

---

**TITLE:** Property Assessed Clean Energy (PACE) Program Procedure  
**DEPARTMENT:** All Departments  
**PROCEDURE NO:** 66000-04P

---

**APPROVAL DATE:** December 18, 2023

**CAO Signature:** 

**PURPOSE:**

To provide direction and guidance on the administration of the Property Assessed Clean Energy (PACE) Program Policy, hereinafter referred to as the 'Program'.

**PROCEDURE:**

1. Application is received from Clean NS for customer wanting to enter the Program. The Town does the following:
  - a. Revenue Officer completes Appendix A, which provides:
    - i. Verification of property ownership; and
    - ii. Confirmation that municipal taxes, rates or charges are not in default;
  - b. Director of Finance or Director of HR & Customer Service performs a credit check on each of the property owners.
  
2. The Director of Finance or Director of HR & Customer Service will review the credit check score(s) and determine if the applicant(s) is suitable for the Program. If there is one homeowner, an applicant with a credit check score of 700 or above will be approved. An applicant with a credit check score of 699 or lower will be denied. If there are two or more homeowners, if one of them has a credit check score of 699 or lower, the application will be denied regardless of the other homeowner's score.
  - a. The Director of Finance or Director of HR & Customer Service will then inform the Revenue Officer if the applicant(s) credit checks met the criteria above.
  - b. The Revenue Officer will then reply to Clean NS and let them know the applicant(s) status of municipal taxes, rates or charges and will advise Clean NS if the applicant(s) passed the credit check.
  
3. The Revenue Officer will create a folder in SharePoint for the applicant and place the relevant documentation; application form, completed Appendix A and email from the Director of Finance or Director of HR & Customer Service with credit check results. Also, the Revenue Officer will start an excel spreadsheet for this applicant to track the charges that will make up the total loan.
  - The first charge to be listed is for the cost of the credit check(s) which is \$30 (HST included) per credit check. If there are two owners on a property there will be two credit checks, the cost would then be \$60 (HST included).
    - If an applicant is denied entry to the program because of their Equifax credit score, they will not be charged for the cost of the credit check(s).
  - The second charge will be the payment to Clean NS for the total cost of the home improvements.

**TITLE:** Property Assessed Clean Energy (PACE) Program Procedure  
**DEPARTMENT:** All Departments  
**PROCEDURE NO:** 66000-04P

---

4. Once the Revenue Officer is notified by Clean NS that the applicant's project costs are complete, the customer is contacted asap to obtain Pre-Authorized Payment information.
5. When Clean NS submits their invoice for the total owing for the home improvements, the Revenue Officer adds the costs to the excel spreadsheet for the applicant.
  - a. The Revenue Officer enters the invoice from Clean NS in SAP, coded to GL 1207. Then the invoice is submitted to Accounts Payable for payment.
6. The Revenue Officer shares the excel spreadsheet link with the Director of Finance or Director of HR & Customer Service for a loan schedule to be prepared.
7. The Director of Finance or Director of HR & Customer Service prepares the loan amortization schedule and submits to the Chief Administrative Officer (or designate) for approval.
8. The Chief Administrative Officer (or designate) reviews the loan amortization schedule for accuracy and signs off, notifying the Director of Finance or Director of HR & Customer Service.
9. The Director of Finance or Director of HR & Customer Service saves the loan amortization schedule to the application folder and notifies the Revenue Officer to create the loan on the customer's account.

**Setting Up Loan On Customer Account:**

The Revenue Officer receives notification that the loan amortization schedule is ready and completes the following steps:

1. Sets up SAP PACE Loan:
  - a. PACE loan is monthly payments for 10 years (120 payments). The loan balance is the principal loan plus interest and is paid in equal payments over 120 months starting on the first day of the following month.

Follow instructions provided by SAP for loan set up.

2. Enter customer PAP information on account, PAP payments must be set to the \_\_\_ day of the month for this Program.

**Loan Summary Documentation to Customer**

Once the loans have been put on the account, the customer is sent a letter with the payment dates and details of the loan payments. A copy of the loan amortization schedule must be attached or included in this letter.

**TITLE:** Property Assessed Clean Energy (PACE) Program Procedure  
**DEPARTMENT:** All Departments  
**PROCEDURE NO:** 66000-04P

**Payments On Account:**

Payments on the PACE Program must be made by Pre-Authorized payments. The Pre-Authorized payments in this program are only available on the \_\_\_ day of each month.

**Accounting Entries:**

Director of Finance will keep a spreadsheet of all loans and their principal and interest payments.

The following journal entries will be completed:

- Accounts Payable - To pay Clean NS for applicant's home improvements a Request for Cheque must be completed with proper supporting documentation from Clean NS with the total amount owing.

A/R PACE (clearing)	GL 1207	\$xxxx
Accounts Payable	GL 3200	\$xxxx

- Director of Finance - To reimburse TOA for Equifax fees for credit check (fees were expensed to G/L 9090 CC TAX tax code P2), the following journal entry:

PACE (clearing)	GL 1207	\$30.00
Cost Recovery	GL 6180 CC TAX	\$26.09
HST Collected	GL 3270	\$ 3.91

- Director of Finance – After the loan is set up, a journal entry will be completed moving the loan principal (total of Clean NS invoices plus Equifax credit check) from deferred revenue and offsetting the invoices paid to Clean NS and the Equifax charge that were adjusted to PACE Clearing. Once this journal entry is complete, the balance remaining in the Deferred Revenue account will be the total interest on the loan.

Deferred Revenue – PACE	G/L 3640	\$xxxx
A/R PACE (clearing)	G/L 1207	\$xxxx

- Director of Finance - At the end of every month, a journal entry will be completed recording the monthly interest revenue on the PACE program.

Deferred Revenue – PACE	G/L 3640	\$xx
Interest Earned – PACE	G/L 4625	\$xx

---

**TITLE:** Property Assessed Clean Energy (PACE) Program Procedure  
**DEPARTMENT:** All Departments  
**PROCEDURE NO:** 66000-04P

---

**APPENDIX A**

**REVIEW OF APPLICANT ACCOUNT BALANCES**

The following checklist must be completed by the Revenue Officer for every PACE Program application received:

1. AAN: \_\_\_\_\_
2. Property Type Residential: YES or NO (circle one)
3. Assessed Value of Property: \_\_\_\_\_
4. Name(s) on Account: \_\_\_\_\_
5. SAP Account Number - taxes: \_\_\_\_\_
6. SAP Account Number – water/sewer: \_\_\_\_\_
7. SAP Account Number – misc A/R: \_\_\_\_\_
8. What is the account balance for taxes? Are there arrears on the account?  
\_\_\_\_\_
9. What is the account balance for water/sewer? Are there arrears on the account?  
\_\_\_\_\_
10. What is the account balance for misc A/R? Are there arrears on the account?  
\_\_\_\_\_

\*Attach a pdf of Statement of Account for each of the following, Taxes, Water/Sewer and Misc to this form.

\_\_\_\_\_  
Revenue Officer

\_\_\_\_\_  
Date

**TITLE:** Property Assessed Clean Energy (PACE) Program Procedure  
**DEPARTMENT:** All Departments  
**PROCEDURE NO:** 66000-04P

**ROLES AND RESPONSIBILITIES**

Title/Role	Responsibilities
Revenue Officer	Complete Appendix A, advise Clean NS if applicant passed the credit check
Director of Finance or Director of HR & Customer Service	Perform credit checks, keep spreadsheet of all loans and their principal interest payments

For Administrative Use Only:

**VERSION LOG**

Amendment Description	Procedure Owner	Approved By	Approval Date
Put the existing procedure into the new procedure format	Director of Finance, Wilson	CAO	December 18, 2023