

Town of Berwick
Berwick, Nova Scotia
March 31, 2023

Financial Statements

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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.

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
April 9, 2024

Morse Brewster Lake

Chartered Professional Accountants
Registered Municipal Auditor

**Town of Berwick
Consolidated Financial Statements
Year Ended March 31, 2023**

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, 2023

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Revenue			
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	32,843	42,684
Sales of services	480,228	501,665	365,170
Revenue from own sources	345,832	287,700	212,369
Unconditional transfer from other governments	243,359	250,312	460,975
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>4,388,074</u>	<u>2,729,367</u>
	<u>14,738,117</u>	<u>22,938,798</u>	<u>19,569,076</u>
Expenditures			
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	973,817	982,080	874,627
Environmental health services	644,346	678,907	573,737
Environmental development	172,508	269,708	140,375
Recreational and cultural services	504,561	498,391	450,918
Fiscal services	239,549	220,716	258,121
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>18,813,626</u>	<u>16,680,889</u>
Annual Surplus	<u>\$ 1,123,658</u>	<u>\$ 4,125,172</u>	<u>\$ 2,888,187</u>

See accompanying notes to the consolidated financial statements

Town of Berwick

Consolidated Statement of Financial Position

March 31, 2023

	<u>2023</u>	<u>2022</u>
Financial Assets		
Cash (note 3)	\$ 2,798,443	\$ 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>10,172,099</u>	<u>9,249,030</u>
Financial Liabilities		
Bank indebtedness (note 7)	210,898	100,130
Short term borrowings (note 8)	5,304,017	3,214,873
Payables and accruals (note 9)	4,984,570	4,270,247
Deferred revenue (note 19)	689,508	397,148
Long term debt (page 17 and 18)	<u>15,257,192</u>	<u>16,208,087</u>
	<u>26,446,185</u>	<u>24,190,485</u>
Net Financial Assets / (Liabilities)	<u>(16,274,086)</u>	<u>(14,941,455)</u>
Non-Financial Assets		
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
Non-Financial Liabilities		
Unfunded pension liability (note 13)	<u>41,980</u>	<u>51,945</u>
Net Non-Financial Assets/(Liabilities)	<u>36,426,294</u>	<u>30,968,491</u>
Net Assets/Liabilities	<u>\$ 20,152,208</u>	<u>\$ 16,027,036</u>
Accumulated Surplus		
Accumulated Surplus (note 12)	<u>\$ 20,152,208</u>	<u>\$ 16,027,036</u>
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

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	\$ 4,125,172	\$ 2,888,187
Add (Deduct):			
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>947,403</u>	(1,332,631)	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>(16,274,086)</u>	\$ <u>(14,941,455)</u>

See accompanying notes to the consolidated financial statements

Town of Berwick

Consolidated Statement of Cash Flow

Year Ended March 31, 2023

	<u>2023</u>	<u>2022</u>
Cash flow from operating activities:		
Annual surplus	\$ 4,125,172	\$ 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>714,323</u>	<u>2,239,954</u>
	<u>6,015,066</u>	<u>2,454,065</u>
Cash flow from investing activities:		
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>
Cash flow from financing activities:		
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>
Cash Increase	133,466	580,156
Cash and Equivalencies, beginning of year	<u>2,454,079</u>	<u>1,873,923</u>
Cash and Equivalencies, end of year	<u>\$ 2,587,545</u>	<u>\$ 2,454,079</u>
Represented by:		
Cash	\$ 2,798,443	\$ 2,554,209
Bank indebtedness	<u>(210,898)</u>	<u>(100,130)</u>
	<u>\$ 2,587,545</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.

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 have no material asset retirement obligations.

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 management'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.

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	\$ -	\$ 133,158
Capital Reserve fund	937,358	501,855
Operating Reserve fund	775,555	-
Open Space Reserve fund	15,400	-
Town operating AREA	629,798	1,298,289
	<u>440,332</u>	<u>620,907</u>
	<u>\$ 2,798,443</u>	<u>\$ 2,554,209</u>

Town of Berwick
Notes to Consolidated Financial Statements

March 31, 2023

4. Taxes receivable

	<u>Current Year</u>	<u>Prior Year</u>	<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	1,479,175	1,643,979
AREA	<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	<u>210,898</u>	<u>100,130</u>
	<u>\$ 210,898</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.

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	911,860	958,991
AREA	<u>2,171,667</u>	<u>2,281,990</u>
	<u>\$ 4,984,570</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>
<u>General Capital</u>								
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>
<u>AREA</u>	<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. Accumulated Surplus

	<u>2023</u>	<u>2022</u>
General operating fund	\$ -	\$ -
Capital fund (note 16)	14,675,959	10,476,614
Capital reserve fund	683,404	798,464
Operating reserve fund	1,184,565	1,214,978
Open Space reserve fund	15,400	-
Electric operating fund	263,337	231,679
Electric Capital (note 16)	3,310,566	3,415,644
Depreciation fund (note 17)	319,069	133,158
PCB Disposal reserve fund	4,000	4,000
AREA operating	142,224	219,085
AREA Capital (note 16)	(716,316)	(736,586)
AREA Reserve	<u>270,000</u>	<u>270,000</u>
	<u>\$ 20,152,208</u>	<u>\$ 16,027,036</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

\$522,086 (2022 - \$501,855) of the cash balance held in the general capital reserve fund and \$154,467 of receivables relates to monies received or receivable from the Canada-Nova Scotia Federal Fuel Tax program and must be expended within the guidelines of that program.

Town of Berwick
Notes to Consolidated Financial Statements

March 31, 2023

16. Investment in Capital Assets

	<u>2023</u>	<u>2022</u>
General Capital		
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 - ICIP grant	1,834,996	1,038,924
Federal ICIP grant	2,242,772	1,269,797
Restart Funds	50,023	9,499
Federal Gas tax	61,265	56,742
FCM Grant	49,950	-
Berwick Fire Commission	25,476	-
Berwick Fire Department	5,040	61,955
Beautification grant	9,949	-
Transfer from operating reserve	95,410	42,716
Transfer from capital reserve fund	226,497	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>
Electric Capital		
Balance, beginning of year	\$ 3,415,644	\$ 3,466,292
Add (Deduct):		
Term debt retired	80,833	82,510
Transfer to Depreciation fund	(279,494)	(332,575)
Assets Purchased	<u>93,583</u>	<u>199,417</u>
Balance, end of year	<u>3,310,566</u>	<u>3,415,644</u>
AREA		
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>
Total	<u>\$ 17,270,209</u>	<u>\$ 13,155,671</u>

17. Depreciation Fund (2022 - restated see note 34)

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 133,158	\$ -
Add (deduct):		
Depreciation	279,494	332,575
Capital assets purchased	<u>(93,583)</u>	<u>(199,417)</u>
Balance, end of year	<u>\$ 319,069</u>	<u>\$ 133,158</u>

Town of Berwick
Notes to Consolidated Financial Statements

March 31, 2023

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 existing borrowings incurred by Valley Waste Resource Management Authority. (\$72,205 or 3.43% of \$2,105,100)

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, 2023 is \$4,937,456.

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, 2023 is \$3,357,373.

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, 2023 is \$2,743,200.

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. The Town's exposure relates only to the power that is imported on their behalf.

19. 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>

20. 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)	\$ 22,354	\$ 3,668	\$ 26,022	\$ 27,385
D. Jamieson	10,449	1,789	12,238	9,677
M. Trinacty	11,485	1,867	13,352	10,883
T. Walsh	10,449	1,311	11,760	10,291
A. Lutz	10,449	-	10,449	9,677
R. Reeves	10,499	-	10,499	9,677
C. Goddard	10,499	-	10,499	9,677
Jen Boyd, CAO	115,804	3,695	119,499	-
Michael Payne, CAO	-	-	-	108,104
	<u>\$ 201,988</u>	<u>\$ 12,330</u>	<u>\$ 214,318</u>	<u>\$ 195,371</u>

Town of Berwick
Notes to Consolidated Financial Statements

March 31, 2023

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 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>(1,126,264)</u>	\$ <u>(916,669)</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>\$ 699,197</u>	<u>\$ 952,347</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.

22. Comparative Figures

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

23. Restatement

The balance of the Electric Capital Depreciation Fund was separated from Electric Capital Investment in Capital Assets in the prior year.

Town of Berwick
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
Town Hall							
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%
Sewer							
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%
Fire department							
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%
Public Works							
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%
Administration							
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>	<u>2.039-3.048%</u>
		<u>\$ 3,457,394</u>	<u>\$ -</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

	Due	Balance April 1 2022	Issue	Redeemed	Balance March 31 2023	Interest	Interest Rate
Debenture - Nova Scotia Municipal Finance Corporation	2024	\$ 152,000	-	\$ 19,000	\$ 133,000	\$ 7,660	5.359 - 5.644%
Debenture - Nova Scotia Municipal Finance Corporation	2032	165,000	-	15,000	150,000	4,072	1.86 - 3.209%
Debenture - Nova Scotia Municipal Finance Corporation	2033	252,000	-	21,000	231,000	7,638	2.761 - 3.501%
Debenture - Nova Scotia Municipal Finance Corporation	2035	332,500	-	17,500	315,000	6,088	0.859-2.378%
Debenture - Nova Scotia Municipal Finance Corporation	2036	250,000	-	8,333	241,667	5,799	0.4 - 2.809%
		<u>\$ 1,151,500</u>	<u>\$ -</u>	<u>\$ 80,833</u>	<u>\$ 1,070,667</u>	<u>\$ 31,257</u>	

	Due	Balance April 1 2022	Issue	Redeemed	Balance March 31 2023	Interest	Interest Rate
Alternative Resource Energy Authority	2032	\$ 11,599,192	-	\$ 561,163	\$ 11,038,029	352,338	1.15-3.501%
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
Thereafter	<u>1,664,869</u>	<u>628,502</u>	<u>12,232,244</u>	<u>14,525,615</u>
	<u>\$ 3,148,496</u>	<u>\$ 1,070,667</u>	<u>\$ 15,257,192</u>	<u>\$ 19,476,355</u>

Morse Brewster Lake

Chartered Professional Accountants

P.O. Box 718
158 Commercial Street
Berwick, NS
B0P 1E0
Tel: (902) 538-8531
Fax: (902) 538-7610
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.

Berwick, Nova Scotia
April 9, 2024

Morse Brewster Lake

Chartered Professional Accountants
Registered Municipal Auditor

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

Year Ended March 31, 2023

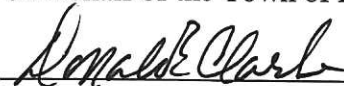
	<u>Page</u>	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
Revenue				
Taxation	25	\$ 4,154,261	\$ 4,250,403	\$ 3,937,032
Less: School Board requisition		<u>(573,477)</u>	<u>(569,337)</u>	<u>(549,984)</u>
		3,580,784	3,681,066	3,387,048
Grants in lieu of taxes	25	38,850	32,843	42,684
Sale of services	25	684,478	705,915	569,420
Revenue from own sources	26	330,832	434,084	514,412
Unconditional transfers from other governments	26	<u>243,359</u>	<u>250,312</u>	<u>460,975</u>
		<u>4,878,303</u>	<u>5,104,220</u>	<u>4,974,539</u>
Expenditures				
General government services				
Legislative services	27	135,423	134,589	117,407
Administrative services	27	828,294	938,913	812,389
Protective services				
Police services	28	760,061	761,792	685,968
Fire services	28	271,050	237,255	214,338
Other services	28	42,150	7,981	54,142
Transportation services	29	973,817	982,080	874,627
Environmental health services	29	690,938	678,907	573,737
Economic Development	30	172,508	269,708	140,375
Recreation and cultural services	30	504,561	498,391	450,918
Fiscal services	31	<u>239,549</u>	<u>220,716</u>	<u>258,121</u>
		<u>4,618,351</u>	<u>4,730,332</u>	<u>4,182,022</u>
Net Revenue over Expenditures		259,952	373,888	792,517
Debt principal installments		(308,891)	(308,891)	(310,380)
Transfers (to) from:				
Operating reserve fund		<u>48,939</u>	<u>(64,997)</u>	<u>(482,137)</u>
Change in Fund Balance		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

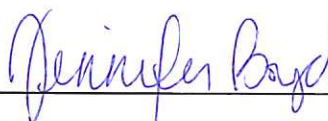
**Town of Berwick
General Section
Operating Fund
Statement of Financial Position**

March 31, 2023

	<u>2023</u>	<u>2022</u>
Assets		
Current		
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
Deferred pension charge (note 13)	<u>41,980</u>	<u>51,945</u>
	<u>\$3,151,713</u>	<u>\$4,838,526</u>
Liabilities		
Current		
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
Due to the general capital fund	-	1,866,804
Unfunded pension liability (note 13)	<u>41,980</u>	<u>51,945</u>
	<u>3,151,713</u>	<u>4,838,526</u>
Surplus		
Operating Surplus	<u>-</u>	<u>-</u>
	<u>\$3,151,713</u>	<u>\$4,838,526</u>

On Behalf of the Town of Berwick

 , Mayor

 , Clerk

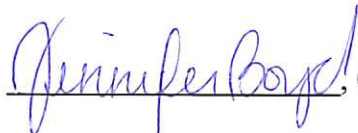
**Town of Berwick
General Section
Capital Fund
Statement of Financial Position**

March 31, 2023

	<u>2023</u>	<u>2022</u>
Assets		
Current		
Accounts receivable	\$ 2,761,233	\$ -
Due from general operating fund	<u>-</u>	<u>1,866,804</u>
	2,761,233	1,866,804
Equity in assets of		
Valley Waste-Resource Management	253,863	253,863
Due from reserve fund	383,171	-
Tangible capital assets (note 11)	<u>21,248,079</u>	<u>15,028,214</u>
	<u>\$24,646,346</u>	<u>\$17,148,881</u>
Liabilities		
Current		
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
Long Term Debt (page 19)		
Debentures issued to Province of Nova Scotia or its agencies:		
Nova Scotia Municipal Finance Corporation	<u>3,148,496</u>	<u>3,457,394</u>
	<u>9,970,387</u>	<u>6,672,267</u>
Equity		
Investment in Capital Assets (page 24)	<u>14,675,959</u>	<u>10,476,614</u>
	<u>\$24,646,346</u>	<u>\$17,148,881</u>

On Behalf of the Town of Berwick

 , Mayor

 , Clerk

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

March 31, 2023

	<u>2023</u>	<u>2022</u>
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 ICIP grant	1,834,996	1,038,924
Federal ICIP grant	2,242,772	1,269,797
Federal Gas tax	61,265	56,742
FCM Grant	49,950	-
Beautification Grant	9,949	-
Berwick & District Fire Commission	25,476	-
Berwick Fire Department	5,040	61,955
Restart Funds	50,023	9,499
Transfer from operating reserve	95,410	42,716
Transfer from capital reserve fund	226,497	198,698
Amortization	(703,080)	(700,954)
Disposal of property and equipment	<u>(7,844)</u>	<u>-</u>
Balance, end of year	<u>\$14,675,959</u>	<u>\$10,476,614</u>

**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>
Taxation			
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>
Grants in Lieu of Taxes			
Federal government agencies	\$ 6,850	\$ 6,887	\$ 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>\$ 32,843</u>	<u>\$ 42,684</u>
Sales of Services			
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>

**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>
Revenue from Own Sources			
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>15,000</u>	<u>39,585</u>	<u>17,861</u>
	<u>\$ 330,832</u>	<u>\$ 434,084</u>	<u>\$ 514,412</u>
 Unconditional Transfers from Other Governments			
Provincial government			
Equalization grant	\$ 221,479	\$ 211,479	\$ 442,958
Farm property acreage	1,460	1,460	1,397
Other	<u>20,420</u>	<u>37,373</u>	<u>16,620</u>
	<u>\$ 243,359</u>	<u>\$ 250,312</u>	<u>\$ 460,975</u>

**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>
General Government Services			
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>

**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>
Protective Services			
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>

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>
Transportation Services			
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	276,650	255,600	167,693
Contracted services	-	1,564	-
Crosswalk guard expense	20,729	9,647	16,016
Roads and streets			
Street lighting	67,000	61,445	62,403
Kings Point to Point	5,039	-	4,940
Kings Transit services	<u>70,300</u>	<u>73,021</u>	<u>65,444</u>
	<u>\$ 973,817</u>	<u>\$ 982,080</u>	<u>\$ 874,627</u>
Environmental Health Services			
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	212,437	217,055
Contribution to reserves	<u>46,592</u>	<u>-</u>	<u>-</u>
	<u>\$ 690,938</u>	<u>\$ 678,907</u>	<u>\$ 573,737</u>

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>
Economic Development			
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			
Salaries and benefits	32,882	26,246	2,177
Office supplies	2,100	31	386
Advertising	3,000	4,799	3,287
Contracted services	<u>83,000</u>	<u>155,454</u>	<u>71,313</u>
	<u>120,982</u>	<u>186,530</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>\$ 269,708</u>	<u>\$ 140,375</u>
Recreational and Cultural Services			
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>

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>
Fiscal Services			
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
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>\$ 239,549</u>	<u>\$ 220,716</u>	<u>\$ 258,121</u>

**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>
Revenue			
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>
Operating Expenditures			
Production expenses (page 36)	4,318,141	4,356,914	4,043,642
Distribution expenses (page 36)	447,797	504,461	441,455
General expenses (page 36)	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>
Operating profit	<u>209,769</u>	<u>145,107</u>	<u>199,197</u>
Non-Operating Expenditures			
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>
Other Expenditures			
Bonds retired	80,833	80,833	82,510
	<u>80,833</u>	<u>80,833</u>	<u>82,510</u>
Operating Surplus For The Year	89,397	31,658	77,935
	\$ <u>89,397</u>	31,658	77,935
Surplus, beginning of year		<u>231,679</u>	<u>153,744</u>
Surplus, end of year		\$ <u>263,337</u>	\$ <u>231,679</u>

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

March 31, 2023

	<u>2023</u>	<u>2022</u>
Assets		
Current		
Accounts receivable		
Rates (less allowance for doubtful accounts - \$16,410; 2022 \$16,410)	984,147	804,639
Other	495,028	839,340
HST receivable	86,570	54,714
Inventory, at cost	44,642	127,289
Prepaid expenses	64,593	5,512
Due from Town operating	<u>110,172</u>	<u>-</u>
	<u>\$ 1,785,152</u>	<u>\$ 1,831,494</u>
Liabilities		
Current		
Bank indebtedness	\$ 210,898	\$ 100,130
Payables and accruals	911,860	958,991
Due to capital fund	395,057	75,988
Due to PCB reserve	4,000	4,000
Due to Town operating	<u>-</u>	<u>460,706</u>
	1,521,815	1,599,815
Surplus		
Operating Surplus (page 32)	<u>263,337</u>	<u>231,679</u>
	<u>\$ 1,785,152</u>	<u>\$ 1,831,494</u>

On Behalf of the Town of Berwick

Donald E. Clarke, Mayor

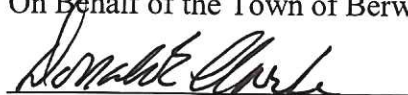
Jennifer Boyd, Clerk

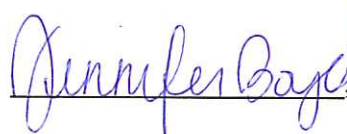
**Town of Berwick
Electric Utility
Capital Fund
Statement of Financial Position**

March 31, 2023

	<u>2023</u>	<u>2022</u>
Assets		
Depreciation bank	\$ -	\$ 133,158
Utility plant in service (note 11)	9,849,290	9,755,705
Due from operating fund	<u>395,057</u>	<u>75,988</u>
	<u>\$ 10,244,347</u>	<u>\$ 9,964,851</u>
Liabilities		
Current		
Long Term Debt (page 20)		
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>
Accumulated allowance for depreciation (note 11)	<u>5,544,045</u>	<u>5,264,549</u>
	6,614,712	6,416,049
Equity		
Depreciation Fund (Page 34) (2022 restated - note 23)	319,069	133,158
Investment in Capital Assets (page 34-2022 restated - note 23)	<u>3,310,566</u>	<u>3,415,644</u>
	3,629,635	3,548,802
	<u>\$ 10,244,347</u>	<u>\$ 9,964,851</u>

On Behalf of the Town of Berwick

 _____, Mayor

 _____, Clerk

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

March 31, 2023

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 3,415,644	\$ 3,466,292
Add (Deduct):		
Term debt retired	80,833	82,510
Transfer to depreciation fund	(279,494)	(332,575)
Capital additions	<u>93,583</u>	<u>199,417</u>
Balance, end of year	<u>\$ 3,310,566</u>	<u>\$ 3,415,644</u>

**Electric Utility
Statement of Depreciation Fund**

March 31, 2023

Balance, beginning of year	\$ 133,158	\$ -
Add (deduct):		
Depreciation	279,494	332,575
Capital assets purchased	<u>(93,583)</u>	<u>(199,417)</u>
Balance, end of year	<u>\$ 319,069</u>	<u>\$ 133,158</u>

Town of Berwick
Electric Utility
Schedule to Statement of Operations

Year Ended March 31, 2023

	2023 <u>Budget</u>	2023 <u>Actual</u>	2022 <u>Actual</u>
Production expenses			
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>
Distribution expenses			
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>
General expenses			
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>

Town of Berwick
Capital Reserve Fund
Statement of Financial Position

March 31, 2023

	<u>2023</u>	<u>2022</u>
Assets		
Cash	\$ 937,358	\$ 501,855
Accounts receivable	154,467	-
Due from operating	-	<u>296,609</u>
	<u>1,091,825</u>	<u>798,464</u>
Liabilities		
Due to general capital	383,171	-
Due to operating	<u>25,250</u>	-
	408,421	-
Reserve	<u>683,404</u>	<u>798,464</u>
	<u>\$1,091,825</u>	<u>\$ 798,464</u>
Balance, beginning of year	\$ 798,464	\$ 676,259
Add (Deduct):		
Transfer to capital fund	(287,762)	(329,611)
Interest	13,713	279
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>
 Balance, end of year	 <u>\$ 683,404</u>	 <u>\$ 798,464</u>

On Behalf of the Town of Berwick

Donald Clarke, Mayor

Jennifer Boyd, Clerk

Town of Berwick

Operating Reserve Fund Statement of Financial Position

March 31, 2023

	<u>2023</u>	<u>2022</u>
Assets		
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>
Reserve		
Balance, beginning of year	\$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>
Balance, end of year	<u>\$1,184,565</u>	<u>\$1,214,978</u>

On Behalf of the Town of Berwick

Donald Chase, Mayor

Jennifer Boyel, Clerk

Town of Berwick

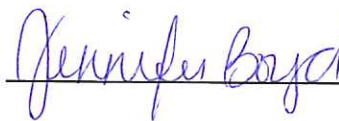
**Open Space Reserve Fund
Statement of Financial Position**

March 31, 2023

		<u>2023</u>	<u>2022</u>
Cash	Assets	\$ <u>15,400</u>	\$ <u>-</u>
	Reserve		
Balance, beginning of year		\$ -	\$ -
Add (deduct):			
Donation		15,400	-
Balance, end of year		\$ <u>15,400</u>	\$ <u>-</u>

On Behalf of the Town of Berwick

 , Mayor

 , Clerk

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

March 31, 2023

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

On Behalf of the Town of Berwick

Donald Clark, Mayor

Jennifer Boyd, Clerk