Debt principal installments		(286,091)	(286,091)	(308,891)
Transfers (to) from:				
Operating reserve fund		17,150	(237,681)	(64,997)
Change in Fund Balance		$ 58,467	$ -	$ -

Town of Berwick
General Section
Operating Fund
Statement of Financial Position

March 31, 2024

	2024	2023
Assets		
Current		
Cash	$ 996,241	$ 629,798
Taxes receivable (net of allowance - note 5) (note 4)	128,913	82,005
Accounts receivable	826,380	425,286
Inventory	599	2,909
HST rebate	238,769	324,001
Due from capital reserve	-	25,250
Due from Berwick electric operating	558,112	-
Due from general capital fund	-	1,517,873
Prepaid expenses	142,840	107,577
	2,891,854	3,114,699
Deferred pension charge (note 13)	33,860	41,980
	$2,925,714	$3,156,679
Liabilities		
Current		
Payables and accruals	$1,119,593	$1,906,009
Due to Berwick electric operating	-	110,172
Due to operating reserve	710,719	409,010
Deferred revenue	228,674	689,508
	2,058,986	3,114,699
Due to the general capital fund	832,868	-
Unfunded pension liability (note 13)	33,860	41,980
	2,925,714	3,156,679
Surplus		
Operating Surplus	-	-
	$2,925,714	$3,156,679

On Behalf of the Town of Berwick

_____, Mayor _____, Clerk

Town of Berwick
General Section
Capital Fund
Statement of Financial Position

March 31, 2024

	2024	2023
Assets		
Current		
Accounts receivable	$ 1,490,256	$ 2,761,233
Due from general operating fund	832,867	-
	2,323,123	2,761,233
Equity in assets of Valley Waste-Resource Management	253,863	253,863
Due from reserve fund	634,362	383,171
Tangible capital assets (note 11)	23,431,872	21,248,079
	$26,643,220	$24,646,346
Liabilities		
Current		
Short term borrowings (note 8)	$ 5,654,725	$ 5,304,017
Deferred Capital Grants	1,415,003	-
Due to general operating fund	-	1,517,874
	7,069,728	6,821,891
Long Term Debt (page 19)		
Debentures issued to Province of Nova Scotia or its agencies:		
Nova Scotia Municipal Finance Corporation	3,109,656	3,148,496
	10,179,384	9,970,387
Equity		
Investment in Capital Assets (page 24)	16,463,836	14,675,959
	$26,643,220	$24,646,346

On Behalf of the Town of Berwick

_____, Mayor _____, Clerk

Town of Berwick
General Section
Statement of Investments in Capital Assets

March 31, 2024

	2024	2023
Balance, beginning of year	$ 14,675,959	$ 10,476,614
Add (Deduct):		
Long term debt retired	286,091	308,891
Grants for capital purposes:		
Province of Nova Scotia ICIP grant	879,146	1,834,996
Federal ICIP grant	1,074,510	2,242,772
Federal CCBF grant	177,055	61,265
FCM Grant	-	49,950
Beautification Grant	4,179	9,949
Westfor Grant	39,199	-
ACOA	2,265	-
Federal Grant	2,190	-
Berwick & District Fire Commission	20,522	25,476
Berwick Fire Department	213,121	5,040
Restart Funds	-	50,023
SSGF Funding	95,364	-
Transfer from operating reserve	63,800	95,410
Transfer from capital reserve fund	30,727	226,497
Amortization	(1,100,094)	(703,080)
Disposal of property and equipment	(198)	(7,844)
Balance, end of year	$ 16,463,836	$ 14,675,959

Town of Berwick
General Section
Schedules to Statement of Operations

Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Taxation			
Residential	$ 2,858,091	$ 2,858,463	$ 2,488,091
Commercial	1,072,219	1,073,523	1,001,618
	3,930,310	3,931,986	3,489,709
Resource	19,374	19,252	18,816
Deed transfer tax	85,000	144,079	184,313
Sewer:			
Residential	207,552	206,429	204,501
Commercial	330,374	383,461	353,064
	642,300	753,221	760,694
	$ 4,572,610	$ 4,685,207	$ 4,250,403
Grants in Lieu of Taxes			
Federal government agencies	$ 6,864	$ 7,076	$ 6,887
HST recovery	15,000	27,442	14,730
Aliant Telecom Incorporated	11,225	10,746	11,226
	$ 33,089	$ 45,264	$ 32,843
Sales of Services			
Fire protection - Kings County	$ 152,235	$ 159,665	$ 151,800
Sewer service fees	36,809	36,817	26,000
Administration fee	283,547	282,648	204,250
Recreation program revenue	207,734	222,326	230,005
Fitness Centre	139,712	110,215	93,860
	$ 820,037	$ 811,671	$ 705,915

Town of Berwick
General Section
Schedules to Statement of Operations

Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Revenue from Own Sources			
Facility rental	$ 60,946	$ 83,515	$ 70,819
PACE program	5,000	1,220	4,089
Alternative Resource Energy Authority	162,000	142,225	245,375
Solar Garden - electricity	-	91,812	-
Fines	500	1,277	389
Interest on investments	2,000	79,832	39,179
Interest on taxes	14,000	30,544	20,834
Planning services	8,000	22,483	11,139
By-law administration fees	2,500	2,268	2,675
Miscellaneous	23,485	26,837	29,414
	$ 278,431	$ 482,013	$ 423,913
Unconditional Transfers from Other Governments			
Provincial government			
Equalization grant	$ 221,479	$ 231,479	$ 211,479
Farm property acreage	1,460	1,462	1,460
Other	5,000	6,175	15,497
	227,939	239,116	228,436
Federal government	4,000	4,619	8,256
Local government	17,620	15,620	15,620
	$ 249,559	$ 259,355	$ 252,312
Conditional Transfers from Other Governments			
Provincial government	$ 80,361	$ 80,361	$ 10,171

Town of Berwick
General Section
Schedules to Statement of Operations

Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
General Government Services			
Legislative			
Honorarium	$ 90,169	$ 89,743	$ 87,716
Legislative Grants to organizations	45,198	40,299	33,013
Legislative expenses	13,300	18,554	13,860
	$ 148,667	$ 148,596	$ 134,589
Chief Administrative Office			
Salaries and benefits	$ 160,065	$ 153,658	$ 158,246
Travel and conferences	4,000	4,162	4,040
Legal and professional fees	5,000	22,916	2,073
Advertising	500	2,536	5,394
Communication expense	1,100	1,370	1,869
Office and supplies	300	82	417
	170,965	184,724	172,039
Administration			
Salaries and benefits	408,666	481,387	344,949
Travel and conferences	5,100	8,429	4,467
Office and equipment expense	20,100	25,701	23,535
Liability insurance	21,420	25,869	23,770
Tax sale expenses	1,000	-	-
Bad debts	10,000	-	-
Postage	15,000	9,716	16,852
Communication expense	2,580	2,630	3,398
Audit	8,000	38,300	18,250
Bank fees and interest charges	14,000	19,864	37,755
	505,866	611,896	472,976
Tax appeals and exemptions	135,000	137,676	127,501
Information technology	86,850	118,105	60,299
Utilities and maintenance of Town Hall, Annex and vacant building	97,207	113,349	106,098
	$ 995,888	$1,165,750	$ 938,913

Town of Berwick
General Section
Schedules to Statement of Operations

Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Protective Services			
Police protection			
RCMP services	$ 779,063	$ 807,686	$ 761,792
Fire protection			
Honorarium	12,000	10,150	10,150
Utilities and maintenance of fire hall	86,027	95,814	101,347
Clothing and safety equipment	-	88	680
Vehicle expenses	61,199	48,971	50,911
Training and conferences	10,770	6,582	8,414
Dues and fees	1,000	1,564	655
Office supplies	2,000	2,088	1,225
Workers Compensation	7,608	4,716	7,258
Operational materials and supplies	46,960	37,245	42,921
Communication expense	26,160	20,657	15,694
	253,724	227,875	239,255
Emergency measures	8,050	8,247	7,523
By-Law services	30,936	31,735	458
	38,986	39,982	7,981
	$1,071,773	$1,075,543	$1,009,028

Town of Berwick
General Section
Schedules to Statement of Operations
Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Transportation Services			
Administration			
Salaries and benefits	$ 147,509	$ 59,439	$ 72,633
Travel and conferences	6,528	18,295	9,081
Advertising	500	202	1,057
Office supplies and expense	-	-	69
Communication expense	6,570	6,118	5,213
Utilities and maintenance of			
Public Works building	25,952	28,278	38,295
Vehicle and equipment expense	83,035	84,238	104,953
General operations			
Salaries and benefits	403,143	393,817	349,502
Operational materials and supplies	278,500	313,119	255,600
Contracted services	2,500	2,230	1,564
Crosswalk guard expense	22,481	33,692	7,958
Roads and streets			
Street lighting	95,043	70,386	61,445
Kings Point to Point	5,400	5,255	5,039
Kings Transit services	104,184	82,319	67,982
	$1,181,345	$1,097,388	$ 980,391
Environmental Health Services			
Administration			
Salaries and benefits	$ 51,556	$ 25,293	$ 22,961
Travel and courses	5,200	5,816	4,118
Office and communication expense	3,524	4,078	2,319
Administration fees	36,809	36,817	26,000
Sewer collections			
Salaries and benefits	9,346	9,521	8,033
Power	39,283	30,546	26,855
Insurance	387	360	305
Repairs and maintenance	45,000	45,756	76,781
Sewer treatment			
Salaries and benefits	74,769	68,955	73,447
Power	121,421	108,166	110,048
Repairs and maintenance	86,038	79,336	84,284
Sampling	20,800	29,997	33,008
Solid waste disposal	229,104	179,880	212,437
	$ 723,237	$ 624,521	$ 680,596

Town of Berwick
General Section
Schedules to Statement of Operations
Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Economic Development			
Tourism			
Salaries and benefits	$ 10,548	$ 9,470	$ 3,341
Office and operational supplies	-	267	-
Communication and utility expense	893	761	2,019
	11,441	10,498	5,360
Planning and Development			
Salaries and benefits	37,455	35,083	26,246
Office supplies	1,100	275	31
Advertising	3,000	5,254	4,799
Contracted services	126,500	206,054	155,454
	168,055	246,666	186,530
Economic development expenses			
Salaries and benefits	38,433	58,295	48,772
Marketing and community development	9,800	13,978	24,012
Solar Garden expenses	-	9,143	-
Office and operational supplies	1,370	2,427	2,905
Travel and courses	1,380	1,397	2,129
	50,983	76,097	77,818
	$ 230,479	$ 342,404	$ 269,708
Recreational and Cultural Services			
Administration			
Salaries and benefits	$ 132,484	$ 127,877	$ 111,080
Travel and courses	5,950	4,926	1,773
Office supplies and postage	100	51	244
Advertising	-	32	797
Dues and subscriptions	1,400	1,372	3,549
Communication expense	540	670	1,641
Community events	26,620	32,933	15,870
Building expense	14,800	13,831	9,539
Parks and playgrounds			
Salaries and benefits	29,055	33,585	36,485
Insurance	5,511	5,585	4,631
Power	1,456	5,865	5,144
Vehicle expense	6,824	11,219	7,201
Operational material and supplies	26,188	15,812	23,174
Recreation programs			
Salaries and benefits	122,405	108,310	109,978
Program material and supplies	9,830	9,304	13,948
Fitness Centre			
Salaries and benefits	117,521	129,014	120,655
Advertising	250	458	364
Operational material and supplies	18,950	20,117	11,913
Utilities and maintenance	21,814	19,038	20,405
	$ 541,698	$ 539,999	$ 498,391

Town of Berwick
General Section
Schedules to Statement of Operations
Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Fiscal Services			
Debt charges			
Interest on short term debt	$ -	$ 46,781	$ -
Interest on long term debt	95,655	98,133	99,457
Debt issuance costs	-	1,675	-
Unconditional transfers to other government and agencies			
Valley Community Fibre Network Authority	3,200	1,452	3,204
Valley Regional Enterprise Network	14,865	14,100	13,631
Conditional transfers to other governments and agencies			
Assessment services	31,138	23,353	38,800
Correctional services	29,000	28,854	28,549
Public Health and Welfare Services			
Deficit Annapolis Valley Housing Authority	40,000	30,483	18,441
Recreation and Cultural Services			
Regional library	17,400	17,400	17,400
	$ 230,493	$ 261,762	$ 220,716

Town of Berwick
Electric Utility
Statement of Operations

Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Revenue			
Operating			
Domestic power	$ 2,926,614	$ 3,087,181	$ 2,734,080
Industrial power	1,637,692	1,631,349	1,454,520
General service power	1,290,874	1,323,506	1,228,157
Yard lighting sales	35,818	30,630	31,595
Connection fees	3,000	2,900	4,240
Wiring permit fees	14,000	12,395	22,511
Energy credits	20,000	45,878	15,665
Municipal street lighting	56,747	59,951	54,708
	5,984,745	6,193,790	5,545,476
Non-operating			
Interest on overdue accounts	19,400	18,621	23,877
Miscellaneous	52,170	142,957	59,079
	6,056,315	6,355,368	5,628,432
Operating Expenditures			
Production expenses (page 37)	5,106,802	4,992,061	4,356,914
Distribution expenses (page 37)	441,018	497,152	504,461
General expenses (page 37)	540,698	468,175	342,456
Depreciation	350,000	320,307	279,494
	6,438,518	6,277,695	5,483,325
Operating profit (loss)	(382,203)	77,673	145,107
Non-Operating Expenditures			
Short term interest	30,000	25,097	1,000
Interest on debentures	30,109	29,571	31,616
	60,109	54,668	32,616
Other Expenditures			
Bonds retired	80,833	80,833	80,833
	80,833	80,833	80,833
Operating Surplus (Deficit) For The Year	$ (523,145)	(57,828)	31,658
Surplus, beginning of year		263,337	231,679
Surplus, end of year		$ 205,509	$ 263,337

Town of Berwick
Electric Utility
Operating Fund
Statement of Financial Position

March 31, 2024

	2024	2023
Assets		
Current		
Accounts receivable		
Rates (less allowance for doubtful accounts - $16,410; 2023 $16,410)	$ 1,360,296	$ 984,147
Other	561,679	496,223
HST receivable	124,858	86,570
Inventory, at cost	51,190	44,642
Prepaid expenses	68,065	64,593
Due from Town operating	-	110,172
	$ 2,166,088	$ 1,786,347
Liabilities		
Current		
Bank indebtedness	$ 158,161	$ 210,898
Payables and accruals	1,022,266	913,055
Due to capital fund	222,039	395,057
Due to PCB reserve	-	4,000
Due to Town operating	558,113	-
	1,960,579	1,523,010
Surplus		
Operating Surplus (page 33)	205,509	263,337
	$ 2,166,088	$ 1,786,347

On Behalf of the Town of Berwick

_____, Mayor _____, Clerk

Town of Berwick
Electric Utility
Capital Fund
Statement of Financial Position

March 31, 2024

	2024	2023
Assets		
Utility plant in service (note 11)	$ 10,342,617	$ 9,849,290
Due from operating fund	222,037	395,057
	$ 10,564,654	$ 10,244,347
Liabilities		
Current		
Long Term Debt (page 20)		
5.059-5.644% debenture due June 1, 2024	$ 114,000	$ 133,000
1.35-3.209% debenture due May 9, 2032	135,000	150,000
0.678-2.378% debenture due July 2035	297,500	315,000
2.367-3.501% debenture due May 30, 2033	210,000	231,000
0.4 - 2.809% debenture due May 28, 2036	233,334	241,667
	989,834	1,070,667
Accumulated allowance for depreciation (note 11)	5,864,352	5,544,045
	6,854,186	6,614,712
Equity		
Depreciation Fund (Page 36)	146,049	319,069
Investment in Capital Assets (page 36)	3,564,419	3,310,566
	3,710,468	3,629,635
	$ 10,564,654	$ 10,244,347

On Behalf of the Town of Berwick

_____, Mayor _____, Clerk

Town of Berwick
Electric Utility
Statement of Investment in Capital Assets

March 31, 2024

	2024	2023
Balance, beginning of year	$ 3,310,566	$ 3,415,644
Add (Deduct):		
Term debt retired	80,833	80,833
Transfer to depreciation fund	(320,307)	(279,494)
Capital additions	493,327	93,583
Balance, end of year	$ 3,564,419	$ 3,310,566

Electric Utility
Statement of Depreciation Fund

March 31, 2024

Balance, beginning of year	$ 319,069	$ 133,158
Add (deduct):		
Depreciation	320,307	279,494
Capital assets purchased	(493,327)	(93,583)
Balance, end of year	$ 146,049	$ 319,069

Town of Berwick
Electric Utility
Schedule to Statement of Operations

Year Ended March 31, 2024

	2024 Budget	2024 Actual	2023 Actual
Production expenses			
Salaries and benefits	$ 79,236	$ 71,199	$ 85,221
Communications	4,528	2,320	3,920
Materials and supplies	4,000	5,780	4,123
Facility expenses	20,840	8,966	57,064
Vehicle expenses	12,225	31,326	16,131
Power purchases	4,985,973	4,872,470	4,190,455
	$ 5,106,802	$ 4,992,061	$ 4,356,914
Distribution expenses			
Salaries and benefits	$ 339,098	$ 356,279	$ 363,794
Property insurance and taxes	6,000	17,396	10,460
Supplies and equipment maintenance	18,000	60,693	29,873
Clothing and safety equipment	2,100	1,593	935
Tree management	40,140	25,092	58,696
Facility expenses	7,180	10,060	8,971
Vehicle expenses	28,500	26,039	31,732
	$ 441,018	$ 497,152	$ 504,461
General expenses			
Salaries and benefits	$ 38,428	$ 24,875	$ 38,417
Administration fee	283,770	282,648	204,250
Travel and conference	1,250	4,367	182
Office and operational expenses	17,970	33,216	3,812
Communication expense	3,840	6,088	5,857
Liability insurance	34,000	33,781	28,405
Professional fees	127,000	72,460	60,686
Uncollectible bills (recovery)	26,440	342	(1,553)
Honorariums	2,400	600	2,400
Licenses and permits	5,600	9,798	-
	$ 540,698	$ 468,175	$ 342,456

Town of Berwick

Capital Reserve Fund
Statement of Financial Position

March 31, 2024

	2024	2023
Assets		
Cash	$ 1,013,159	$ 937,358
Accounts receivable	161,273	154,467
Due from operating	140,955	-
	$ 1,315,387	$ 1,091,825
Liabilities		
Due to general capital	$ 634,362	$ 383,171
Due to operating	-	25,250
	634,362	408,421
Reserve	681,025	683,404
	$ 1,315,387	$ 1,091,825
Balance, beginning of year	$ 683,404	$ 798,464
Add (Deduct):		
Transfer to capital fund	(207,782)	(287,762)
Interest	44,130	13,713
Canada Community-Building Fund (CCBF)	161,273	154,467
Proceeds on disposal of assets	-	4,522
Balance, end of year	$ 681,025	$ 683,404

On Behalf of the Town of Berwick

_____, Mayor _____, Clerk

Town of Berwick

Operating Reserve Fund
Statement of Financial Position

March 31, 2024

	2024	2023
Assets		
Cash	$ 803,118	$ 775,555
Due from operating	569,764	409,010
	$ 1,372,882	$ 1,184,565
Reserve		
Balance, beginning of year	$1,184,565	$1,214,978
Add (Deduct):		
Contributions from operating	237,681	64,997
Interest	14,436	-
Transfer to capital fund	(63,800)	(95,410)
Balance, end of year	$1,372,882	$1,184,565

On Behalf of the Town of Berwick

_____, Mayor _____, Clerk

Town of Berwick

Open Space Reserve Fund
Statement of Financial Position

March 31, 2024

	2024	2023
Assets		
Cash	$ 22,150	$ 15,400
Reserve		
Balance, beginning of year	$ 15,400	$ -
Add (deduct):		
Donation	6,750	15,400
Balance, end of year	$ 22,150	$ 15,400

On Behalf of the Town of Berwick

_____, Mayor _____, Clerk

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

March 31, 2024

	2024	2023
Assets		
Due from Electric Operating	$ -	$ 4,000
Reserve		
Balance, beginning of year	$ 4,000	$ 4,000
Add (Deduct):		
Provision for PCB disposal	(4,000)	-
Balance, end of year	$ -	$ 4,000

On Behalf of the Town of Berwick

_____, Mayor _____, Clerk