

**REGION OF QUEENS MUNICIPALITY
REGULAR COUNCIL
TUESDAY, AUGUST 23, 2016
9:00 a.m.**

PRESENT: Mayor Christopher Clarke, Chair
Councillor Darlene Norman
Councillor Brian Fralic
Councillor Jack Fancy
Councillor Susan MacLeod
Councillor Raymond Fiske
Councillor Bruce Inglis
Richard MacLellan, Chief Administrative Officer
Jennifer Keating-Hubley, Director of Finance
Christine Watson, Recording / Management Secretary

REGRETS: Councillor Peter Waterman

1.0 CALL TO ORDER:

Mayor Clarke called the meeting to order at 9:00 a.m.

2.0 CHANGES / APPROVAL OF AGENDA:

It was moved by Councillor Fralic and seconded by Councillor Fiske that the Agenda be approved with the following changes:

7.2 Deferred to September 13, 2016

**Add: 12.1 Liverpool Baseball Club – Grant Request
17.2 In-Camera, Land Matter
17.3 In-Camera, Personnel Matter**

MOTION CARRIED unanimously.

3.0 PRESENTATION(S):

3.1 Retirement Award

Mayor Clarke welcomed Norm Amirault, Director of Recreation and Community Facilities, to Council and presented him with a retirement award after 32 years of service with the Region and wished him well.

3.2 Belliveau Veinotte – Audited Financial Statements

Paul Belliveau, Senior Partner, Belliveau Veinotte was welcomed to Council and introduced Mike Metcalfe and Mike Belliveau, auditors, to present the Consolidated Financial Statements for the fiscal year ended March 31, 2016 (copy attached to original set of Minutes).

He stated that the Region is in a very good financial position with good reserves and noted that the Region was working on improving the balance of uncollected taxes and dangerous and unsightly charges.

Mr. Metcalfe reviewed the three sections of the financial statements.

Section B – Non Consolidated – Some highlighted included:

- Property taxes remained consistent.
- The landfill reserves are very healthy.
- Net book value was similar to 2015 with investments of capital assets keeping up with depreciation, which is a good sign.
- Water operating was static this year and expenses comparable to budget, with a small surplus.

- Water Capital assets show an increase in mains section due to ongoing work in Brooklyn.

Section C – Trust Funds

This section includes scholarships, tax sale surplus which needs to be kept in trust for 20 years after the sale and the Hillsvie residents. In the tax sale surplus reserve there was \$27,300 in proceeds and \$36,000 in redemption due to a property being reclaimed.

Section A – Consolidated – Some highlights included:

- Cash / cash equivalent was up over \$700,000 from last year and miscellaneous receivable up over \$250,000, with tax receivables very similar to last year.
- Deferred revenues were up over \$100,000 due to Beach Boys concert, the tickets were sold before year end.
- Long term debt decreased, no new debt incurred and regular payments made as scheduled.
- Landfill liability reserve increases each year, an estimate to fund future costs.
- Reserves were up \$700,000 over the previous year.

Councillor Fancy enquired under Section C2 assets about what the former employee pension trust fund was for. Jennifer Keating-Hubley, Director of Finance, stated that this is for a former clerk position prior to amalgamation and is funded from a reserve.

He further enquired under Section B3 accounts receivable for the federal / provincial government. Ms. Keating-Hubley stated that we are required to distinguish where the various payables at the end of the year, i.e. HST remittances to the federal and provincial would be to various Departments.

Councillor Norman enquired to the surplus of \$1.6 Million. Ms. Keating-Hubley stated that consolidated surplus is a combination of various book entries not based on actual expenditures (i.e. reserve transfers, amortization, elimination of principal debenture payments, etc.). Our surplus for operations was \$93,207.

Mayor Clarke commented with regards to the operating surplus, on the budgeting for contaminated solids being conservative, for instance.

Ms. Keating-Hubley stated that the reserves from landfill revenues (which would make up some of that consolidated accumulated surplus) covered the \$3.7 Million landfill expansion and we did not have to borrow.

Councillor Inglis enquired where the funds went to after 20 years that were incurred from tax sales. Ms. Keating-Hubley stated that these went back into operating revenue.

4.0 TABLING OF PETITIONS:

There were no petitions to come before this meeting.

5.0 PUBLIC QUESTION / COMMENT SESSION:

Leon Robertson, 45 College Street, Liverpool – Mr. Robertson stated that he was pleased with the auditors presentation and the clarification on the surplus.

He enquired why the funding announcement from the federal and provincial governments for water / sewer improvements included work for Main Street down to School Street and on School Street, but did not include the work in Brooklyn. Mayor Clarke stated that it was included in the application, but would not be included where the work was already in progress and was not eligible. He also enquired if the Shore Road in Brooklyn would be completed next year. Richard MacLellan, CAO, stated that the schedules are not completed for the 5-year plan. Mayor Clarke stated that the monies received allows for the Region to plan ahead for 2 or 3 years.

Mr. Robertson enquired under Item 16.1 – MPAL Job Description if more funds would be required over the next 5 years than the \$10,000. Mr. MacLellan stated yes and that it would be \$10,000 for this year.

David Dagley, 9 Meadow Pond Lane, Liverpool – Mr. Dagley thanked Mayor Clarke and Council on their prompt response and update on the Markland Avenue sidewalk issue. He stated that under Item 16.2 in the background it states the petition was for sidewalks, but that the petition was for a sidewalk (singular) and would like that to be amended. He asked how this information update would be provided to the residents on Markland Avenue.

Mayor Clarke stated that staff has already visited some of the residents and no decision has been made at this point and will be discussed later on the agenda and once the decision is made we will follow procedures in communicating.

John Winters, Western Head – Mr. Winters stated that under Item 16.1 – MPAL Job Description that the physical activity strategy is very similar to the 2009/1010 physical activity strategy created by the Region which was created from focus groups consisting of school partnerships, community organizations and government and is 90 pages long. He enquired if it is anticipated that the new strategy would differ significantly from the old strategy; as it sounds like the Region is creating a new strategy and stated that the old strategy had reporting deadlines from community accomplishments, and that to date, has not seen anything reported, and asked if it would be better to ascertain the accomplishments and effectiveness of the previous strategy before starting another one.

Mr. MacLellan stated that the recommendation before Council was for the approval of the job description for the coordinator and not a new strategy. The physical activity strategy was created a number of years ago and partially implemented, and at the time it was decided to focus on Economic Development. We have now received more funding from the province to reinstate that position and it will be required for reporting / accountability on working with the stakeholders groups. More will be reported back to Council and the public on the work with this position.

6.0 APPROVAL OF MINUTES:

6.1 Council Minutes – August 9, 2016

It was moved by Councillor Fancy and seconded by Councillor Inglis:

THAT the minutes of the Regular Council meeting held August 9, 2016 be approved as circulated.

MOTION CARRIED unanimously.

7.0 DANGEROUS OR UNSIGHTLY PREMISES:

7.1 573 Main Street, Liverpool

It was moved by Councillor Inglis and seconded by Councillor MacLeod:

THAT Region of Queens Council declare the property located at 573 Main Street, Liverpool, Queens County, Nova Scotia as dangerous and unsightly as defined in the Municipal Government Act of Nova Scotia.

AND THAT Region of Queens Council cause an Order to be served upon the owner of the property requiring that, within seven (7) days of the date of the service of the Order, the following work be carried out:

- 1. Grass to be cut and maintained on a seasonal basis.**

AND THAT, if the owner fails to comply with the Order, the Administrator may cause the requirements of the Order to be carried out and all expenses incurred by the Region of Queens Municipality become the responsibility of the owner.

Kelley-Anne Hurley, Bylaw Enforcement Officer, presented pictures of the offending property, PID #70017777, located at 573 Main Street, Liverpool. The assessed owner is Kathryn Jeanne McGlynn.

This offending property has been on and off our Dangerous and Unsightly roster since 2014. The dwelling on this property is vacant and has been for some time. The lawn has yet to be mowed this year.

During a recent conversation with Ms. McGlynn she stated that she was unsure if she was still responsible for the said property due to the tax sale posting in January of 2016. On January 21, 2016 a tax sale was held; however, this property did not sell. This property was posted in the Advance this week for public tender.

Compliance has not been received at this time.

MOTION CARRIED unanimously.

8.0 ECONOMIC DEVELOPMENT:

There were no items to come before this meeting.

9.0 CORPORATE SERVICES:

Councillor Fiske thanked the fire departments, auxiliary and all the volunteers during the recent forest fires in Queens and Annapolis Counties.

10.0 ENGINEERING AND WORKS:

In the absence of Councillor Waterman, Mayor Clarke stated that Markland Avenue water / sewer project is progressing. He enquired when the schedule would be available for the two government funded projects as the deadline for completion is March 2018. Mr. MacLellan stated that the 5-Yedar Capital Plan will soon be presented to Council.

11.0 FINANCE

11.1 Audited Financial Statements - 2016

It was moved by Councillor Inglis and seconded by Councillor Fiske:

THAT the Council of the Region of Queens Municipality approve the Audited Financial Statements and the Trust Fund Financial Statements for the fiscal year ended March 31, 2016 as presented by Belliveau Veinotte Inc.

Mayor Clarke commented that this is the first time that the firm of Belliveau Veinotte Inc. has been the Region's auditors.

MOTION CARRIED unanimously.

COUNCILLOR MACLEOD DECLARED A CONFLICT OF INTEREST AND LEFT COUNCIL CHAMBERS AT 9:45 A.M.

12.0 RECREATION AND COMMUNITY FACILITIES:

12.1 Liverpool Baseball Club – Grant Request

It was moved by Councillor Fralic and seconded by Councillor Fancy:

THAT Council of the Region of Queens Municipality a Tournament and Special Events Assistance Grant of \$500.00 to the Liverpool Baseball Club to host a Provincial Baseball Championship Tournament on August 26, 27 and 28, 2016.

Heather Cook, Community Development Coordinator, provided a brief outline of the Liverpool Baseball Club event and stated that the amount falls with the allowable limit and the monies are available in the budget.

MOTION CARRIED unanimously.

COUNCILLOR MACLEAD RETURNED TO COUNCIL CHAMBERS AT 9:47 A.M.

13.0 PLANNING:

13.1 Sale of Municipal Land – King Street, Liverpool

It was moved by Councillor MacLeod and seconded by Councillor Inglis:

THAT the council of the Region of Queens Municipality direct Staff to negotiate a purchase and sale agreement with Sandra Allison and Jimmy Jeddry for the sale of a ten (10) foot wide strip of Municipal land in front of their property on King Street in Liverpool.

Mike MacLeod, Planner, provided background on the request for the purchase of municipal property located at 153 King Street in Liverpool. The property is a ten (10) foot wide strip of Municipal land between their property and the King Street right of way, PID #70016993.

He stated that in July 1997, the Municipality sold a 10 foot wide strip to a neighbouring property for \$0.53 per square foot.

MOTION CARRIED unanimously.

13.2 Street Light Request - Milton

It was moved by Councillor MacLeod and seconded by Councillor Fancy:

THAT the Council of the Region of Queens Municipality approve the installation of two new street lights on Bridge Street in Milton.

Mr. MacLeod provided background on the request submitted for two new street lights for Bridge Street in Milton. Concern has been expressed regarding the safety due to the lack of light and there being no streetlights in close proximity to Bridge Street. There is a Clause (27.11) under Policy 27 that allows Council to consider lighting if it is deemed dangerous.

Following discussions among Councillors, it was determined that the lighting needs as presented would not be adequate. Mayor Clarke indicated that if the motion carried as presented, rather than bring back to Council at a later date whereas it is a safety issue, to give staff the flexibility towards the installation of a pole closer to the bridge.

MOTION CARRIED unanimously.

Councillors Fralic and MacLeod voiced their concerns over the issue of lack of guard rail installed when the new Milton Bridge was erected and asked that follow up be made with Department of Transportation due to the safety concern as there has already been a couple instances in the area. Mayor Clarke stated that the CAO has been in discussions with the District Director of the Department of Transportation and they are aware of the issues.

14.0 QUEENS PLACE EMERA CENTRE:

Councillor Fancy updated Council on the Hank Snow Festival, which was very well attended and has grown from last year.

Mayor Clarke stated that a request from a participant who was a caregiver for someone in a wheelchair, that the area opposite the stage be considered to be reserved for caregivers and asked that this be investigated.

Councillor Fancy enquired if consideration would be given to investigating the use of one of the long term care facilities in the Region for the use of one of their vehicles to transport participants with infirmities. Mayor Clarke stated that the request would be passed on to the Hank Snow Society for investigation.

15.0 REPORTS

Items 15.1, 15.2, and 15.3 were included in the agenda package as information:

- 15.1 Bylaw Enforcement Officer's Monthly Report – June 2016
- 15.2 Building Inspector's Monthly Report – June 2016
- 15.3 Town Hall Arts & Cultural Centre Monthly Report – June 2016

Councillor Inglis commented on the events at Town Hall and congratulated Councillor Fralic on his commitment and presence to promote events, which other Councillors concurred. Councillor Fralic thanked everyone and commented on the challenges going forward with the Summer Ambassador completing her term this week, and to work with the community stakeholders going forward and events were filling up going into the fall.

Councillor Norman enquired if there was any consideration given to seeking an individual or network group in the decorating of the hall, perhaps on a seasonal basis. Mr. MacLellan stated that discussions were held with our stakeholders working group on this topic and have purchased additional hanging fixtures which have been installed for hanging art inside. In addition, the Region has been in discussions with the Astor Theatre group but assistance from community stakeholders would also be required. In addition, Mayor Clarke encouraged that lighting around Town Hall be improved this year.

Councillor Fralic commented on the signage at Town Hall and offered his suggestions on improvements to bring attention to what the hall offers.

- 15.4 RCMP Monthly Report – July 2016

16.0 OTHER:

- 16.1 MPAL – Job Description

It was moved by Councillor Norman and seconded by Councillor Fiske:

THAT the Council of the Region of Queens Municipality approve the job description for the Municipal Physical Activity Coordinator as per Attachment One of this report.

Mr. MacLellan provided background on the program and confirmed that the Province of Nova Scotia will be providing a contribution of \$30,000 / year to the position and one of the requirements is to develop a job description that meets their program. Our policy is that Council is required to approve job descriptions. If approved, the next step would be to post for this position.

Councillor Fralic commented that under the development implement strategy, it does not reflect in the wording that a strategy already exists, and feels that it should be used and that it be reviewed and updated.

Mr. MacLellan concurred that we have a strategy and stated that we have not been held accountable in terms of reporting on or the implementation and going forward it will be reviewed.

He further explained that the person hired will review the strategy in a short period of time and that they will work with staff and community groups. He indicated that any programming that is ready will be brought forward and implemented, and will be looking at creating more opportunities outside the Liverpool area, and to look at assisting Greenfield activate the use of their recreation centre as well as Port Medway and North Queens.

Councillor Fancy enquired to whom the position will be reporting to. Mr. MacLellan stated that the position will report to the Director of Recreation and will also be reporting and accountability to both Council and the Province on activities and progress.

MOTION CARRIED unanimously.

16.2 Markland Avenue Sewer and Water Project, Roadway Design

Mr. MacLellan reviewed the background on a petition that was presented to Council on August 9, 2016 requesting Council consider reinstating a sidewalk on Markland Avenue following the completion of the water /sewer extension project. He reviewed project overview and design standards from his report (copy attached to original set of Minutes) which explains what options are available. Included are schematics which show the different options.

The Region is responsible for the funding and management of the project which includes the reinstatement of the roadway that was removed for the underground infrastructure. The reinstatement is to be completed to the design standards and requirements of the Province of Nova Scotia, who are the owners of this right of way. The Provincial Traffic Authority provides direction to the Province as to the changes to the right of way. It is not the Council of the Region of Queens who make the decision on permitting a one way street conversion on Markland Avenue.

The Province is responsible for the street with respect to maintenance, signage and line painting. The Region is responsible for any sidewalk installation.

There has been some community engagement in early June and again following the receipt of the petition. Staff and the local councillor did a door to door visit to solicit the concerns and views respecting the road reinstatement design.

One potential solution that came forward was that the existing construction may accommodate the objectives by restricting parking on one side of the street, and in order to accomplish this, the Region would request the Province to permit the installation of No Parking Signs on one side of the road.

It was moved by Councillor MacLeod and seconded by Councillor Fralic:

THAT the Region of Queens Municipality:

- 1. Forward consideration of the installation of a sidewalk on Markland Avenue in the 2017 / 2018 capital budget.**
- 2. Direct staff to forward a request to the Provincial Traffic Authority to consider converting the roadway into a one way street to enable the installation of a sidewalk to the design standards of Transportation and Infrastructure Renewal.**

MOTION CARRIED with 4 in favour and 3 against.

17.0 IN-CAMERA ITEMS

It was moved by Councillor Fiske and seconded by Councillor MacLeod that the proceedings go "In-Camera" at 10:25 to discuss the following:

- 17.1 Sale of Municipal Land
- 17.2 Land Matter
- 17.3 Personnel Matter

MOTION CARRIED unanimously.

It was moved by Councillor Inglis and seconded by Councillor Fiske that the proceedings come out of "In-Camera" at 11:30 a.m.

MOTION CARRIED unanimously.

- 17.1 Sale of Municipal Land – Main Street, Liverpool

It was moved by Councillor MacLeod and seconded by Councillor Inglis:

THAT the Council of the Region of Queens Municipality direct Staff to initiate the process to close a portion of Main Street in front of properties identified as PID#s 70017736 and 70017744;

AND THAT upon formal closure of that part of Main Street, Staff negotiate a purchase and sale agreement with George Williams for the sale of the former street right of way.

MOTION CARRIED unanimously.

- 17.3 Personnel Matter

It was moved by Councillor Norman and seconded by Councillor Fralic:

THAT Councillor Waterman is granted an unpaid Leave of Absence.

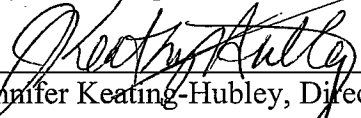
MOTION CARRIED unanimously.

18.0 ADJOURNMENT

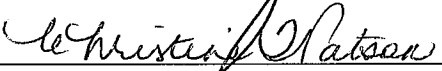
There being no further business, the meeting adjourned at 11:35 a.m.



Mayor Christopher Clarke, Chair



Jennifer Keating-Hubley, Director of Finance



Christine Watson, Recording / Management Secretary

Date Approved: September 13, 2016

REGION OF QUEEN'S MUNICIPALITY
FINANCIAL STATEMENTS
MARCH 31, 2016

DRAFT
FOR DISCUSSION PURPOSES ONLY

*REGION OF QUEENS MUNICIPALITY
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March 31, 2016

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REGION OF QUEENS MUNICIPALITY
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2016

*REGION OF QUEENS MUNICIPALITY
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March 31, 2016

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REGION OF QUEENS MUNICIPALITY
 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31, 2016

	2016	2015
FINANCIAL ASSETS		
Cash and cash equivalents	\$14,061,928	\$13,383,312
Receivables - taxes, rates and other (Note 2)	3,007,219	2,737,109
Loans receivable (Note 3)	219,621	263,514
	<u>17,288,768</u>	<u>16,383,935</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 4)	1,592,558	1,638,610
Deferred revenue	229,210	127,273
Customer deposits	187,949	160,847
Long term debt (Note 5)	4,339,976	5,158,020
Tax sale surplus	272,349	278,565
Solid waste closure and post closure liability (Note 9)	2,411,625	2,098,000
	<u>9,033,667</u>	<u>9,461,315</u>
NET FINANCIAL ASSETS	<u>\$8,255,100</u>	<u>\$6,922,620</u>
NON-FINANCIAL ASSETS		
Tangible capital assets - General - Net book value (Note 6)	\$50,583,233	\$50,850,485
Tangible capital assets - Water - Net book value (Note 6)	5,052,803	4,943,403
	<u>55,636,036</u>	<u>55,793,888</u>
Prepaid expenses	152,539	176,749
Inventory of supplies	112,690	104,763
	<u>55,901,265</u>	<u>56,075,400</u>
ACCUMULATED SURPLUS	<u>\$64,156,365</u>	<u>\$62,998,020</u>

The accompanying notes form an integral part of the consolidated financial statements.

ON BEHALF OF THE REGION OF QUEENS MUNICIPALITY

 Mayor

 CAO

REGION OF QUEENS MUNICIPALITY
CONSOLIDATED STATEMENT OF OPERATIONS

For The Year Ended March 31, 2016

	2016 BUDGET (unaudited)	2016 ACTUAL	2015 ACTUAL
REVENUE			
Taxation	\$12,004,173	\$12,016,660	\$11,647,095
Sale of services	624,153	887,357	919,865
Water rates	500,382	486,494	480,848
Water for fire protection	197,235	197,235	197,235
Government transfers	1,281,876	1,297,463	1,341,115
Grants in lieu of taxes	295,971	308,024	300,911
Services provided to other governments	1,492,827	1,674,074	1,686,609
Other revenue from own sources	1,444,059	1,673,070	1,483,874
Public health	1,221,493	1,256,059	1,241,551
Government Transfers - Capital contributions	766,673	975,620	788,197
Proceeds from sale of property and equipment	-	300	6,587
Capital assets contributed	-	-	-
	<u>19,828,842</u>	<u>20,772,356</u>	<u>20,093,887</u>
EXPENDITURE			
General government services	1,758,679	1,807,815	1,753,791
Protective services	3,178,144	3,147,368	3,164,754
Transportation services	2,707,687	2,588,249	2,677,562
Environment health services	3,387,572	3,658,679	3,604,656
Public health	1,395,529	1,395,403	1,402,578
Environmental development services	870,817	1,011,115	907,951
Recreation and cultural services	2,628,447	2,643,468	2,435,337
Water treatment and distribution	686,807	680,519	654,847
Educational Services	2,681,395	2,681,395	2,627,929
	<u>19,295,077</u>	<u>19,614,011</u>	<u>19,229,405</u>
ANNUAL SURPLUS	<u>533,765</u>	<u>1,158,345</u>	<u>864,482</u>
ACCUMULATED SURPLUS BEGINNING OF YEAR	<u>\$63,979,538</u>	<u>\$62,998,020</u>	<u>\$62,133,538</u>
ACCUMULATED SURPLUS END OF YEAR	<u>\$64,513,303</u>	<u>\$64,156,365</u>	<u>\$62,998,020</u>

The accompanying notes form an integral part of the consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
CONSOLIDATED STATEMENT OF CHANGES IN CASH POSITION

For The Year Ended March 31, 2016

	2016	2015
Cash provided by (used in):		
OPERATING ACTIVITIES		
Annual Surplus	\$1,158,345	\$864,482
Items not involving cash		
Amortization-general capital	1,951,327	1,916,702
Amortization-water capital	102,899	99,718
Increase in Solid waste closure and post closure liability	313,625	252,000
Change in non-cash assets and liabilities		
Receivables-taxes, rates and other	(270,109)	(93,995)
Accounts payable and accrued liabilities	(46,056)	2,978
Deferred revenue	101,940	(67,362)
Customer Deposits	27,101	4,696
Increase (decrease) in Tax sale surplus liability	(6,216)	46,949
Change in other non-financial assets	16,283	(20,966)
Net change in cash from operating activities	<u>3,349,139</u>	<u>3,005,202</u>
CAPITAL ACTIVITIES		
Purchase of tangible capital assets-general	(1,684,072)	(1,193,449)
Purchase of tangible capital assets-water	(212,300)	(275,828)
Net change in cash from capital activities	<u>(1,896,372)</u>	<u>(1,469,277)</u>
INVESTING ACTIVITIES		
Loans receivable	43,893	43,893
Net change in cash from investing activities	<u>43,893</u>	<u>43,893</u>
FINANCING ACTIVITIES		
Long-term debt principal repayment	(818,044)	(816,435)
Net change in cash from financing activities	<u>(818,044)</u>	<u>(816,435)</u>
INCREASE IN CASH	678,616	763,383
CASH and CASH EQUIVALENTS - BEGINNING OF YEAR	<u>13,383,312</u>	<u>12,619,929</u>
CASH and CASH EQUIVALENTS - END OF YEAR	<u>\$14,061,928</u>	<u>\$13,383,312</u>

The accompanying notes form an integral part of the consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For The Year Ended March 31, 2016

	2016	2015
Annual Surplus	\$1,158,345	\$864,482
Acquisition of tangible capital assets-general	(1,684,072)	(1,193,449)
Acquisition of tangible capital assets-water	(212,300)	(275,828)
Amortization of tangible capital assets-general	1,951,327	1,916,702
Amortization of tangible capital assets-water	102,899	99,718
	<u>1,316,199</u>	<u>1,411,625</u>
Net change in prepaid expenses and inventories	<u>16,281</u>	<u>(20,967)</u>
INCREASE IN NET FINANCIAL ASSETS	1,332,480	1,390,658
NET FINANCIAL ASSETS - BEGINNING OF YEAR	<u>6,922,620</u>	<u>5,531,962</u>
NET FINANCIAL ASSETS - END OF YEAR	<u><u>\$8,255,100</u></u>	<u><u>\$6,922,620</u></u>

The accompanying notes form an integral part of the consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These consolidated financial statements are the responsibility of management have been prepared in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board and to conform to the accounting principles prescribed for Nova Scotia municipalities by Service Nova Scotia and Municipal Relations and for water utilities by the Nova Scotia Utility and Review Board. The Region of Queens Municipality is a municipality in the Province of Nova Scotia and operated under the provisions of the Nova Scotia Municipal Government Act.

Basis of Consolidation

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all operations accountable to the Municipality for the administration of their affairs and resources which are owned or controlled by the Municipality. Interdepartmental transactions and balances are eliminated.

The assets, liabilities, taxation and other revenues and expenses with respect to the operations of the South Shore Regional School Board and the Western Regional Housing Authority are not reflected in these consolidated financial statements as they are provincial government entities. The Municipality's contributions to these entities are recorded in the consolidated statement of operations as expenses.

Basis of Accounting

Revenue and expenses are recorded on an accrual basis. The accrual basis of accounting recognizes revenues as they are earned and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

Principal payments relating to long term debt reduce the principal owing when paid.

Cash and Cash Equivalents

Cash and Cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Inventory of Supplies

The inventory of supplies held for consumption is recorded at the lower of cost or replacement cost.

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset, less accumulated amortization value. Donated assets are capitalized and recorded at their estimated fair value upon acquisition. The threshold for each category represents the minimum cost an individual asset must have before it is to be recorded as a tangible capital asset on the statement of financial position. Tangible capital asset additions not meeting the threshold of \$10,000 per year are expensed in the year of acquisition.

Amortization

Amortization of tangible capital assets, other than amortization on those forming part of the regulated Water Utility, is recorded in the statement of operations on a straight line basis over an asset's useful life.

Amortization of tangible capital assets of the Water Utility is recorded on a straight line basis over their estimated useful lives as prescribed by the Nova Scotia Utility and Review Board. An amount of cash equal to the amortization expense of the Water Utility is transferred to a special bank account which is used to help fund replacement of existing Water Utility plant and equipment or, on approval by the Nova Scotia Utility and Review Board, to repay the principal of capital debt.

No amortization is recorded in the years of acquisition or disposal.

The following table outlines an asset's estimated useful life:

	Years
Land Improvements	20
Buildings, building improvements and engineered structures	40
Outdoor swimming pools	25
Heavy Equipment	15
Operating Equipment	12
Vehicles	10
Office and Information Technology-system development packaged system	10
Computer Hardware and Software	5
Office Furniture and Equipment	10
Streets/Roads	30
Sidewalks	25
Illumination Structures	25
Bridges/Railings-construction	50
Bridges/Railings-upgrades	20
Storm Water Conveyance Structures	35
Airport-runways	30
Airports-navigational aids	15
Sewer Infrastructure	50

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Natural Resources, Cultural and Historic Assets

Natural resources, cultural and historic assets that have not been purchased are not recorded as assets in these financial statements.

Solid Waste Management Facilities Liabilities

As indicated in Note 10, the Municipality accrues landfill closure and post-closure care requirements that include final covering and landscaping, and ongoing environmental monitoring, site inspection and maintenance. The liability is accrued as the landfill site's capacity is used. The reported liability is based on estimates and assumptions using the best information available to management. Future events may result in significant changes to the estimated expenses, total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable. The change in the liability at each reporting period is charged as an expense.

Valuation Allowance

Uncollected Taxes and Rates

The Region of Queens Municipality provides a valuation allowance for 100% of the value of taxes outstanding for business occupancy, real properties identified as invalid assessments, owner unknown properties, properties that titles cannot be certified for tax sale and properties not sold at tax sale.

In the Water Utility, the valuation allowance is provided for estimated losses that will be incurred collecting rates receivable outstanding.

Other Receivables

The Region provides a valuation allowance for all receivables other than taxes and rates that are determined to be uncollectible.

Deferred Revenue

Deferred revenue represents user charges and other fees that have been collected, for which the related services have yet to be performed. These amounts are recognized as revenue in the fiscal year the services are performed.

Trust Funds

Trust funds held by the Municipality, and their related operations, are not included in the consolidated financial statements. The financial activity and position of the trust funds are reported separately.

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government Transfers

Government transfers are recognized in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

Taxation and Related Revenues

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Property Valuation Services Corporation. Tax rates are established annually by Council, incorporating amounts to be raised for local services. Taxation revenues are recorded at the time they are levied and the tax billings are due. Assessments and the related property taxes are subject to appeal with any resulting tax adjustments being recorded when the results of the appeal process are known. An allowance for unresolved assessment appeals is also provided.

User Fee Revenue

Sales of service and other user fee revenue are recognized on an accrual basis. Charges for water usage are recorded as Water rates. Charges for sewer usage are recorded in Taxation.

Use of Estimates

The preparation of financial statements in conformity with public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and 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 period. Significant estimates include assumptions used in estimating provisions for valuation allowances, accrued liabilities, landfill liability and in performing actuarial valuations of employee future benefits. Actual results could differ from these estimates.

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

2. RECEIVABLES – TAXES, RATES AND OTHERS

	2016	2015
Property taxes	\$ 1,679,382	\$ 1,694,119
Governments	472,776	469,011
General others, interest accrual	864,088	551,076
Water rates	<u>140,729</u>	<u>134,006</u>
	3,192,067	2,848,202
Less: valuation allowances for doubtful accounts	<u>(149,756)</u>	<u>(111,093)</u>
	<u>\$ 3,007,219</u>	<u>\$ 2,737,109</u>

3. LOANS RECEIVABLE

	2016	2015
Greenfield and District Fire Department – non interest bearing repayable in annual installments of \$12,500 maturing in 2016	\$ 11,400	\$ 23,900
Liverpool Fire Fighters Association – non interest bearing repayable in annual installments of \$15,966 maturing in 2024	137,145	153,111
Mill Village Fire Department – non interest bearing repayable in annual installments of \$10,000 maturing in 2021	55,000	65,000
Charleston Fire Department – non interest bearing repayable in annual installments of \$5,427 maturing in 2018	<u>16,076</u>	<u>21,503</u>
	<u>\$ 219,621</u>	<u>\$ 263,514</u>

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2016	2015
General	\$ 687,500	\$ 812,885
Governments	<u>905,058</u>	<u>825,725</u>
	<u>\$ 1,592,558</u>	<u>\$ 1,638,610</u>

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

5. LONG TERM DEBT (CONTINUED)

The long term debt issued and outstanding (2016 - \$4,339,976; 2015 - \$5,158,020) for details see Section B Schedules B34 and B35. Principal repayments required during the next five years are as follows:

2017	\$358,356
2018	\$310,304
2019	\$282,080
2020	\$283,915
2021	\$257,811

All long term debt outstanding at year end has been properly authorized by Municipal Affairs.

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

6. TANGIBLE CAPITAL ASSETS

	Cost beginning of year	Additions	Disposals	Cost end of year	Amortization in year	Accumulated Amortization	NBV
<i>LAND</i>	\$6,456,208	\$ 150,000	\$ -	\$6,606,208	\$ -	\$ -	\$6,606,208
<i>GENERAL GOVERNMENT SERVICES</i>	1,887,703	61,745	-	1,949,448	47,176	1,155,556	793,892
<i>ENVIRONMENTAL DEVELOPMENT SERVICES</i>	3,237,893	-	-	3,237,893	87,616	1,267,980	1,969,913
<i>PROTECTIVE SERVICES</i>							
Law enforcement	675,620	-	-	675,620	18,653	358,735	316,884
Protective Services	555,616	-	-	555,616	14,358	385,237	170,380
<i>ENVIRONMENTAL HEALTH SERVICES</i>							
Sewage collection and disposal	13,633,396	603,225	-	14,236,620	281,458	4,489,237	9,747,383
Landfill site	10,698,805	231,927	-	10,930,732	455,640	4,342,720	6,588,012
Materials recovery facility	800,349	-	-	800,349	28,040	280,395	519,954
<i>PUBLIC HEALTH AND WELFARE SERVICES</i>	1,218,512	-	-	1,218,512	25,528	1,006,199	212,313
<i>MAINTENANCE DEPARTMENT</i>	4,823,111	457,204	-	5,280,314	277,492	2,939,321	2,340,993
<i>RECREATION, PLANNING, TOURISM</i>	20,942,011	1,387	-	20,943,398	596,339	2,485,473	18,457,925
<i>PUBLIC WORKS</i>							
Sidewalks	606,940	-	-	606,940	16,355	350,909	256,031
Traffic lights	127,110	-	-	127,110	5,084	55,929	71,182
Permanent Streets	4,592,551	178,585	-	4,771,136	96,277	2,234,593	2,536,543
<i>AIRPORT</i>	153,597	-	-	153,597	1,312	136,540	17,057
<i>UTILITY PLANT in SERVICE</i>	6,925,248	212,300	-	7,137,547	102,899	2,084,744	5,052,803
	\$77,334,669	\$1,896,373	\$-	\$79,231,040	\$2,054,226	\$23,595,007	\$55,636,033

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

7. COMMITMENTS

Contract/Leases

As at March 31, 2016, the Region of Queens is committed to making the following payments:

A contract for garbage collection for the subsequent year of \$592,407 plus HST expires March 31, 2021.

A contract for residual waste transfer from transfer stations to the Region of Queens Solid Waste Management Facility expires March 31, 2021.

A contract for the transfer of organic material from the Region of Queens Solid Waste Management Facility to the composting facility expires March 31, 2020.

A contract for fire answering service for the subsequent year of \$27,170 plus HST expires March 31, 2018.

Lease for library space for the subsequent year of \$51,680 plus HST, expires May 31st, 2017.

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

8. EMPLOYEES' RETIREMENT PENSION PLAN

It is the Region's policy to consistently follow Canadian generally accepted accounting principles and recommendations issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. As per the Public Sector Accounting Board handbook, section 3250-Retirement Benefits, the accounting valuation results for the Region of Queens Pension Plan (the "Plan") as at December 31, 2015 indicates a pension asset of \$124,739.

The Region of Queens Municipality and its employees contribute to the Plan for the employees. The Plan is a defined benefit plan which specifies the retirement benefit to be received by the employees based on length of service and rates of pay. Inflation protection is not provided. The pension committee, representing plan members and employer is responsible for overseeing the management of the pension plan.

Benefit payments totaled \$421,609 in calendar year 2015 and \$305,137 in 2014. Contributions from employees and employer are 8.8% and 9.8% of salary respectively. Total employer and employee contributions in calendar year 2015 and 2014 were \$614,998 and \$615,547 respectively; which includes a special payment of \$82,660 in 2015 and \$82,734 in 2014, applied toward the unfunded liability.

The last actuarial valuation filed with regulators was at December 31, 2013. The next actuarial valuation is scheduled for the period ended December 31, 2016 and will be completed in 2017. The interest rate used in the last filed valuation was the 5.75% per year benchmark. The following estimates as at December 31, 2015 are based on the actuarial valuation as at December 31, 2013 extrapolated to December 31, 2015.

	2016	2015
Actuarial value of plan assets	\$10,348,531	\$9,838,812
Accrued benefit obligation	<u>10,284,888</u>	<u>9,617,944</u>
Estimated funding surplus	<u>63,643</u>	<u>220,868</u>

The pension asset as at March 31, 2016 includes the following components:

	2016	2015
Accrued benefit obligation	\$10,284,888	\$9,617,944
Pension fund assets	<u>10,348,531</u>	<u>9,838,812</u>
	(63,643)	(220,868)
Unamortized actuarial gain/ (loss)	<u>(61,096)</u>	<u>176,607</u>
Pension liability (asset)	<u>(124,739)</u>	<u>(44,261)</u>

For the fiscal year ended March 31, 2016, benefit costs of \$243,552 (2015 - \$308,809) were expensed and are included in salaries, wages and benefits as disclosed in Note 13. This amount included \$17,258 (2015 - \$59,216) of amortization of net actuarial losses.

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

9. SOLID WASTE CLOSURE AND POST CLOSURE LIABILITY

The Municipality owns and operates a Solid Waste Management Facility. It has an obligation under Nova Scotia Department of Environment regulations for costs related to the closure and post closure care of the sites once capacity is reached. The following cost and capacity information is based upon ongoing evaluation and best estimates by management in consultation with internal and external technical consultants.

As at March 31, 2016, the remaining capacity of the 1st Generation C&D cell is approximated at 115,000 tonnes. Based on current usage this site may not reach full capacity for several decades. Estimated closure costs in current period dollars total approximately \$1,300,000. The cost estimate is increased annually based on the rolling ten year average of Statistics Canada's consumer price index. Costs for post closure care and maintenance of this site are not expected to be significant.

As at March 31, 2016, based on current Municipal Solid Waste usage and compaction rates, the remaining capacity of the 2nd Generation solid waste cell is approximately 355,000 tonnes. Total closure and post-closure costs in current period dollars are estimated to be approximately \$4,400,000. The cost estimate is adjusted annually based on the rolling ten year average of Statistics Canada's consumer price index.

The municipality has internally restricted assets of \$3,423,023 to fully fund these future costs which are included in cash and cash equivalents. The determination of required additions to the reserve is based on management's knowledge of the future expected costs to close the site with an additional allowance intended to fund potential changes in environmental regulatory standards. Management's estimates for the reserve include consideration that costs will escalate and attempt to ensure that, should the site be closed; no funds would need to be borrowed to complete the closure. Alternatively, the method used to calculate the solid waste closure and post-closure liability as recorded in the statement of financial position is explicitly outlined by Canadian Public Sector Accounting Standards.

The liability recognized in the financial statements is based on estimates and assumptions using the Municipality's best information and judgment. Future events may result in significant changes to the estimated expenses, total capacity or the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

10. TRUST FUNDS UNDER ADMINISTRATION

Trust Funds administered by the Municipality are reported on separately and not included in the consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

11. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

12. SEGMENT DISCLOSURE

The Region of Queens Municipality is a diversified municipal government institution that provides a wide range of services to its citizens. Municipal services are provided by departments and their activities are reported in those segments. Expenses of the following departments have been separately disclosed in segmented information consistent with provincially legislated requirements as follows:

General Government Service

Activities that provide for the overall operation of the Municipality and that are common to, or affect all of, the services provided by the Municipality. This includes the activities of the Mayor and Council as well as the following administrative activities: human resources, legal services, facilities management, finance and administration, communications and technology, and the office of the Chief Administrative Officer.

Protective Services

Activities that provide for the public safety of the citizens of the Municipality. This includes police and fire protection and other protective services such as by-law enforcement and building and fire inspections.

Transportation Services

Activities performed by the Engineering and Works Department. This includes management, maintenance and development of a wide variety of municipal infrastructure. Primary activities are road maintenance, sidewalk repair and maintenance and snow removal and salting (within the boundaries of Liverpool only). Activities also included are sewer operations, equipment maintenance, supervision of water utility, and supervision of solid waste facility.

Environment Health Services

Activities that provide environmentally regulated services. This includes the collection of solid waste materials, the maintenance and operation of a sanitary landfill site, solid waste landfill closure and post-closure costs allocated to the current year, and sanitary wastewater collection and treatment.

Public Health Services

Activities related to the operations of Hillview Acres nursing home and mandatory transfers to the Regional Housing Authority.

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

Environmental Development Services

Activities that support and manage the Municipality's physical and economic development. This includes activities related to land use planning, zoning and development, activities related to investment attraction, existing business retention and expansion, business support and promotion to enhance the economy of the Region.

Recreation and Cultural Services

Activities related to the Municipality's recreation facilities, including the operations and maintenance of two outdoor pools, parks, trails, beaches, and various cultural facilities including a library. This also includes the expenditures for various recreational programming and special events as well as human, financial, and administrative support of volunteer organizations within the Municipality and surrounding area.

Water Treatment and Distribution

Activities related to the treatment and distribution of drinking water to its users through a comprehensive water treatment facility.

Educational Services

Activities related to the mandatory funding of school boards.

CONSOLIDATED EXPENSES BY OBJECT

	2016	2015
Salaries, wages and benefits	\$ 5,069,093	\$ 4,906,718
Interest on long-term debt	163,126	178,657
External transfers and grants	2,681,395	2,627,929
Provision for allowances	40,889	(57,034)
Amortization	2,054,226	2,017,420
Other	9,605,282	9,555,715
	<u>\$ 19,614,011</u>	<u>\$ 19,229,405</u>

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

12. SEGMENT DISCLOSURE (CONT'D)

	General Government Services	Protective Services	Transportation Services	Environment Health Services	Public Health Services	Environmental Development and Services	Recreation and Cultural Services	Water Treatment and Distribution	Educational Services	Total
Salaries, wages and benefits	\$ 964,236	\$ 146,119	\$ 811,771	\$ 551,618	\$ 1,012,788	\$ 430,657	\$ 902,867	\$ 249,036	-	\$ 5,069,092
Interest on long-term debt	-	-	11,090	39,731	-	-	85,022	27,283	-	\$ 163,126
External transfers and grants	353,682	2,135,975	-	-	103,011	14,866	21,247	-	2,681,395	\$ 2,681,395
Amortization	22,294	37,638	396,521	765,137	22,708	95,345	611,684	102,899	-	\$ 2,054,226
Materials, services and other expenses	467,603	827,636	1,368,867	2,302,193	256,896	470,247	1,022,648	301,301	-	\$ 9,646,172
Total Expenditures	\$ 1,807,815	\$ 3,147,368	\$ 2,588,249	\$ 3,658,679	\$ 1,395,403	\$ 1,011,115	\$ 2,643,468	\$ 680,519	\$ 2,681,395	\$ 19,614,011

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2016

B.
REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
INDEX TO NON-CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

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REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED OPERATING FUND STATEMENT OF OPERATIONS

GENERAL SECTION

FOR THE YEAR ENDED March 31, 2016

	SCHEDULE	2016		2015
		BUDGET (UNAUDITED)	ACTUAL	ACTUAL
REVENUE				
Taxes	1	\$12,004,173	\$12,016,660	\$11,590,061
Grants in lieu of taxes	2	295,971	308,024	300,911
Services provided to other governments	3	1,492,827	1,674,074	1,686,609
Sales of services	4	606,653	864,654	912,365
Other revenue from own sources	5	1,429,559	1,467,902	1,354,858
Unconditional transfers from other governments	6	1,227,681	1,227,681	1,227,199
Conditional transfers from Federal and Provincial governments or agencies	7	54,195	69,782	113,916
Other transfers	8	285,422	403,058	505,851
		<u>17,396,481</u>	<u>18,031,835</u>	<u>17,691,770</u>
EXPENDITURE				
General government services	9	1,736,385	1,774,049	1,606,873
Protective services	10	3,140,506	3,101,832	3,140,468
Transportation services	11	2,383,871	2,264,433	2,381,290
Environmental health services	12	3,402,956	3,425,783	3,435,297
Public health	13	151,328	138,594	146,490
Environmental development services	14	789,267	929,565	826,401
Recreational and cultural services	15	2,175,132	2,190,153	1,981,844
Fiscal services	16	3,613,356	4,114,219	4,094,020
		<u>17,392,801</u>	<u>17,938,628</u>	<u>17,612,683</u>
EXCESS REVENUE		<u>\$3,680</u>	<u>\$93,207</u>	<u>\$79,087</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED OPERATING FUND BALANCE SHEET

GENERAL SECTION

March 31, 2016

ASSETS	2016	2015
<i>CURRENT ASSETS</i>		
Cash	\$ 3,733,244	\$ 891,779
Receivables		
Taxes (Note 2)	1,679,382	1,694,117
Due from Federal Government and its agencies	130,672	138,542 rec list
Due from Provincial Government and its agencies	55,888	133,119 rec list
Due from other local governments	216,357	116,939 rec list
Due from own funds:		
General Capital Fund	1,907	22,920
Water Operating	9,978	-
Special Reserve Fund-Capital	3,463	-
Trust Fund	35,092	7,830
Pension Plan - accrued pension asset	124,739	44,261
Other receivables		
Interest	-	12,298 rec list
Trade	739,349	486,432 rec list
Prepaid expenses	130,820	163,799
	<u>3,127,647</u>	<u>2,820,257</u>
	<u>\$6,860,891</u>	<u>\$3,712,036</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED OPERATING FUND BALANCE SHEET

GENERAL SECTION

March 31, 2016

	2016	2015
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Payables		
Federal Government and its agencies	49,208	49,031
Provincial Government and its agencies	707,090	659,899
Other local governments	148,760	116,795
Due to own funds		
Water Utility Capital Fund	2,816	517
Water Utility Operating Fund	-	155,842
Capital Fund		-
Equipment	497,918	942
Special Reserve Fund-Operating	3,535,199	754,554
Special Reserve Fund-Capital	-	35,445
Trade accounts	430,513	628,717
Prepayment of taxes	181,903	151,631
Deferred revenue - provincial	-	79,945
Deferred revenue	229,210	47,328
Asset valuation allowances		
Uncollectible taxes, rates and interest (Note 4)	128,201	89,538
Other doubtful receivables	21,555	21,555
	<u>5,932,373</u>	<u>2,791,739</u>
EQUITY		
Surplus (Note 5)	<u>928,518</u>	<u>920,297</u>
	<u>\$6,860,891</u>	<u>\$3,712,036</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED CAPITAL FUND BALANCE SHEET

GENERAL SECTION

March 31, 2016

ASSETS	2016	2015
CASH	-\$ 247,215	\$ 73,411
ACCOUNTS RECEIVABLE		
Federal government	26,228	53,459
Provincial government	34,538	20,000
DUE FROM OWN FUNDS:		
General Section-Operating Fund	-	-
Special Reserve Fund-Operating	83,799	134,262
Special Reserve Fund-Equipment	431,340	1,045
	<u>328,690</u>	<u>282,177</u>
PROPERTY AND EQUIPMENT		
Capital assets, at cost	72,093,494	70,409,422
Less: Amortization	<u>21,510,261</u>	<u>19,558,937</u>
	<u>50,583,233</u>	<u>50,850,485</u>
	<u>\$50,911,923</u>	<u>\$51,132,662</u>
LIABILITIES		
PAYABLES		
Trade	95,232	20,011
Federal government	-	7,692
Deferred revenue - Provincial	-	-
DUE TO OWN FUNDS:		
General Section-Operating Fund	1,907	22,920
Special Reserve Fund-Equipment	-	-
LONG TERM DEBT (Note 10)	3,848,768	4,625,878
INVESTMENT IN PROPERTY AND EQUIPMENT	<u>46,966,016</u>	<u>46,456,161</u>
	<u>\$50,911,923</u>	<u>\$51,132,662</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED CAPITAL FUND STATEMENT OF INVESTMENT IN PROPERTY AND EQUIPMENT
 FOR THE YEAR ENDED March 31, 2016

GENERAL SECTION

	2016	2015
BALANCE - BEGINNING OF YEAR	\$46,456,161	\$46,403,913
	<u>46,456,161</u>	<u>46,403,913</u>
TERM DEBT RETIRED	777,110	775,501
TRANSFERS FOR CAPITAL PURPOSES FROM:		
Equipment Reserve Fund	520,174	242,140
Special Capital Reserve Fund	903,287	22,180
Special Operating Reserve Fund	227,212	813,738
GRANTS FOR CAPITAL PURPOSES	33,399	115,391
PROCEEDS FROM SALE OF CAPITAL ASSETS	-	-
CAPITAL EXPENDITURES FROM OPERATIONS	-	-
	<u>48,917,343</u>	<u>48,372,863</u>
AMORTIZATION OF CAPITAL ASSETS	1,951,327	1,916,702
BALANCE-END OF YEAR	<u><u>\$46,966,016</u></u>	<u><u>\$46,456,161</u></u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED CAPITAL FUND PROPERTY AND EQUIPMENT SUMMARY
 March 31, 2016

GENERAL SECTION

	2016		2015	
	COST	ACCUMULATED AMORTIZATION	TOTAL	TOTAL
LAND	\$6,606,208	\$ -	\$6,606,208	\$6,456,208
GENERAL GOVERNMENT SERVICES	1,949,448	1,155,556	793,892	779,322
ENVIRONMENTAL DEVELOPMENT SERVICES	3,237,893	1,267,980	1,969,913	2,057,528
PROTECTIVE SERVICES				
Law enforcement	675,619	358,735	316,884	335,537
Protective Services	555,617	385,237	170,380	184,739
ENVIRONMENTAL HEALTH SERVICES				
Sewage collection and disposal	14,236,620	4,489,237	9,747,383	9,425,616
Landfill site	10,930,732	4,342,720	6,588,012	6,811,724
Materials recovery facility	800,349	280,395	519,954	547,993
PUBLIC HEALTH AND WELFARE SERVICES	1,218,512	1,006,199	212,313	237,841
MAINTENANCE DEPARTMENT	5,280,314	2,939,321	2,340,993	2,161,283
RECREATION, PLANNING, TOURISM	20,943,398	2,485,473	18,457,925	19,052,877
PUBLIC WORKS				
Sidewalks	606,940	367,264	239,676	256,031
Traffic lights	127,110	61,013	66,097	71,182
Permanent Streets	4,771,136	2,234,593	2,536,543	2,454,235
AIRPORT	153,597	136,540	17,057	18,369
	<u>\$72,093,494</u>	<u>\$21,510,261</u>	<u>\$50,583,233</u>	<u>\$50,850,484</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED SCHOOL CAPITAL FUND BALANCE SHEET

GENERAL SECTION

March 31, 2016

ASSETS	2016	2015
LAND AND SCHOOL BUILDINGS (Note 6)	<u>\$536,914</u>	<u>\$536,914</u>
EQUITY		
INVESTMENT IN LAND AND BUILDINGS	<u>\$536,914</u>	<u>\$536,914</u>

NON-CONSOLIDATED SCHOOL CAPITAL FUND STATEMENT OF INVESTMENT IN LAND AND BUILDINGS

FOR THE YEAR ENDED March 31, 2016

	2016	2015
BALANCE - BEGINNING OF YEAR	\$536,914	\$536,914
COST OF LAND AND BUILDINGS REMOVED FROM SERVICE	<u>-</u>	<u>-</u>
BALANCE-END OF YEAR	<u>\$536,914</u>	<u>\$536,914</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS

GENERAL SECTION

FOR THE YEAR ENDED March 31, 2016

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
I. TAXES			
Assessable property			
Residential	\$6,751,732	\$6,766,326	\$6,430,541
Commercial			
Commercial property	1,352,485	1,351,740	1,361,973
Resource			
Taxable assessments	750,839	751,270	720,268
Forest property tax (less than 50,000 acres)	31,906	31,909	31,766
Forest property tax (50,000 acres or more)	341	509	607
	783,086	783,688	752,641
Area rates			
Protective services	215,616	219,719	212,661
Transportation services	1,195,714	1,197,073	1,171,098
Recreational and cultural	6,862	6,881	6,737
Other	68,619	68,782	67,365
	1,486,811	1,492,455	1,457,861
Special assessment			
Environmental health service	533,326	531,508	536,028
Based on revenue:			
Aliant	59,000	58,365	60,280
Nova Scotia Power Corporation	741,733	741,733	691,079
Nova Scotia Power Corporation-HST rebate	31,000	43,134	31,530
	831,733	843,232	782,889
Other			
Deed transfer tax	265,000	247,711	268,128
	<u>\$12,004,173</u>	<u>\$12,016,660</u>	<u>\$11,590,061</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS

GENERAL SECTION

FOR THE YEAR ENDED March 31, 2016

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
2. GRANTS IN LIEU OF TAXES			
Federal Government	\$54,684	\$51,935	\$54,685
Federal Government Agency Canada Post	\$5,290	\$5,367	\$5,199
Provincial Government			
Provincial property	80,620	81,645	82,802
Crown timberlands	139,020	139,230	138,821
Fire protection	16,357	29,847	19,404
	<u>235,997</u>	<u>250,722</u>	<u>241,027</u>
	<u>\$295,971</u>	<u>\$308,024</u>	<u>\$300,911</u>
3. SERVICES PROVIDED TO OTHER GOVERNMENTS			
Local Governments			
Environment health services-landfill	<u>\$1,492,827</u>	<u>\$1,674,074</u>	<u>\$1,686,609</u>
4. SALES OF SERVICES			
Protective services	\$15,000	\$12,732	\$15,145
Environmental health services	589,753	850,202	895,240
Other	1,900	1,720	1,980
	<u>\$606,653</u>	<u>\$864,654</u>	<u>\$912,365</u>
5. OTHER REVENUE FROM OWN SOURCES			
Licenses and permits	\$37,490	\$38,031	\$38,627
Fines	54,000	43,871	47,481
Rentals	349,662	371,759	381,273
Return on investments	44,800	33,742	41,983
Penalties and interest	215,000	226,699	222,625
Revenue collected for Other Government Agencies	38,418	38,268	37,930
Less: Transmission of revenue collected for Other Government Agencies	(38,418)	(38,268)	(37,930)
Queens Place	615,320	654,257	505,735
Miscellaneous	113,287	99,543	117,134
	<u>\$1,429,559</u>	<u>\$1,467,902</u>	<u>\$1,354,858</u>

See accompanying notes to the non-consolidated financial statement.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS

GENERAL SECTION

FOR THE YEAR ENDED March 31, 2016

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
6. UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS			
Provincial Government			
Service Nova Scotia & Municipal Relations			
Assessment Act, farm property acreage	\$10,447	\$10,447	\$9,965
Municipal Grants Act-equalization	1,217,234	1,217,234	1,217,234
	<u>\$1,227,681</u>	<u>\$1,227,681</u>	<u>\$1,227,199</u>
7. CONDITIONAL TRANSFERS FROM FEDERAL & PROVINCIAL GOVERNMENTS OR AGENCIES			
Provincial Government			
Environmental Health Services			
Garbage & refuse collection & disposal	\$42,000	\$52,375	\$57,180
Deferred Revenues - Provincial			
RRFB - Waste Separation Funding	7,500	12,707	12,140
Transition Funding	-	-	39,898
Service Nova Scotia			
Civic number grant	4,695	4,700	4,698
	<u>\$54,195</u>	<u>\$69,782</u>	<u>\$113,916</u>
8. OTHER TRANSFERS			
Transfers from own valuation allowances & equity			
Surplus of prior years	\$51,500	\$84,989	\$201,536
Transfer from other fund			
Special Reserve Fund-Operating	183,000	267,147	202,469
Special Reserve Fund-Equipment	50,922	50,922	101,846
	<u>\$285,422</u>	<u>\$403,058</u>	<u>\$505,851</u>

See accompanying notes to the non-consolidated financial statement.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED March 31, 2016

GENERAL SECTION

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
9. GENERAL GOVERNMENT SERVICES			
Legislative			
Remuneration - mayor	\$35,414	\$35,414	\$35,551
Remuneration - council	123,951	123,951	125,211
Other			
Travel	7,000	5,586	8,265
Other	17,000	19,010	17,783
	<u>183,365</u>	<u>183,961</u>	<u>186,810</u>
General administration			
Administration	807,441	798,644	677,585
Financial management	24,000	21,611	19,500
Bank charges	13,500	15,505	14,435
Taxation			
Administration	57,792	55,762	56,561
Tax billings	18,000	7,631	17,455
Assessment Services	312,132	312,132	314,453
Tax rebate or cancellations			
Reduced taxes (Section 69)	62,500	61,479	60,488
Tax sale	7,500	7,639	11,694
Common services	86,201	74,160	95,354
Other	52,000	96,982	73,488
	<u>1,441,066</u>	<u>1,451,545</u>	<u>1,341,013</u>
Other general government services			
Conventions	15,370	10,941	8,025
Insurance	1,734	1,663	1,663
Grants to organizations	42,000	41,550	46,500
Other	52,850	43,501	22,862
	<u>111,954</u>	<u>97,655</u>	<u>79,050</u>
Valuation allowance			
Uncollectible taxes	-	40,888	-
	<u>\$1,736,385</u>	<u>\$1,774,049</u>	<u>\$1,606,873</u>

See accompanying notes to the non-consolidated financial statement.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED March 31, 2016

GENERAL SECTION

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
10. PROTECTIVE SERVICES			
Police protection			
Administration-prosecution fees/DNA testing	\$35,961	\$25,487	\$24,266
Correctional services	182,216	182,216	184,038
Crime investigation, prevention and protective services	1,885,488	1,875,860	1,837,080
	<u>2,103,665</u>	<u>2,083,563</u>	<u>2,045,384</u>
Law enforcement			
Building/Fire Inspection	92,010	83,566	82,736
Bylaw	82,178	82,033	84,076
	<u>174,188</u>	<u>165,599</u>	<u>166,812</u>
Fire protection			
Fire fighting force	533,727	530,944	578,725
Fire alarm system	28,379	28,372	27,930
Water supply and hydrants	197,235	197,235	197,235
Fire station building	41,193	37,465	42,463
Special Operating Reserve - safety equipment	-	5,612	-
Other	3,000	630	9,056
	<u>803,534</u>	<u>800,258</u>	<u>855,409</u>
Emergency measures	35,407	30,275	35,922
Other-Court House	23,712	22,137	36,941
	<u>\$3,140,506</u>	<u>\$3,101,832</u>	<u>\$3,140,468</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED March 31, 2016

GENERAL SECTION

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
II. TRANSPORTATION SERVICES			
Common services			
Administration	\$753,030	\$720,281	\$706,978
Equipment operations	389,774	343,848	403,488
Small tools and equipment	29,250	25,421	30,092
Works/Storage garages	60,351	58,133	66,608
Insurance	11,283	11,283	10,626
Staff training	6,000	6,694	5,080
	<u>1,249,688</u>	<u>1,165,660</u>	<u>1,222,872</u>
Road transport			
Roads and streets	692,187	647,805	700,593
Street lighting	346,500	357,090	359,796
	<u>1,038,687</u>	<u>1,004,895</u>	<u>1,060,389</u>
Debenture			
Interest	8,319	8,321	11,477
Principal	72,705	72,705	72,705
	<u>81,024</u>	<u>81,026</u>	<u>84,182</u>
Air transportation			
Airport	14,472	12,852	13,847
	<u>14,472</u>	<u>12,852</u>	<u>13,847</u>
	<u>\$2,383,871</u>	<u>\$2,264,433</u>	<u>\$2,381,290</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED March 31, 2016

GENERAL SECTION

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
12. ENVIRONMENTAL HEALTH SERVICES			
Sewage collection and disposal			
Administration	\$18,810	\$16,810	\$16,362
Sewage collection systems	176,041	175,540	81,010
Sewage treatment and disposal	200,161	225,525	221,646
	<u>395,012</u>	<u>417,875</u>	<u>319,018</u>
Debenture			
Interest	1,731	1,729	4,332
Principal	190,020	190,020	190,020
	<u>191,751</u>	<u>191,749</u>	<u>194,352</u>
Garbage and waste collection and disposal			
Administration	97,567	92,854	92,628
Garbage and waste collection	984,018	976,552	941,311
Landfill	652,654	593,242	604,785
Special Capital Reserve - Closure Costs	248,280	313,625	308,179
Recycling	466,142	468,196	590,214
	<u>2,448,661</u>	<u>2,444,469</u>	<u>2,537,117</u>
Debenture			
Interest	25,311	29,469	44,198
Principal	342,221	342,221	340,612
	<u>367,532</u>	<u>371,690</u>	<u>384,810</u>
	<u>\$3,402,956</u>	<u>\$3,425,783</u>	<u>\$3,435,297</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED March 31, 2016

GENERAL SECTION

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
13. PUBLIC HEALTH AND WELFARE SERVICES			
Hillsview Acres-per statement B16	\$ -	\$ -	\$ -
Deficit of Regional Housing Authority	110,000	103,011	120,821
Queens Resource Center	41,328	35,583	25,669
	<u>\$151,328</u>	<u>\$138,594</u>	<u>\$146,490</u>
14. ENVIRONMENTAL DEVELOPMENT SERVICES			
Environmental planning and zoning			
Administration	\$223,790	\$218,499	\$190,130
Other	38,000	30,282	14,227
	<u>261,790</u>	<u>248,781</u>	<u>204,357</u>
Other environmental development services			
Tourism and economic development	<u>480,020</u>	<u>649,661</u>	<u>604,259</u>
Environmental development agencies			
Regional Development Authority	<u>31,200</u>	<u>14,866</u>	<u>1,084</u>
Debenture			
Interest	2,462	2,462	2,906
Principal	13,795	13,795	13,795
	<u>16,257</u>	<u>16,257</u>	<u>16,701</u>
	<u>\$789,267</u>	<u>\$929,565</u>	<u>\$826,401</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED March 31, 2016

GENERAL SECTION

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
15. RECREATION AND CULTURAL SERVICES			
Recreational facilities			
Swimming pools	\$56,041	\$50,837	\$50,000
Parks and Playgrounds	178,142	213,448	198,798
Queens Place	1,196,324	1,234,445	1,083,461
	<u>1,430,507</u>	<u>1,498,730</u>	<u>1,332,259</u>
Cultural buildings and facilities			
Historical sites	1,500	1,511	1,368
Museums	96,714	69,192	46,429
Regional Library	78,256	78,596	78,596
TH Raddall Library	65,000	62,526	60,292
	<u>241,470</u>	<u>211,825</u>	<u>186,685</u>
Other recreational & cultural services	260,741	237,184	217,233
Debenture			
Interest	84,045	84,045	87,301
Principal	158,369	158,369	158,369
	<u>242,414</u>	<u>242,414</u>	<u>245,670</u>
	<u>\$2,175,132</u>	<u>\$2,190,153</u>	<u>\$1,981,847</u>
16. FISCAL SERVICES			
Transfers to own reserves, funds and agencies			
Other funds			
Special Operating Reserve	\$550,756	\$996,618	\$932,020
Equipment Reserve	330,283	330,283	330,283
General Capital Fund	50,922	105,923	203,788
Conditional transfers to other government Agencies			
Appropriation to South Shore Regional School Board	2,681,395	2,681,395	2,627,929
	<u>\$3,613,356</u>	<u>\$4,114,219</u>	<u>\$4,094,020</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED STATEMENT OF REVENUE AND EXPENDITURE-HILLSVIEW ACRES
 FOR THE YEAR ENDED March 31, 2016

GENERAL SECTION

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
REVENUE			
Resident care	\$1,221,493	\$1,256,059	\$1,241,551
EXPENDITURE			
Salaries and benefits	1,002,801	1,011,558	1,024,995
Building	100,392	89,473	89,166
Supplies and equipment	22,100	19,913	17,615
Resident care	76,500	81,937	80,140
Other	19,700	31,220	21,464
	<u>1,221,493</u>	<u>1,234,101</u>	<u>1,233,380</u>
EXCESS OF REVENUE OVER EXPENDITURE -OPERATIONS	-	21,958	8,171
AMOUNT TRANSFERRED TO SPECIAL OPERATING RESERVE	-	21,958	8,171
EXCESS REVENUE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the non-consolidated financial statements.

WATER UTILITY

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED STATEMENT OF OPERATIONS AND SURPLUS
 FOR THE YEAR ENDED March 31, 2016

	2016		2015
	BUDGET (UNAUDITED)	ACTUAL	ACTUAL
OPERATING REVENUE			
Metered sales	\$491,362	\$477,394	\$463,233
Public fire protection	197,235	197,235	197,235
Other	9,020	9,100	17,615
	<u>697,617</u>	<u>683,729</u>	<u>678,083</u>
OPERATING EXPENDITURE			
Water treatment	257,166	274,190	253,955
Transmission and distribution	156,036	148,395	142,269
Administration	147,513	128,661	130,532
Amortization	99,718	102,899	99,718
	<u>660,433</u>	<u>654,145</u>	<u>626,474</u>
OPERATING SURPLUS	<u>37,184</u>	<u>29,584</u>	<u>51,609</u>
NON OPERATING REVENUE			
Interest	32,000	33,124	11,160
Other	-	7,500	7,500
	<u>32,000</u>	<u>40,624</u>	<u>18,660</u>
NON OPERATING EXPENDITURE			
Debenture			
Interest	26,374	26,374	28,373
Principal	40,934	40,934	40,934
	<u>67,308</u>	<u>67,308</u>	<u>69,307</u>
NON OPERATING (DEFICIT)	<u>(35,308)</u>	<u>(26,684)</u>	<u>(50,647)</u>
EXCESS REVENUE	<u>\$1,876</u>	2,900	962
SURPLUS-BEGINNING OF YEAR		<u>586,330</u>	<u>585,368</u>
SURPLUS-END OF YEAR		<u>\$589,230</u>	<u>\$586,330</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED OPERATING FUND BALANCE SHEET

WATER UTILITY

March 31, 2016

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash	\$476,107	\$329,403
RECEIVABLES		
Rates	140,729	134,006
Other	9,093	6,942
PREPAID EXPENSES	21,721	12,950
DUE FROM OWN FUNDS		
Water Utility Capital Fund	6,637	-
General Section Operating Fund	-	155,842
Special Operating Reserve Fund	-	-
INVENTORIES - at cost	<u>112,690</u>	<u>104,763</u>
	<u>\$766,977</u>	<u>\$743,906</u>
LIABILITIES AND EQUITY		
ACCOUNTS PAYABLE	\$158,286	\$144,625
DUE FROM OWN FUNDS		
Water Utility Capital Fund	-	-
General Section Operating Fund	9,978	-
PREPAID ACCOUNTS	6,046	9,216
CUSTOMERS' DEPOSITS	<u>3,435</u>	<u>3,735</u>
	177,745	157,576
EQUITY		
SURPLUS	<u>589,232</u>	<u>586,330</u>
	<u>\$766,977</u>	<u>\$743,906</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED CAPITAL FUND BALANCE SHEET

WATER UTILITY

March 31, 2016

ASSETS	2016	2015
CASH		
Amortization (Note 1)	\$ 774,476	\$ 667,238
DUE FROM OWN FUND:		
General Section Operating	2,816	517
Water Utility Operating Fund	-	-
UTILITY PLANT IN SERVICE	<u>7,137,547</u>	<u>6,925,248</u>
	<u>\$7,914,839</u>	<u>\$7,593,003</u>
LIABILITIES AND EQUITY		
TERM DEBT		
Debentures issued to provincial government or its agencies Municipal Finance Corporation	\$491,208	\$532,142
DUE TO OWN FUND:		
Water Utility Operating Fund	6,637	-
ACCUMULATED ALLOWANCE FOR AMORTIZATION (Note 1)	<u>2,084,744</u>	<u>1,981,845</u>
	2,582,589	2,513,987
EQUITY		
INVESTMENT IN UTILITY PLANT IN SERVICE	<u>5,332,250</u>	<u>5,079,016</u>
	<u>\$7,914,839</u>	<u>\$7,593,003</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NON-CONSOLIDATED UTILITY PLANT IN-SERVICE SUMMARY

March 31, 2016

	2016	2015
LAND AND RIGHTS	\$ 853,674	\$ 853,674
STRUCTURES AND IMPROVEMENTS	512,545	512,545
STRUCTURES AND IMPROVEMENTS-BRICK/CONCRETE	152,909	152,909
STRUCTURES AND IMPROVEMENTS-FRAME	116,415	116,415
TREATMENT PLANT	875,736	875,736
DISTRIBUTION RESERVOIR	364,939	364,939
MAINS	2,842,140	2,629,841
SERVICES	173,625	173,625
METERS	148,880	148,880
HYDRANTS	43,963	43,963
TRUCKS	69,291	69,291
TOOLS	84,581	84,581
EQUIPMENT	657,484	657,484
EXCAVATOR & LOADER	241,365	241,365
	<u>\$7,137,547</u>	<u>\$6,925,248</u>

WATER UTILITY

NON-CONSOLIDATED CAPITAL FUND STATEMENT OF INVESTMENT IN UTILITY PLANT IN SERVICE

FOR THE YEAR ENDED March 31, 2016

	2016	2015
BALANCE - BEGINNING OF YEAR	\$5,079,016	\$4,762,254
Transfer for capital purposes -- Special Operating Reserve	212,300	275,828
Term debt retired	<u>40,934</u>	<u>40,934</u>
BALANCE-END OF YEAR	<u>5,332,250</u>	<u>5,079,016</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION

NON-CONSOLIDATED SPECIAL RESERVE FUNDS BALANCE SHEET

March 31, 2016

ASSETS

	2016				2015
	CAPITAL	EQUIPMENT	OPERATING	TOTAL	TOTAL
CASH	\$3,608,999	\$1,269,093	\$4,139,728	\$9,017,820	\$11,135,072
DUE FROM OWN FUNDS:					
General Section Operating	-	497,918	3,535,199	4,033,117	790,941
Equipment Reserve	38,466	-	5,427	43,893	-
Special Equipment Reserve	-	-	-	-	-
LOANS RECEIVABLE (Note 3)	203,545	-	16,076	219,621	263,514
	<u>\$3,851,010</u>	<u>\$1,767,011</u>	<u>\$7,696,430</u>	<u>\$13,314,451</u>	<u>\$12,189,527</u>

LIABILITIES

DUE TO OWN FUND:

General Section Capital	-	431,340	83,799	515,139	135,307
Special Operating Reserve	-	5,427	-	5,427	-
Special Capital Reserve	-	38,466	-	38,466	-
General Section Operating	3,463	-	-	3,463	-
	-	<u>475,233</u>	<u>83,799</u>	<u>562,495</u>	<u>135,307</u>

RESERVES

General Section	3,847,547	1,239,725	7,612,631	12,699,903	12,002,648
Water Section	-	52,053	-	52,053	51,572
	<u>3,847,547</u>	<u>1,291,778</u>	<u>7,612,631</u>	<u>12,751,956</u>	<u>12,054,220</u>
	<u>\$3,851,010</u>	<u>\$1,767,011</u>	<u>\$7,696,430</u>	<u>\$13,314,451</u>	<u>\$12,189,527</u>

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION

B22.

NON-CONSOLIDATED SPECIAL RESERVE FUNDS STATEMENT OF RESERVES

FOR THE YEAR ENDED MARCH 31, 2016

	2016			2015	
	CAPITAL	EQUIPMENT	OPERATING	TOTAL	TOTAL
BALANCE-BEGINNING OF YEAR	\$3,650,243	\$1,350,195	\$7,053,782	\$12,054,220	\$11,242,226
INTEREST EARNED	33,379	12,610	38,127	84,116	117,856
TRANSFERS FROM REVENUE	313,625	500,919	951,051	1,765,595	1,598,279
DONATIONS FOR RECREATION FACILITY AND SKATE PARK	-	-	288,637	288,637	14,050
CONDITIONAL TRANSFER GAS TAX	-	-	653,584	653,584	658,182
PROCEEDS FROM DISPOSALS OF PROPERTY AND EQUIPMENT	300	-	-	300	19,713
	<u>3,997,547</u>	<u>1,863,724</u>	<u>8,985,181</u>	<u>14,846,452</u>	<u>13,650,306</u>
AMOUNTS TRANSFERRED TO CAPITAL FUNDS TO FINANCE ACQUISITIONS OF PROPERTY AND EQUIPMENT	150,000	520,174	980,499	1,650,673	1,111,790
AMOUNTS TRANSFERRED TO: FIRE DEPARTMENT EQUIPMENT ACQUISITION	-	43,893	-	43,893	-
AMOUNTS TRANSFERRED TO: WATER SECTION CAPITAL FUND	-	-	212,300	212,300	275,828
GENERAL SECTION OPERATING FUND	-	7,879	179,751	187,630	208,468
	<u>150,000</u>	<u>571,946</u>	<u>1,372,550</u>	<u>2,094,496</u>	<u>1,596,086</u>
BALANCE-END OF YEAR	<u>\$3,847,547</u>	<u>\$1,291,778</u>	<u>\$7,612,631</u>	<u>\$12,751,956</u>	<u>\$12,054,220</u>

See accompanying notes to the non-consolidated financial statements.

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

MARCH 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared to conform in all material respects, to the accounting principles prescribed for Nova Scotia municipalities by Service Nova Scotia and Municipal Relations and for water utilities by the Nova Scotia Utility and Review Board and recommendations issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Basis of Accounting

Revenue and expenses are recorded on an accrual basis. The accrual basis of accounting recognizes revenues as they are earned and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

Principal payments relating to long term debt are recorded when paid.

Inventory of Supplies

The inventory of supplies held for consumption is recorded at the lower of cost and replacement cost.

Natural Resources, Cultural and Historic Assets

Natural resources, cultural and historic assets that have not been purchased are not recorded as assets in these financial statements.

Cash and Cash Equivalents

Cash and Cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

MARCH 31, 2016

Property and Equipment

General and Other Funds

Capital assets are recorded at cost. Funds received through capital assistance programs, cost sharing arrangements or loan forgiveness are treated as additions to the Investment in Capital Assets.

Water Utility Capital Fund

Prior to April 1, 2007 capital assets were recorded at the utility's net cost. Funds received through capital assistance programs or cost sharing arrangements were treated as a reduction in the cost of the asset acquired.

Subsequent to April 1, 2007 capital assets are recorded at cost. Funds received through capital assistance programs and cost sharing arrangements are treated as additions to the utility plant in service.

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization value which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Donated assets are capitalized and recorded at their estimated fair value upon acquisition. The threshold for each category represents the minimum cost an individual asset must have before it is to be recorded as a tangible capital asset on the statement of financial position. Tangible capital asset additions not meeting the threshold of \$10,000 per year are expensed in the year of acquisition.

Allocation of Municipal Costs to Water Utility Funds

Where identifiable, costs incurred by the Region of Queens Municipality on behalf of the Water Utility are charged to the utility funds. Salary and wage related costs are allocated in proportion to time spent performing functions on behalf of the Water Utility. Administration and general expenses incurred for the benefit of both the municipal unit and Water Utility are allocated on an estimated basis.

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

MARCH 31, 2016

Amortization

Amortization of tangible capital assets in the general capital fund is recorded in the financial statements on a straight line basis over an asset's useful life with the exception of the Landfill Cell which is based on percentage of cell used.

Amortization of capital assets is recorded in the accounts of the Water Utility Capital Fund on a straight line basis over their estimated useful lives as prescribed by the Nova Scotia Utility and Review Board. The amortization charge in the Water Utility Operating fund is transferred to a special bank account in the Water Utility 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.

No amortization is recorded in the years of acquisition or disposal.

The following table outlines an asset's estimated useful life:

	Years
Land Improvements	20
Buildings, building improvements and engineered structures	40
Outdoor swimming pools	25
Heavy Equipment	15
Operating Equipment	12
Vehicles	10
Office and Information Technology-system development packaged system	10
Computer Hardware and Software	5
Office Furniture and Equipment	10
Streets/Roads	30
Sidewalks	25
Illumination Structures	25
Bridges/Railings-construction	50
Bridges/Railings-upgrades	20
Storm Water Conveyance Structures	35
Airport-runways	30
Airports-navigational aids	15
Sewer Infrastructure	50
Landfill Cell	Based on Percentage of Use

Trust Funds

Trust funds held by the Municipality and their related operations, are not included in the consolidated financial statements. The financial activity and position of the trust funds are reported separately.

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

MARCH 31, 2016

Valuation Allowance

Uncollected Taxes and Rates

The Region of Queens Municipality provides a valuation allowance for 100% of the value of taxes outstanding for business occupancy, real properties identified as invalid assessments, owner unknown properties, properties that titles cannot be certified for tax sale and properties not sold at tax sale.

In the Water Utility, the valuation allowance is provided for estimated losses that will be incurred collecting rates receivable outstanding.

Other Receivables

The Region provides a valuation allowance for all receivables that are determined to be uncollectible.

Contributions to Boards and Commissions

Western Regional Housing Authority – various properties

The Region's share of the 2016 deficit is \$103,011 and has been included in these financial statements.

Government Transfers

Government transfers are recognized in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

Deferred Revenue

Deferred revenue represents user charges and other fees that have been collected, for which the related services have yet to be performed. These amounts are recognized as revenue in the fiscal year the services are performed.

Solid Waste Management Facilities Liabilities

As indicated in Note 11, the Municipality accrues landfill closure and post-closure care requirements that include final covering and landscaping, and ongoing environmental monitoring, site inspection and maintenance. The liability is accrued as the landfill site's capacity is used. The reported liability is based on estimates and assumptions using the best information available to management. Future events may result in significant changes to the estimated expenses, total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable. The change in the liability at each reporting period is charged as an expense.

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

MARCH 31, 2016

Taxation and Related Revenues

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Property Valuation Services Corporation. Tax rates are established annually by Council, incorporating amounts to be raised for local services. Taxation revenues are recorded at the time tax billings are due. Assessments and the related property taxes are subject to appeal with any resulting tax adjustments being recorded when the results of the appeal process are known. An allowance for unresolved assessment appeals is also provided.

Use of Estimates

The preparation of financial statements in conformity with public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and 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 period. Significant estimates include assumptions used in estimating provisions for valuation allowances, accrued liabilities, landfill liability and in performing actuarial valuations of employee future benefits. Actual results could differ from these estimates.

2. TAXES RECEIVABLE

	2016			2015
	CURRENT YEAR	PRIOR YEARS	TOTAL	TOTAL
Balance – beginning of year	\$ -	\$1,694,119	\$ 1,694,119	\$ 1,739,625
Current year’s tax levy and interest	10,620,908	-	10,620,908	10,225,033
Collection of area rates	<u>38,268</u>	<u>-</u>	<u>38,268</u>	<u>37,930</u>
	<u>10,659,176</u>	<u>1,694,119</u>	<u>12,353,295</u>	<u>12,002,588</u>
Current year’s collections	9,795,892	737,385	10,533,277	10,210,051
Reduced taxes	61,479	-	61,479	60,488
Uncollectible accounts written off	40,889	-	40,889	-
Transmission of area rates	<u>38,268</u>	<u>-</u>	<u>38,268</u>	<u>37,930</u>
	<u>9,936,528</u>	<u>737,385</u>	<u>10,673,913</u>	<u>10,308,469</u>
Balance – end of year	<u>\$ 722,648</u>	<u>\$ 956,734</u>	<u>\$ 1,679,382</u>	<u>\$ 1,694,119</u>

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

3. LOANS RECEIVABLE

	2016	2015
SPECIAL CAPITAL RESERVE FUND		
Greenfield and District Fire Department – non interest bearing repayable in annual installments of \$12,500 maturing in 2016	\$ 11,400	\$ 23,900
Mill Village Fire Department – non interest bearing repayable in annual installments of \$10,000 maturing in 2021	\$ 55,000	\$ 65,000
Liverpool Fire Fighters Association – non interest bearing repayable in annual installments of \$15,966 maturing in 2024	<u>\$ 137,145</u>	<u>153,111</u>
	<u>\$ 203,545</u>	<u>\$ 242,011</u>
SPECIAL OPERATING RESERVE FUND		
Charleston Fire Department – non interest bearing repayable in annual installments of \$5,427 maturing in 2018	<u>\$ 16,076</u>	<u>\$ 21,503</u>

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

MARCH 31, 2016

4. ASSET VALUATION ALLOWANCE-OPERATING FUND

	2016	2015
Uncollectible Taxes		
Balance – beginning of year	\$ 89,537	\$ 169,535
Previously reserved – collected tax sale Uncollectible amounts written off	(2,225)	(22,964)
	<u>87,312</u>	<u>146,571</u>
Provision for the year	<u>40,889</u>	<u>(57,034)</u>
Balance – end of year	<u>\$ 128,201</u>	<u>\$ 89,537</u>

5. SURPLUS

	2016	2015
Balance – beginning of year	\$ 920,297	\$ 985,712
Excess of revenue over expenditure	<u>93,207</u>	<u>79,087</u>
	1,064,800	1,064,800
Transfer to revenue	<u>84,989</u>	<u>144,502</u>
Balance – end of year	<u>\$ 928,515</u>	<u>\$ 920,297</u>

6. SCHOOL CAPITAL FUND

On January 1, 1982 the Municipality Of The County Of Queens joined with the Town Of Liverpool to form Queens District School Board (now South Shore Regional School Board). Under the agreement, all school land and buildings on hand as at December 31, 1981 will remain assets of the Region of Queens Municipality, but will be under the operating control of the Board until such time as they no longer require the assets for school purposes. At that time, the School Board re-conveys the land and buildings to the Region of Queens.

REGION OF QUEENS MUNICIPALITY
 SUPPLEMENTARY FINANCIAL INFORMATION
 NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2016

7. EMPLOYEES' RETIREMENT PENSION PLAN

It is the Region's policy to consistently follow Canadian generally accepted accounting principles and recommendations issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. As per the Public Sector Accounting Board handbook, section 3250-Retirement Benefits, the accounting valuation results for the Region of Queens Pension Plan (the "Plan") as at December 31, 2015 indicates a pension asset of \$124,739.

The Region of Queens Municipality and its employees contribute to the Plan for the employees. The Plan is a defined benefit plan which specifies the retirement benefit to be received by the employees based on length of service and rates of pay. Inflation protection is not provided. The pension committee, representing plan members and employer is responsible for overseeing the management of the pension plan.

Benefit payments totaled \$421,609 in calendar year 2015 and \$305,137 in 2014. Contributions from employees and employer are 8.8% and 9.8% of salary respectively. Total employer and employee contributions in calendar year 2015 and 2014 were \$614,998 and \$615,547 respectively; which includes a special payment of \$82,660 in 2015 and \$82,734 in 2014, applied toward the unfunded liability.

The last actuarial valuation filed with regulators was at December 31, 2013. The next actuarial valuation is scheduled for the period ended December 31, 2016 and will be completed in 2017. The interest rate used in the last filed valuation was the 5.75% per year benchmark. The following estimates as at December 31, 2015 are based on the actuarial valuation as at December 31, 2013 extrapolated to December 31, 2015.

	2016	2015
Actuarial value of plan assets	\$10,348,531	\$9,838,812
Accrued benefit obligation	<u>10,284,888</u>	<u>9,617,944</u>
Estimated funding surplus	<u>63,643</u>	<u>220,868</u>

The pension asset as at March 31, 2016 includes the following components:

	2016	2015
Accrued benefit obligation	\$10,284,888	\$9,617,944
Pension fund assets	<u>10,348,531</u>	<u>9,838,812</u>
	(63,643)	(220,868)
Unamortized actuarial gain/ (loss)	<u>(61,096)</u>	<u>176,607</u>
Pension liability (asset)	<u>(124,739)</u>	<u>(44,261)</u>

For the fiscal year ended March 31, 2016, benefit costs of \$243,552 (2015 - \$308,809) were expensed and are included in salaries, wages and benefits as disclosed in Note 13. This amount included \$17,258 (2015 - \$59,216) of amortization of net actuarial losses.

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

MARCH 31, 2016

8. RESERVE AND OPERATING SURPLUS ALLOCATIONS AND COMMITMENTS

Special Operating Reserve Allocations

Included in the Reserves are the following allocations approved by Council.

Sewer projects	\$ 381,580
Hillsview Acres renovations	\$ 366,236
Second generation landfill site	\$ 3,860,515
Organic ban project	\$ 476,457
Pollution abatement	\$ 177,438
Pine Grove Park	\$ 181,252
Subdivision Parkland	\$ 40,910
Call Center Building	\$ 128,990
Federal Gas Tax	\$ 617,963
Queens' Place Emera Centre	\$ 11,958
Fundraising – Queens' Place	\$ 38,120
Fundraising – Skate Park	\$ 273,240
Computer Equipment Reserve	\$ 77,304
Fire Safety Operations	\$ 38,076

Special Capital Reserve Allocation

Included in the Reserve is the following allocation approved by Council.

2 nd Generation Landfill Site – post closure	\$ 3,423,023
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9. REMUNERATION OF ELECTED OFFICIALS AND CHIEF ADMINISTRATIVE OFFICER PAID DURING THE YEAR

	2016	2015
Bruce Inglis	17,707	17,707
Christopher Clarke – Mayor	35,414	35,414
Susan MacLeod	17,707	17,707
Raymond Fiske	17,707	17,707
Brian Fralic	17,707	17,707
Jack Fancy	17,707	17,707
Darlene Norman	18,729	18,729
Peter Waterman	17,707	17,707
	<u>160,385</u>	<u>160,385</u>
CHIEF ADMINISTRATIVE OFFICER		
Out-going (5 months salary)	51,503	118,535
Incoming (9 months salary)	87,609	0
	<u>\$ 299,497</u>	<u>\$ 278,920</u>

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

MARCH 31, 2016

10. LONG TERM DEBT

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

2017	\$317,422
2018	\$269,370
2019	\$241,146
2020	\$242,981
2021	\$216,877

All long term debt outstanding at year end has been properly authorized by Department of Municipal Affairs.

11. CONTINGENCY

Solid Waste Management Facilities Liabilities

The Municipality owns and operates a Solid Waste Management Facility. It has an obligation under Nova Scotia Department of Environment regulations for costs related to the closure and post closure care of the sites once capacity is reached. The following cost and capacity information is based upon ongoing evaluation and best estimates by management in consultation with internal and external technical consultants.

As at March 31, 2016, the remaining capacity of the 1st Generation C&D cell is approximated at 115,000 tonnes. Based on current usage this site may not reach full capacity for several decades. Estimated closure costs in current period dollars, total approximately \$1,300,000. The cost estimate is adjusted annually based on the rolling ten year average of Statistics Canada's consumer price index. Costs for post closure care and maintenance of this site are not expected to be significant and are included in the \$1,300,000.

As at March 31, 2016, based on current Municipal Solid Waste usage and compaction rates, the remaining capacity of the 2nd Generation solid waste cell is approximately 355,000 tonnes. Post closure care requirements are not expected to be significant and will be based upon a consultants' environmental evaluation of subsequent closure plans at the time of closure. Total closure and post-closure costs in current period dollars are estimated to be approximately \$4,400,000. The cost estimate is adjusted annually based on the rolling ten year average of Statistics Canada's consumer price index.

The municipality has internally restricted assets of \$3,423,023 to fully fund these future costs which are included in cash and cash equivalents. The determination of required additions to the reserve is based on management's best available knowledge of the future expected costs to close the site, meet current and future environmental regulatory standards and attempt to ensure that, should the site be closed, no funds would need to be borrowed to complete the closure. Future events may result in significant changes to the estimated expenses, total capacity or the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

MARCH 31, 2016

12. COMMITMENTS

School Properties

On January 1, 1982 the Municipality of The County of Queens joined with the Town of Liverpool to form Queens District School Board (now South Shore Regional School Board). Under the agreement, all school land and buildings on hand as at December 31, 1981 will remain assets of the Region of Queens Municipality, but will be under the operating control of the Board until such time as they no longer require the assets for school purposes. At that time, the School Board re-conveys the land and buildings to the Region of Queens Municipality.

Contracts/Leases

Contract for garbage collection for the subsequent year of \$592,407 plus HST, expires March 31, 2021.

Contract for residual waste transfer from transfer stations to the Region of Queens Solid Waste Management Facility, expires March 31, 2021.

Contract for the transfer of organic material from the Region of Queens Solid Waste Management Facility to composting facility, expires March 31, 2020.

Contract for fire answering service for the subsequent year of \$27,170 plus HST expires March 31, 2018.

Lease for library space for the subsequent year of \$51,680 plus HST, expires May 31st, 2017.

13. FINANCIAL INSTRUMENTS

Fair Values

The fair value of the Municipality's financial instruments that are comprised of cash, taxes receivable, accounts receivable, loans, deposits and advances, accounts payable and accrued liabilities and accrued interest on long term debt approximate their carrying value due to their short term nature.

The fair value of long term debt is based on rates currently available to the Municipality with similar terms and maturities and approximates its carrying value.

It is management's opinion that the Municipality is not exposed to significant interest or currency risks arising from these financial instruments.

Credit Risk

The Municipality is exposed to credit related losses on its financial instruments due to non-performance of counterparties. Credit exposure is minimized, wherever possible, by engaging only credit-worthy counterparties and/or obtaining sufficient security for balances due. Credit losses in the past have been minimal.

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NON-CONSOLIDATED SCHEDULE OF CAPITAL DEBT CHARGES AND TERM DEBT**

March 31, 2016

<i>Due</i>	<i>Balance April 1, 2015</i>	<i>Issued</i>	<i>Retieemed</i>	<i>Balance March 31, 2016</i>	<i>Interest</i>	<i>Interest Rate</i>	<i>Debenture Number</i>
SEWER							
Debtures-Nova Scotia Municipal Finance Corporation							
2017-2017	168,750	-	168,750	0	1,687	1%	99A1
2017-2017	42,540	-	21,270	21,270	1,859	4.165%-4.41%	26A1
STREETS AND PAVING							
Debtures-Nova Scotia Municipal Finance Corporation							
2017-2017	57,000	-	28,500	28,500	2,495	4.165%-4.41%	26A1
2017-2018	90,000	-	30,000	60,000	4,463	4.718%-5.21%	27A1
ENVIRONMENTAL HEALTH-LANDFILL							
Debtures-Nova Scotia Municipal Finance Corporation							
2017-2017	260,000	-	260,000	0	11,739	4.24%-4.515%	25A1
2017-2025 CMHC	647,089	-	49,621	597,468	21,677	3.35%	cmhc

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NON-CONSOLIDATED SCHEDULE OF CAPITAL DEBT CHARGES AND TERM DEBT**

March 31, 2016

<i>Due</i>	<i>Balance April 1, 2015</i>	<i>Issued</i>	<i>Redeemed</i>	<i>Balance March 31, 2016</i>	<i>Interest</i>	<i>Interest Rate</i>	<i>Debt Number</i>
ENVIRONMENTAL HEALTH-LANDFILL							
Debtures-Nova Scotia Municipal Finance Corporation	71,025	-	14,205	56,820	2,769	2.33%-4.329%	29A1
RECREATION AND COMMUNITY SERVICES							
Debtures-Nova Scotia Municipal Finance Corporation	1,551,304	-	67,448	1,483,856	53,207	1.636%-3.856%	32A1
FCM	1,636,595	-	90,921	1,545,674	31,815	2.00%	GMF
BUILDINGS AND SIDEWALKS							
Debtures-Nova Scotia Municipal Finance Corporation	32,600	-	32,600	0	1,472	4.24%-4.515%	25A1
	68,975	-	13,795	55,180	2,660	2.33%-4.329%	29A1
	4,625,878	-	777,110	3,848,768	135,843		
WATER UTILITY							
Debtures-Nova Scotia Municipal Finance Corporation	532,142	-	40,934	491,208	27,283	4.718%-5.21%	27A1
	\$5,158,020	\$	\$818,044	\$4,339,976	\$163,126		

See accompanying notes to the non-consolidated financial statements.

**REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
FOR THE YEAR ENDED MARCH 31, 2016**

NON-CONSOLIDATED CAPITAL PROJECT FUNDING

	Total	General Operations	Equipment		Reserves		Capital	Grants Government	Proceeds From Sale of Capital Assets
			Equipment	Operating	Operating	Capital			
GENERAL CAPITAL									
Main Street - sewer/water	357,169				357,169				
Brooklyn Sewer/Water	396,117				396,117				
Milton Bridge - sewer lines	28,522				28,522				
Town Hall renovations	61,745				28,346		33,399		
Works 1/2 ton Truck	36,604			36,604					
Leachate Equipment	369,677			369,677					
Skidsteer	62,970			62,970					
Loader - LTO	50,922			50,922					
Land - waterfront property	95,000						95,000		
Land - near school	55,000						55,000		
Landfill Cell - 2016/17	170,344					170,344			
GRAND TOTAL	\$1,684,070	\$0	\$520,173	\$980,498	\$150,000	\$33,399			

REGION OF QUEENS MUNICIPALITY
TRUST FUNDS
FINANCIAL STATEMENTS
MARCH 31, 2016

C2.

**REGION OF QUEENS MUNICIPALITY
TRUST FUNDS BALANCE SHEET-GENERAL**

March 31, 2016

	2016			2015	
	FORMER EMPLOYEE PENSION TRUST	TAX SALE SURPLUS (Note 1)	HILLSVIEW ACRES	TOTAL	TOTAL
ASSETS					
Cash	\$6,322	\$307,475	\$48,093	\$361,890	\$350,791
Due from General Section Operating Fund	33	1,097	-	1,130	270
	<u>\$6,355</u>	<u>\$308,572</u>	<u>\$48,093</u>	<u>\$363,020</u>	<u>\$351,061</u>
LIABILITIES					
Due to General Section Operating Fund	-	\$ 36,223.00	-	36,223	\$8,100
RESERVES					
Balance-beginning of year	\$11,798	\$278,565	\$52,597	\$342,960	\$303,710
Interest earned	100	2,707	-	2,807	3,023
Proceeds from tax sale	-	27,300	-	27,300	50,212
Increase in residents' deposits	-	-	41,769	41,769	49,060
	<u>11,898</u>	<u>308,572</u>	<u>94,366</u>	<u>414,836</u>	<u>406,005</u>
Disbursements					
Tax sale surplus redemption	-	36,223	-	36,223	6,087
Pension paid	5,543	-	-	5,543	5,543
Decrease in residents' deposits	-	-	46,273	46,273	51,414
	<u>5,543</u>	<u>36,223</u>	<u>46,273</u>	<u>88,039</u>	<u>63,044</u>
Balance-end of year	<u>6,355</u>	<u>272,349</u>	<u>48,093</u>	<u>326,797</u>	<u>342,961</u>
	<u>\$6,355</u>	<u>\$308,572</u>	<u>\$48,093</u>	<u>\$363,020</u>	<u>\$351,061</u>

See accompanying notes to the financial statements.

ON BEHALF OF THE REGION OF QUEENS MUNICIPALITY

MAYOR

CAO

REGION OF QUEENS MUNICIPALITY
TRUST FUNDS BALANCE SHEET-BURSARIES

March 31, 2016

ASSETS	2016				2015	
	J. Roy Gordon Award	Gertrude Ford Newcombe Scholarship	V. Harlow Gordon Scholarship	E. H. Ted Harlow Award	Ted Harlow Award	TOTAL
CASH	\$17,902	\$7,281	\$5,760	\$4,938	\$8,017	\$37,276
INVESTMENTS-at cost	15,446	2,588	10,247	10,978	14,930	54,189
	\$33,348	\$9,869	\$16,007	\$15,916	\$22,947	\$91,466
RESERVES						
BALANCE-BEGINNING OF YEAR	\$30,864	\$9,059	\$15,261	\$14,896	\$21,387	\$85,816
Dividends	2,484	1,312	1,248	1,020	1,560	7,156
	33,348	10,371	16,509	15,916	22,947	92,972
Disbursements	-	2	2	-	-	4
Bank charges	-	500	500	-	-	1,000
Scholarships	-	-	-	-	-	1,500
BALANCE-END OF YEAR	\$33,348	\$9,869	\$16,007	\$15,916	\$22,947	\$91,466

See accompanying notes to the financial statements.

ON BEHALF OF THE REGION OF QUEENS MUNICIPALITY

MAYOR

CAO

REGION OF QUEENS MUNICIPALITY
NOTES TO TRUST FUND FINANCIAL STATEMENTS

MARCH 31, 2016

BASIS OF PRESENTATION

It is the Region's policy to consistently follow Canadian generally accepted accounting principles and recommendations issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

NOTE 1 - TAX SALE SURPLUS

Proceeds received from a tax sale of property in excess of the taxes and costs outstanding are held In Trust for a period of 20 years. If the Supreme Court of Nova Scotia has not issued an order directing the payment of the trust to a person with an interest in the land sold for taxes during this 20 year period, the amount is to be transferred to the Capital Reserve Fund.

Proceeds from tax sales of properties were received in the following years:

1996	\$ 2,796
1997	24,955
1998	62,413
2000	8,623
2001	44,861
2002	7,001
2009	418
2010	9,825
2011	263
2013	61,340
2014	8,307
2015	14,219
2016	<u>27,328</u>
	<u>\$ 272,349</u>

NOTE 2 - FORMER EMPLOYEE PENSION TRUST

A former employee was granted a supplementary retirement plan in addition to his/her regular pension plan. These funds are held in trust to be utilized to fulfill the obligation of the supplementary retirement plan.

Region of Queens Municipality

Term Position - Physical Activity Coordinator

Position Description

General Accountability

The Physical Activity Coordinator is accountable to the Director of Recreation and Community Facilities, and will work in cooperation with the Community Development Coordinator. The overall task will be to develop and implement a comprehensive Physical Activity Strategy for the Region of Queens Municipality which will help Queens meet its goal of increasing physical activity in the Region. The Strategy will be created through a variety of means, including focus groups, direct programs, partnerships with schools and community organizations, education, information, and advocacy to help meet the vision that "Queens County has a culture that embraces physical activity, creating the most active community in Nova Scotia." The Strategy will become a living, evolving document to help achieve the needs and wants of the community.

Duties and Responsibilities

Physical Activity Strategy;

- Create a comprehensive Physical Activity Strategy and, over time Coordinate the implementation of the Physical Activity Strategy in cooperation with other municipal staff and community organizations.

Capacity Building;

- Work with municipal staff, community organizations, and other partners to increase the number and quality of physical activity opportunities.
- Provide advice and assistance to community organizations to aid in achieving the goals of the strategy.
- Support schools in the implementation of their non curricular physical activity goals, such as Co-op and Health Promoting Schools activities.
- Increase awareness of financial resources available for individuals, groups, and leaders to expand physical activity opportunities, development and participation.
- Build and maintain partnerships that will enhance the development, delivery, and awareness of active living opportunities.
- Explore and support the development of targeted physical activity opportunities, such as youth or older adults.
- Identify and co-ordinate training and learning opportunities, and encourage community physical activity leaders throughout Queens.

Physical Activity Coordinator

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- Encourage the development of new physical activity groups and clubs (e.g. canoeing, skiing, walking, etc).

Public Awareness;

- Communicate the importance of physical activity and nurture partnerships to support the implementation of the Strategy, both within the Municipal unit and externally.
- Improve public awareness of the benefits of physical activity and local opportunities.
- Assist with the development of a marketing strategy for active living programs, services, and amenities.
- Use social marketing strategies to engage the public.

Physical Environments;

- Develop an inventory of existing physical Activity (PA) assets, built and natural, analyze for gaps, and plan for enhancements.
- Work to promote and increase access to quality and safe facilities and spaces for physical activity.

Policy and Strategy Development;

- Advise municipal staff, Council, and other decision makers on policy development related to physical activity and healthy lifestyles.
- Champion the Active Living Strategy to complement the existing municipal delivery system.
- Advise community organizations on policy to enhance physical activity.
- Research new initiatives, trends, statistics, and best practices.

Monitoring and Evaluation;

- Develop monitoring and evaluation tools to regularly measure efforts, related to capacity building, active transportation, public awareness, and policy and planning.

Other Responsibilities;

- Maintain and create networks and working relationships with regional, provincial, and national agencies concerned with active living and physical activity, such as the South Shore Active Communities Network.
- Develop knowledge and skills through professional development, and in particular the Physical Activity Practitioners Exchange.

- Maintain accurate records of work activities monthly for reporting purposes.
- Perform related work as required.
- Prepare and submit grant applications and proposals.
- Contribute to regional physical activity initiatives.

General Knowledge, Skills and Aptitudes;

- Good knowledge of recreation delivery in Nova Scotia.
- Competency in community development, facilitation, and partnering.
- Demonstrated ability to work with committees, community representatives, and various levels of government
- General knowledge of Windows-based computer systems and computer applications.
- Effective written, oral, and graphic communications skills, including public speaking.

In addition to the above the employee must have the ability to establish priorities and work independently, and proceeding with objectives without constant supervision. They must also conduct business in a professional and courteous manner at all times, and have a reliable vehicle and possess insurance as travel is a major part of the job. They should have emergency CPR and first aid AND WHMIS, or be willing to obtain them and consent to both a Criminal Records and Child Abuse Registry check.

Length of Term/Remuneration

The position of Physical Activity Coordinator is for a period of five years commencing in September of 2016, with possibility for renewal.

The rate per annum is Salary Level 10 (\$39,343 to \$47,823) with hours of work generally Monday – Friday from 8:30 am - 4:30 pm, although some evening and weekend work will be required.

Summer hours (July and August) are 8:00 am- 4:00 pm.