REGION OF QUEENS MUNICIPALITY
REGULAR COUNCIL
TUESDAY, SEPTEMBER 10, 2019
9:00 A.M.

PRESENT: Mayor David Dagley, Chair
Councillor Kevin Muise
Deputy Mayor Heather Kelly
Councillor Brian Fralic
Councillor Susan MacLeod
Councillor Jack Fancy
Councillor Raymond Fiske
Chris McNeill, CAO
Christine Watson, Administrative Assistant – Planning & Development

REGRETS: Councillor Gilbert Johnson

1.0 CALL TO ORDER:

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

2.0 CHANGES / APPROVAL OF AGENDA

It was moved by Councillor Fiske and seconded by Deputy Mayor Kelly that the Agenda be approved as amended:

Item 3.2 – Branding Update – Tyler MacLeod, m5 unable to attend meeting so presentation will be rescheduled.

MOTION CARRIED unanimously.

3.0 PRESENTATIONS

3.1 Grant Thornton – 2018/2019 Audited Financial Statements

Mayor Dagley welcomed Kim Hopkins, Senior Manager, Grant Thornton to Council to present the 2018/2019 Audited Financial Statements (copy attached to original set of Minutes).

- Reviewed the highlights from Sections A4 - Financial Assets and Liabilities:
    - Assets higher than previous year due to financing capital projects.
    - Receivables includes taxes, sewers, water, etc. and is down $2 million
    - Loans Receivable – increased - new loans to Port Medway, Liverpool and Mill Village fire departments
    - Liabilities – long term debt up due to $530,000 of new borrowing for capital projects
    - Tax Sale Surplus – additional tax sales
    - Solid Waste Closure Liability – down mainly due to new engineering study on monitoring costs for closure in 25 years and suggested to keep the report updated on a regular basis to monitor the costs associated with the closure.

- Reviewed the highlights from Section A5 – Revenue, Expenditures and Annual Surplus:
    - Taxation – deed transfer tax higher than budget, but is hard to calculate and was estimated conservatively

    Expenditures
    - Transportation Services – down slightly
    - Environmental Health Services – down slightly due to reduction in landfill liability

A copy of the Report to Audit Committee Audit Results for the year ended March 31, 2019 was circulated and reviewed (copy attached to original set of Minutes).

Some highlights included:

The report is at the beginning of the financial statements and is in a new format from previous years due to a change in the audit standards under the Public Sector.
Other Matter – Supplementary Financial Information – audit was conducted on the consolidated financial statements and Sections B and C were included as additional analysis.
Other Matter – Comparative Figures – included as there was a different auditor for 2018 financial statements.
Auditor's Responsibilities – Reviewed their responsibilities as auditors as outlined in report.
Opinion – The accompanying consolidated financial statements present fairly, in all material respects, the financial position of Region of Queens Municipality as at March 31, 2019, and its results of operations, its changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Mayor Dagley thanked Ms. Hopkins for her presentation and stated the financial statements would be adopted later on in the agenda.

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 enquired under Section 14.2 the number in people in attendance at the recent concert held. He further enquired under Section 14.1 why there was no recommendation with the report. Mayor Dagley stated at this time it is a work in progress.

David Huskins, 160 Church Street, Liverpool – Mr. Huskins stated that he was unable to hear the presentation and had stated this at a previous meeting. Mayor Dagley stated our IT staff member has been investigating and parts have been ordered. Mr. Huskins further stated his concerns to no access to Mersey Point/Moose Harbour during the recent storm. Mayor Dagley stated EMO representatives are investigating this issue.

Bill Cox, 121 Bog Road, White Point – Mr. Cox offered his concerns when reviewing the financial statements on the amount of deficit at QPEC and enquired under Item 14.2 how this initiative would decrease that debt.

Kim Williams, Barss Street, Liverpool – Ms. Williams enquired about not knowing about a comfort station in Liverpool during the storm after checking the RQM website and Facebook pages. She stated she went to the Liverpool Fire Department but due to flooding and distance she would have to park, due to her health, she was unable to walk and offered her opinion on having a safe location that would offer showers and microwaves for the public. Mayor Dagley stated that the EMO representative, Brian Hatt, could be contacted and provide her information for future instances. He further stated that people had been advised that during the storm it was safer for them to be home and off the roads and that the fire departments chose to be open themselves and were not opened as comfort stations through EMO.

6.0 APPROVAL OF MINUTES:

6.1 Council Minutes – August 27, 2019

It was moved by Councillor Muise and seconded by Deputy Mayor Kelly:

> **THAT the minutes of the Regular Council meeting held August 27, 2019 be approved as circulated.**

MOTION CARRIED unanimously.

7.0 DANGEROUS OR UNSIGHTLY PREMISES:

There were no items to come before this meeting.

8.0 ECONOMIC DEVELOPMENT:

8.1 Town Hall Arts and Cultural Centre Signage

It was moved by Deputy Mayor Kelly and seconded by Councillor Fralic:

> **THAT the Council of Region of Queens Municipality select Concept One for the Town Hall Arts and Cultural Centre and request staff to cost the selected design for inclusion in the 2020-21 budget.**

Jenny Rockett, Director of Economic Development provided background on the signage concept for the Town Hall Arts and Cultural Centre. The current signage includes Liverpool Packet, Port of the Privateers and a map of Liverpool, a small sign for the Astor Theatre as well as a two-sided extension at the top with Privateer Days on one side and the Sipuke'l Gallery on the other side. Sipuke'l Gallery vacated the building in July 2019. The current signage is worn and does little to advertise or promote what is happening inside the building. There is signage over the front doors of the building, but is small and difficult to read. In addition, consideration will be given to having flags/banners on the building if allowed under the heritage regulations.

Staff have worked with a number of sign companies to produce a sign that would fit the architecture and be in compliance with heritage regulations that would highlight the tenants and showcase events. Docaitta Design provided four possible designs for consideration and once the design is approved, staff will work with them to ensure that the design is in accordance with current Bylaws and tenants are adequately represented in the new design. The branding project will also be reflected and is hoped that the sign will be completed and installed for the 2020 summer season.

Councillor Fralic stated in the past the building was also lit up at times throughout the year and suggested that consideration be given to doing this as well as the flags/banners.

MOTION CARRIED unanimously.

9.0 CORPORATE SERVICES

There were no items to come before this meeting.

10.0 ENGINEERING & WORKS

There were no items to come before this meeting.

11.0 FINANCE

11.1 Adoption of Audited 2018/2019 Financial Statements

It was moved by Deputy Mayor Kelly and seconded by Councillor Muise:

> **THAT the Council of Region of Queens Municipality adopt the Audited Financial Statements and the Trust Fund Financial Statements for the fiscal year ended March 31, 2019 as presented by Grant Thornton.**

Jennifer Keating-Hubley, Director of Finance, thanked her staff for their work during the audit, and stated it went well and smoothly. Everyone was extremely cooperative, able to provide any and all backup documentation quickly when asked.

Councillor Fancy stated that with the success of tax sales, enquired to the position of the FCI's, which were improved upon last year. Ms. Keating-Hubley stated by her calculation the projected Financial Condition Indicator for Uncollected Taxes should be about 8.3% this year as compared to 10.8% last year. The threshold to achieve "green status" is below 10%.

MOTION CARRIED unanimously.

12.0 RECREATION AND COMMUNITY FACILTIES

There were no items to come before this meeting.

13.0 PLANNING

There were no items to come before this meeting.

14.0 REPORTS

14.1 Petition – Old Falls Road Request for Cul-De-Sac

Chris McNeill, CAO, stated a petition was received from residents of Old Falls Road requesting that their street become a cul-de-sac. As per Rules of Order, staff need to respond to the petition within 45 days. Based on the request, staff have costed out the costs for the cul-de-sac in several locations, taking into consideration the lay of the lands, traffic patterns and standards, and safety patterns. Five options were presented in the package with cost proposals of $120,000 - $130,000 for each, prior to any land acquisition.

Streets in Liverpool are funded 75% by property owners and 25% on the general tax rate, and would be recommended to be funded through an area rate in Liverpool of approximately 7 cents, and outside Liverpool of 0.5 cents.

Some concerns raised by Councillors:

- Option of having the street as a dead end with no exit,
- High risk of collision of having street as a cul-de-sac,
- Speed concern raised by residents; investigate having the RCMP install the mobile speed radar,
- Increase of volume of vehicles on road following events at QPEC; being used as a short cut to avoid the lights,
- Suggestion of installation of signage indicating no through traffic during hours of 4 pm to 8 am,
- Suggestion of installation of signage indicating no left turn exiting Old Falls Road,
- Concerns of volume of traffic if road is a cul-de-sac, as vehicles would need to turn around to exit,
- Staff not providing alternative recommendations or solutions to issue,
- Necessity to consult with the traffic authority for their expertise to come up with the best solution to the issue.

Mayor Dagley called for consensus to have the CAO consult with the traffic authority for their expertise and provide Council with recommendations and possible solutions. Consensus was given.

14.2 Event Execution Strategy

Steve Burns, Manager of Events, Promotions & Sponsorship, was welcomed to present on the Event Execution Strategy (copy of presentation and report attached to original set of Minutes).

Some highlights included:

- QPEC has proven to be a premier venue for many major sports events which has seen visitors from around the world. Hockey Canada is hosting a hockey camp this week with the expectation of having 800 students bused in over the next three days to take part in this event. During the World Junior Curling Championships earlier this year which was held over two weeks had a local impact of approximately $700,000 - $1 Million across Queens and approximately $2 Million province wide.

- Volunteers are a valuable asset and all events rely on them; they help deliver pleasant and memorable experiences to attendees.

- Legendary acts have taken the stage at QPEC such as Travis Tritt and Charlie Pride in 2013 and 2014 respectively. RQM became our own promoter and have held acts such as The Beach Boys, Blue Rodeo and most recently Washburn Union which provided an opportunity for local singer Autumn Carver to take the stage.

<u>Challenges</u>:
- Brand – Queens is lacking a brand and is proposed that Events Liverpool becomes the brand.
- Community & Business Engagement
- Demographics – Aging population (average age in RQM is 49) and need to determine if catering to this age or look for more youthful events.
- Disengagement
- Learning Curve – The cost and to who pays
- Limiting our Potential – The need for a change
- Major Event Infrastructure Limited – Continue to invest or look at strategic investments

<u>Achievable and Relevant to Queens</u>:
- Continue the Community Investment Fund as it is
- Rent QPEC, RQM will no longer host major event activity at its own cost
- Seek high level events for the community to host

<u>Considerations</u>:
- Partner on infrastructure for hosting
- Increase focus outside Liverpool core
- Choose not to implement an Accommodation Levy
- Contract potential new event ideas and services
- Increase Event awareness
- Creation of Special Event Advisory Committee
- Provide resources – financial and human resources

The Vision and Mission for Liverpool Event Tourism Strategy (L.E.T.S.) were reviewed. It is anticipated to begin in January 2020.

Councillor Fralic offered his opinion that hospitality should be our No. 1 goal, stating that he is aware of several people who have attended events in the past that have revisited because of the hospitality shown to them. He suggested when seeking for future events to investigate having the South Shore Multi Culture group be part of events in Queens, e.g. Canada Day celebrations.

Deputy Mayor Kelly enquired if RQM would be partnering with South Queens Chamber of Commerce or South Shore Tourism. Mr. Burns stated partnership is not official with SQCC, but have been in discussions. No discussions have been held with SST.

The proposed strategy will be brought back to a future council meeting for any amendments and for adoption.

15.0 IN-CAMERA ITEMS

It was moved by Deputy Mayor Kelly and seconded by Councillor Fralic that the proceedings go In-Camera at 11:53 a.m. to discuss the following:

15.1 Sale of Municipal Property

MOTION CARRIED unanimously.

Mayor Dagley announced a 10 minute recess at 11:53 a.m.

It was moved by Councillor Fiske and seconded by Councillor Fralic that the proceedings exit In-Camera at 12:24 p.m.

MOTION CARRIED unanimously.

16.0 ADJOURNMENT

It was moved by Councillor Fiske and seconded by Councillor Fralic that the meeting be adjourned at 12:25 p.m.

MOTION CARRIED unanimously.

David Dagley
Mayor David Dagley, Chair

Chris McNeill
Chris McNeill, CAO

Christine Watson
Christine Watson, Administrative Assistant – Planning & Development

Date Approved: September 24, 2019

3.1

REGION OF QUEENS MUNICIPALITY
FINANCIAL STATEMENTS
MARCH 31, 2019

REGION OF QUEENS MUNICIPALITY
INDEX TO FINANCIAL STATEMENTS

March 31, 2019

A.

REGION OF QUEENS MUNICIPALITY
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

REGION OF QUEENS MUNICIPALITY
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2019

CONTENTS PAGE

Region of Queens Municipality
Financial Statements
March 31, 2019

Management's Responsibility for the Consolidated Financial Statements

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Audit Committee. The Council reviews internal financial statements on a regular basis and external audited consolidated financial statements annually. The Audit Committee also discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Region of Queens Municipality and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Region of Queens Municipality

Jennifer Keating-Hubley, CPA, CGA Director of Finance	Chris McNeill Chief Administrative Officer

August 27, 2019

REGION OF QUEENS MUNICIPALITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash and cash equivalents	$ 16,640,957	$ 12,802,656
Receivables - taxes, rates and other (Note 2)	2,347,033	4,303,282
Loans receivable (Note 3)	307,247	145,435
	19,295,237	17,251,373
LIABILITIES		
Accounts payable and accrued liabilities (Note 4)	1,084,042	1,059,325
Deferred revenue	126,552	193,742
Customer deposits	262,342	224,092
Long term debt (Note 5)	3,919,235	3,671,315
Tax sale surplus (Note 6)	561,150	449,176
Solid waste closure and post closure liability (Note 11)	2,258,767	2,984,683
	8,212,088	8,582,333
NET FINANCIAL ASSETS	**11,083,149**	**8,669,040**
NON-FINANCIAL ASSETS		
Tangible capital assets - general - net book value (Note 7)	52,711,829	53,289,465
Tangible capital assets - water - net book value (Note 7)	5,620,885	5,355,734
	58,332,714	58,645,199
Prepaid expenses	214,090	155,029
Inventory of supplies	171,646	100,496
	58,718,450	58,900,724
ACCUMULATED SURPLUS	**$ 69,801,599**	**$ 67,569,764**

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, 2019

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
REVENUE			
Taxation	$ 8,972,411	$ 9,023,145	$ 8,832,939
Sale of services	706,171	858,408	756,483
Water rates	513,020	493,570	474,527
Water for fire protection	197,235	197,235	197,235
Government transfers	1,355,653	1,349,242	1,378,513
Grants in lieu of taxes	1,195,616	1,237,338	1,146,895
Services provided to other governments	1,847,542	1,961,301	1,906,080
Other revenue from own sources	1,180,506	1,584,062	1,703,481
Public health	1,283,069	1,257,346	1,298,700
Government transfers - capital contributions	-	703,427	1,902,512
Gain on sale of tangible capital assets	-	81,741	242,067
	17,251,223	**18,746,815**	**19,839,432**
EXPENDITURE			
General government services	1,900,866	2,027,674	1,960,415
Protective services	3,280,898	3,313,657	3,402,263
Transportation services	2,854,144	2,530,980	2,685,427
Environment health services	3,894,000	3,001,106	3,750,201
Public health	1,328,836	1,320,742	1,350,905
Environmental development services	1,194,578	944,441	915,728
Recreation and cultural services	2,791,158	2,706,119	2,693,220
Water treatment and distribution	676,745	670,261	704,033
	17,921,225	**16,514,980**	**17,462,192**
ANNUAL SURPLUS	**(670,002)**	**2,231,835**	**2,377,240**
ACCUMULATED SURPLUS BEGINNING OF YEAR	**67,569,764**	**67,569,764**	**65,192,524**
ACCUMULATED SURPLUS END OF YEAR	**$ 66,899,762**	**$ 69,801,599**	**$ 67,569,764**

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

REGION OF QUEENS MUNICIPALITY
CONSOLIDATED STATEMENT OF CASH FLOW

For The Year Ended March 31, 2019

		2019		2018
Cash and cash equivalents provided by (used in):				
OPERATING ACTIVITIES				
Annual Surplus	$	2,231,835	$	2,377,239
Items not involving cash				
Amortization-general capital		1,933,573		1,685,454
Amortization-water capital		98,600		105,694
Gain on disposal of tangible capital assets		12,295		-
(Decrease) increase in solid waste closure and post closure liability		(725,916)		287,704
Change in non-cash assets and liabilities				
Receivables-taxes, rates and other		1,956,250		(1,885,596)
Accounts payable and accrued liabilities		24,717		136,262
Deferred revenue		(67,189)		(80,833)
Customer deposits		38,246		14,701
Increase (decrease) in tax sale surplus liability		111,974		73,248
Change in other non-financial assets		(130,208)		49,167
Net change in cash from operating activities		5,484,177		2,763,040
CAPITAL ACTIVITIES				
Purchase of tangible capital assets-general		(1,368,234)		(1,273,068)
Purchase of tangible capital assets-water		(363,751)		(373,008)
Net change in cash from capital activities		(1,731,985)		(1,646,076)
INVESTING ACTIVITIES				
Loans receivable, net		(161,812)		31,393
Net change in cash from investing activities		(161,812)		31,393
FINANCING ACTIVITIES				
Long-term debt proceeds from debenture		530,000		-
Long-term debt principal repayment		(282,079)		(310,305)
Net change in cash from financing activities		247,921		(310,305)
INCREASE IN CASH AND CASH EQUIVALENTS		3,838,301		838,052
CASH and CASH EQUIVALENTS - BEGINNING OF YEAR		12,802,656		11,964,604
CASH and CASH EQUIVALENTS - END OF YEAR	$	16,640,957	$	12,802,656

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, 2019

	2019	2018
Annual Surplus	$2,231,835	$2,377,239
Acquisition of tangible capital assets-general	(1,368,234)	(1,273,068)
Acquisition of tangible capital assets-water	(363,751)	(373,008)
Gain on disposal of tangible capital assets	12,295	-
Amortization of tangible capital assets-general	1,933,572	1,685,454
Amortization of tangible capital assets-water	98,600	105,694
	2,544,317	2,522,311
Net change in prepaid expenses and inventories	(130,208)	49,171
INCREASE IN NET FINANCIAL ASSETS	2,414,109	2,571,482
NET FINANCIAL ASSETS - BEGINNING OF YEAR	8,669,040	6,097,558
NET FINANCIAL ASSETS - END OF YEAR	$11,083,149	$8,669,040

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

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. Funds included in the financial statements are: general operating fund, general capital fund, water operating, water capital, Hillsview Acres, Queen's Place Emera Centre, and the operating, capital and equipment reserve funds.

The assets, liabilities, taxation and other revenues and expenses with respect to the operations of the South Shore Regional Centre for Education 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.

Budget Figures

The budget figures contained in these financial statements were approved by Council on April 24, 2018 in its original fiscal plan; they also include budgets prepared and approved by controlled entities and are adjusted for amortization in accordance with Public Sector requirements. Note 15 outlines the original fiscal plan and the adjustments made to come to the budget figures shown 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.

Inventory of Supplies

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

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

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

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 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.

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, 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.

Post-employment future benefits

The Municipality pays certain benefits on behalf of its retired employees. These post-employment costs are recognized in the period in which the employees rendered their services to the Municipality. The determination of the accrued benefit obligations for post-employment future benefits earned by employees incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other factors.

Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

i. an environmental standard exists;
ii. contamination exceeds the environmental standard;
iii. the Municipality is directly responsible or accepts responsibility; and
iv. a reasonable estimate of the amount can be made.

Management has reviewed potential sites where they feel a material liability may exist and has concluded there is no known liability at this time.

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. RECEIVABLES – TAXES, RATES AND OTHERS

	2019			2018
	CURRENT YEAR	PRIOR YEARS	TOTAL	TOTAL
Balance – beginning of year	$ -	$ 1,690,828	$ 1,690,828	$ 1,612,495
Current year's tax levy and interest	11,440,659	-	11,440,659	11,115,322
Collection of area rates	38,543	-	38,543	38,431
	11,479,202	1,690,828	13,170,030	12,766,248
Current year's collections	10,636,934	918,994	11,555,928	10,645,204
Reduced taxes	74,322	-	74,322	65,381
Uncollectible accounts written off	142,629	-	142,629	326,404
Transmission of area rates	38,543	-	38,543	38,431
	10,892,428	918,994	11,811,422	11,075,420
Taxes receivable	$ 586,774	$ 771,834	1,358,608	1,690,828
Valuation allowance – taxes			(381,535)	(450,246)
Net taxes receivable			977,073	1,240,582
Governments			606,713	1,882,065
Water rates			135,612	125,812
Accrued benefit asset (Note 9)			320,974	253,842
General, other and accrued interest			354,006	822,536
Valuation allowance – other			(47,345)	(21,555)
Total receivables			$ 2,347,033	$ 4,303,282

3. LOANS RECEIVABLE

	2019	2018
Port Medway Fire Department – non interest bearing with an annual installments of $5,000 in 2019, maturing in 2027	$ 70,000	$ -
Liverpool Fire Department – non interest bearing repayable in annual installments of $4,600 maturing in 2024	23,000	-
Mill Village Fire Department – non interest bearing repayable in annual installments of $20,000 maturing in 2024	100,000	-
Liverpool Fire Fighters Association – non interest bearing repayable in annual installments of $15,966 maturing in 2024	89,247	105,213
Mill Village Fire Department – non interest bearing repayable in annual installments of $10,000 maturing in 2021	25,000	35,000
Charleston Fire Department – non interest bearing repayable in annual installments of $5,427 maturing in 2018	-	5,222
	$ 307,247	$ 145,435

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
General	$ 532,676	$ 612,759
Governments	551,366	446,566
	$ 1,084,042	$ 1,059,325

5. LONG TERM DEBT

Long term debt reported on the statement of financial position is comprised of the following:

	Debenture Number	Due	Balance April 1, 2018	Issued	Redeemed	Balance March 31, 2019	Interest	Interest Rate
Debentures - Nova Scotia Municipal								
	27-A-1	2022-2023	$ 409,340	$ -	$ 40,934	$ 368,406	$ 20,257	5.06% - 5.21%
	29-A-1	2019-2020	56,000	-	28,000	28,000	1,876	4.124% - 4.329%
	32-A-1	2027-2028	1,348,960	-	67,448	1,281,512	47,520	2.792% - 3.856%
	FCM F	2032-2033	1,363,832	-	90,921	1,272,911	25,927	2.00%
	39-A-1	2019-2029	-	530,000	-	530,000	12,501	2.060% - 3.2995%
CMHC	N/A	2025-2026	493,183	-	54,777	438,406	15,690	3.35%
			$ 3,671,315	*$ 530,000*	*$ 282,080*	*$ 3,919,235*	*$ 123,771*	

5. LONG TERM DEBT (CONTINUED)

The long term debt issued and outstanding (2019 – $3,919,235; 2018 - $3,671,315). Principal repayments required during the next five years are as follows:

2020	$336,915
2021	$383,811
2022	$385,771
2023	$387,797
2024	$387,797

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

6. 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:

2000	9,003
2001	46,836
2002	7,309
2009	436
2010	10,257
2011	275
2013	64,041
2014	8,673
2015	14,845
2016	28,531
2017	107,493
2018	69,973
2019	193,478
	$ 561,150

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

7. TANGIBLE CAPITAL ASSETS - 2019

	Cost beginning of year	Additions	Disposals	Cost end of year	Amortization in year	Accumulated Amortization	NBV
LAND	$ 6,408,652	$ 1,500	$15,300	$6,394,851	$ -	$ -	$ 6,394,851
GENERAL GOVERNMENT SERVICES	1,949,448	-	-	1,949,448	52,278	1,312,390	637,057
ENVIRONMENTAL DEVELOPMENT SERVICES	3,237,893	-	-	3,237,893	61,901	1,479,398	1,758,495
PROTECTIVE SERVICES							
Law enforcement	675,618	38,266	24,788	689,096	16,174	387,427	301,669
Protective Services	555,616	-	-	555,616	8,041	415,985	139,631
ENVIRONMENTAL HEALTH SERVICES							
Sewage collection and disposal	14,849,918	631,670	-	15,481,588	305,789	5,385,318	10,096,271
Landfill site	14,416,837	-	-	14,416,837	433,799	5,601,268	8,815,570
Materials recovery facility	800,349	-	-	800,349	17,154	331,322	469,027
PUBLIC HEALTH AND WELFARE SERVICES	1,218,512	-	-	1,218,512	25,528	1,082,781	135,731
MAINTENANCE DEPARTMENT	5,552,749	160,533	26,123	5,687,159	229,776	3,458,681	2,228,478
RECREATION, PLANNING, TOURISM	21,500,960	-	-	21,500,960	609,695	4,287,846	17,213,114
PUBLIC WORKS							
Sidewalks	606,940	-	-	606,940	16,355	416,329	190,611
Traffic lights	127,110	-	-	127,110	5,084	76,266	50,844
Permanent Streets	6,326,648	539,266	-	6,865,914	150,687	2,598,559	4,267,355
AIRPORT	153,597	-	-	153,597	1,312	140,476	13,121
UTILITY PLANT AND EQUIPMENT	7,650,974	363,751	-	8,014,725	98,600	2,393,840	5,620,885
	$ 86,031,823	$ 1,734,986	$ 66,211	$87,700,597	$ 2,032,172	$ 29,367,887	$ 58,332,714

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2019

7. TANGIBLE CAPITAL ASSETS - 2018

	Cost beginning of year	Additions	Disposals	Cost end of year	Amortization in year	Accumulated Amortization	NBV
LAND	$6,606,208	$ -	$197,556	$6,408,652	$ -	$ -	$6,408,652
GENERAL GOVERNMENT SERVICES	1,949,448	-	-	1,949,448	52,278	1,260,112	689,336
ENVIRONMENTAL DEVELOPMENT SERVICES	3,237,893	-	-	3,237,893	61,901	1,417,497	1,820,396
PROTECTIVE SERVICES							
Law enforcement	675,618	-	-	675,618	18,653	396,041	279,577
Protective Services	555,616	-	-	555,616	8,349	407,944	147,672
ENVIRONMENTAL HEALTH SERVICES							
Sewage collection and disposal	14,932,884	451,239	534,206	14,849,920	296,764	5,079,521	9,770,399
Landfill site	14,416,837	-	-	14,416,837	420,916	5,167,469	9,249,368
Materials recovery facility	800,349		-	800,349	17,154	314,168	486,181
PUBLIC HEALTH AND WELFARE SERVICES	1,218,512		-	1,218,512	25,528	1,057,254	161,258
MAINTENANCE DEPARTMENT	5,402,851	321,141	171,244	5,552,748	224,167	3,255,033	2,297,715
RECREATION, PLANNING, TOURISM	21,382,006	118,954	-	21,500,960	596,339	3,678,152	17,822,808
PUBLIC WORKS							
Sidewalks	606,940	-	-	606,940	16,355	399,974	206,966
Traffic lights	127,110	-	-	127,110	5,084	71,182	55,928
Permanent Streets	5,041,910	1,284,737	-	6,326,647	111,893	2,447,871	3,878,776
AIRPORT	153,597	-	-	153,597	1,312	139,164	14,433
UTILITY PLANT AND EQUIPMENT	7,277,965	373,008	-	7,650,974	105,696	2,295,240	5,355,734
	$84,385,747	$2,549,079	$903,005	$86,031,821	$1,962,390	$27,386,622	$58,645,199

8. COMMITMENTS

Contract/Leases

As at March 31, 2019, the Region of Queens is committed to making the following payments:

A contract for garbage collection for the subsequent year of $622,251 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 $26,598 plus HST expires March 31, 2023.

Lease for library space for the subsequent year of $51,680 plus HST, expires December 31, 2024.

9. REMUNERATION AND EXPENSES OF ELECTED OFFICIALS AND CHIEF ADMINISTRATIVE OFFICER PAID DURING THE YEAR

	Remuneration	Expenses
Councilors		
Mayor – D. Dagley	$ 38,719	$ 2,259
Councilor District 1 – K. Muise	19,378	399
District 2 – H. Kelly (Deputy Mayor)	19,973	5,159
District 3 – B. Fralic	19,378	2,400
District 4 – S. MacLeod	19,378	1,908
District 5 – J. Fancy	19,378	893
District 6 – R. Fiske	19,378	1,506
District 7 – G. Johnson	19,378	2,088
	174,960	16,612
Chief Administrative Officer		
C. McNeill	123,647	3,376
	$ 298,607	$ 19,988

10. 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 Chartered Professional Accountants Association. 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, 2018 indicates a pension asset of $320,974.

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 $392,548 in calendar year 2018 and $597,566 in 2017. Contributions from employees and employer are 8.8% and 9.8% of salary respectively. Total employer and employee contributions in calendar year 2018 and 2017 were $629,158 and $613,041 respectively; which includes a special payment of $54,121 in 2018 and $82,398 in 2017, applied toward the unfunded liability.

The last actuarial valuation filed with regulators was as of December 31, 2016. The next actuarial valuation is scheduled for the period ended December 31, 2019 and will be completed in 2020. The interest rate used in the last filed valuation was the 5.50% per year benchmark. The following estimates as at December 31, 2018 are based on the actuarial valuation as at December 31, 2016.

	2019	2018
Actuarial value of plan assets	$12,220,887	$ 12,014,789
Accrued benefit obligation	12,269,344	11,576,738
Estimated funding (deficit) surplus	$ (48,456)	$ 438,051

The pension asset as at March 31, 2019 includes the following components:

	2019	2018
Accrued benefit obligation	$ 12,269,344	$ 11,576,738
Pension fund assets	12,220,887	12,014,789
	48,456	(438,051)
Unamortized actuarial gain/ (loss)	(369,430)	184,209
Pension liability (asset)	$ (320,974)	$ (253,842)

For the fiscal year ended March 31, 2019, benefit costs of $264,360 (2018 - $254,629) were expensed and are included in salaries, wages and benefits as disclosed in Note 15. This amount included $12,571 (2018 - $26,510) of amortization of net actuarial losses.

11. 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, 2019, the remaining capacity of the 1st Generation C&D cell is approximated at 161,800 tonnes. Based on current usage this site may provide up to 25 more years of service. Estimated closure costs in current period dollars total approximately $408,500. The cost estimate is increased annually based on Statistics Canada's 2018 building construction price index. Costs for post closure care and maintenance of this site are not expected to be significant.

As at March 31, 2019, based on current Municipal Solid Waste usage and compaction rates, the remaining capacity of the 2nd Generation solid waste cell is approximately 786,400 tonnes. Total closure costs in current period dollars are estimated to be approximately $3,094,700. The cost estimate is adjusted based on Statistics Canada's 2018 building construction price index.

As at March 31, 2019, based on post closure requirements, estimated total costs would be $1,890,000 in current period dollars. These costs are expected to be incurred over a period of 30 years subsequent to closure of the current cells.

The municipality has internally restricted assets of $4,404,770 to 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

12. TRUST FUNDS UNDER ADMINISTRATION

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

13. BUDGET FIGURES

Public Sector Accounting Standards (PSAS) require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the statement of operations and statement of changes in net assets has been adjusted to be on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the financial statement:

	Approved Fiscal Plan	Consolidation (As required by PSAS)*	Fiscal Plan Per Financial Statements
REVENUE			
Taxation	$ 12,971,364	$ (3,998,953)	$ 8,972,411
Sale of services	706,171	-	706,171
Water rates	-	513,020	513,020
Water for fire protection	-	197,235	197,235
Government transfers	1,355,653	-	1,355,653
Grants in lieu of taxes	316,787	878,829	1,195,616
Services provided to other governments	1,847,542	-	1,847,542
Other revenue from own sources	1,166,506	14,000	1,180,506
Public health	1,283,069	-	1,283,069
Transfers from own funds	135,000	(135,000)	-
	19,782,092	**(2,530,869)**	**17,251,223**
EXPENDITURE			
General government services	1,878,571	22,295	1,900,866
Protective services	3,430,443	(149,545)	3,280,898
Transportation services	2,450,930	403,214	2,854,144
Environment health services	3,206,240	687,760	3,894,000
Public health	1,416,128	(87,292)	1,328,836
Environmental development services	1,138,743	55,835	1,194,578
Recreation and cultural services	2,319,385	471,773	2,791,158
Water treatment and distribution	-	676,745	676,745
Fiscal services	3,940,337	(3,940,337)	-
	19,780,777	**(1,859,552)**	**17,921,225**
ANNUAL SURPLUS	**1,315**	**(671,317)**	**(670,002)**

* The adjustments above include netting school board appropriations and reduced taxes against tax revenues, reclassification of revenues and expenditures amongst categories, and the elimination of transfers between funds, and amortization of tangible capital assets.

14. COMPARATIVE FIGURES

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

15. 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 Hillsview Acres nursing home and mandatory transfers to the Regional Housing Authority.

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

	2019	2018
Salaries, wages and benefits	$ 5,567,296	$ 4,974,577
Interest on long-term debt	168,401	124,707
External transfers and grants	3,311,812	3,030,835
Provision for allowances	142,629	326,404
Amortization	2,032,172	1,962,388
Other	5,292,670	7,043,281
	$ 16,514,980	$ 17,462,192

REGION OF QUEENS MUNICIPALITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2019

13. SEGMENT DISCLOSURE (CONT'D)

	General Government Services	Protective Services	Roads & Streets (Public Works) Services	Environment Health Services	Public Health Services	Environmental Development Services	Recreation and Cultural Services	Water Treatment and Distribution	Total
Taxation	$ 7,032,501	$ 208,305	$ 1,237,108	$ 538,240	$ -	$ -	$ 6,991	$ -	$ 9,023,145
Sale of services	7,090	14,918	-	836,400	-	-	-	-	858,408
Water Rates / Fire Protection	-	-	-	-	-	-	-	690,805	690,805
Government transfers	1,242,710	-	-	76,879	-	29,653	-	-	1,349,242
Grants in lieu of taxes	1,208,250	29,088	-	-	-	-	-	-	1,237,338
Services provided other gov't	-	-	-	1,961,301	-	-	-	-	1,961,301
Other revenue own sources	772,341	-	-	-	-	79,576	732,145	-	1,584,062
Public health	-	-	-	-	1,257,346	-	-	-	1,257,346
Government transfers - capital	-	-	703,427	-	-	-	-	-	703,427
proceeds from sale of property / capital assets	-	-	81,741	-	-	-	-	-	81,741
Total Revenues	$ 10,262,892	$ 252,311	$ 2,022,276	$ 3,412,820	$ 1,257,346	$ 109,229	$ 739,136	$ 690,805	$ 18,746,815
Salaries, wages and benefits	1,078,204	147,979	1,084,717	791,193	1,023,449	456,244	773,027	212,483	5,567,296
Interest on long-term debt	-	-	958	31,887	-	918	73,447	61,191	168,401
External transfers and grants	564,466	2,300,483	249,246	-	164,307	13,760	19,550	-	3,311,812
Amortization	22,294	28,842	403,215	756,741	22,708	69,630	630,142	98,600	2,032,172
Materials, services and other expenses	362,710	836,353	792,844	1,421,285	110,278	403,889	1,209,953	297,987	5,435,299
Total Expenditures	$ 2,027,674	$ 3,313,657	$ 2,530,980	$ 3,001,106	$ 1,320,742	$ 944,441	$ 2,706,119	$ 670,261	$ 16,514,980
Surplus / (Deficit) by category	$ 8,235,218	$ (3,061,346)	$ (508,704)	$ 411,714	$ (63,396)	$ (835,212)	$ (1,966,983)	$ 20,544	$ 2,231,835

B.

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
NON-CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – See Advisory to Reader)

MARCH 31, 2019

B.

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
INDEX TO NON-CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2019

CONTENTS **PAGE**

Advisory to readers

The Region of Queens Municipality prepares both consolidated and non-consolidated financial statements.

Non-consolidated financial statements are prepared to show the details of the individual funds managed by the Municipality. In particular, they provide information as to how each of the funds performed compared to the approved operating budget of the Municipality. For all other purposes, readers are advised to refer to the consolidated financial statements that have been audited.

These non-consolidated financial statements have **not** been audited. The non-consolidated financial statements are **not** presented in full accordance with Canadian public sector accounting standards.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED OPERATING FUND STATEMENT OF OPERATIONS

FOR THE YEAR ENDED March 31, 2019

		2019		2018
	SCHEDULE	BUDGET	ACTUAL	ACTUAL
REVENUE				
Taxes	1	$ 8,972,411	$ 9,023,145	$ 8,810,633
Grants in lieu of taxes	2	1,195,616	1,237,338	1,146,895
Services provided to other governments	3	1,847,542	1,961,301	1,906,080
Sales of services	4	706,171	858,408	756,483
Other revenue from own sources	5	1,127,913	1,343,278	1,296,081
Unconditional transfers from other governments	6	1,228,953	1,228,953	1,227,876
Conditional transfers from Federal and Provincial governments or agencies	7	126,700	120,289	150,637
Other transfers	8	135,000	424,737	397,652
		15,340,306	16,197,449	15,692,337
EXPENDITURE				
General government services	9	1,878,572	2,205,398	1,938,102
Protective services	10	3,252,056	3,443,105	3,510,992
Transportation services	11	2,450,929	2,130,211	2,356,590
Environmental health services	12	3,206,241	3,335,178	3,082,574
Public health	13	23,059	13,392	29,497
Environmental development services	14	1,138,743	975,902	859,893
Recreational and cultural services	15	2,280,792	2,234,346	2,234,803
Fiscal services	16	1,108,600	1,421,557	1,541,645
		15,338,991	15,759,089	15,554,096
EXCESS REVENUE OVER EXPENDITURES		***$ 1,315***	***$ 438,360***	***$ 138,241***

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED OPERATING FUND BALANCE SHEET
March 31, 2019

ASSETS	*2019*	*2018*
CURRENT ASSETS		
Cash and cash equivalents	$ 1,103,120	$ 3,562,852
Receivables		
Taxes (Note 2)	1,358,608	1,691,570
Due from Federal Government and its agencies	155,460	97,615
Due from Provincial Government and its agencies	59,244	36,022
Due from other local governments	373,005	145,420
Due from own funds:		
General Capital Fund	2,796	64,986
Water Operating	308,591	894,683
Special Reserve Fund-Equipment	270,789	-
Pension Plan - accrued pension asset	320,974	253,842
Other receivables		
Trade	416,640	757,863
Prepaid expenses	181,816	148,126
	3,447,923	4,090,127
	$ 4,551,043	*$ 7,652,979*

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY — *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED OPERATING FUND BALANCE SHEET
March 31, 2019

	2019	2018
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Payables		
Federal Government and its agencies	$ 42,916	$ 675
Provincial Government and its agencies	273,906	243,491
Other local governments	234,544	202,400
Due to own funds		
Water Utility Capital Fund	1,831	8,232
Trust Fund	55	12,411
Equipment	-	604,147
Special Reserve Fund-Operating	414,715	2,388,246
Special Reserve Fund-Capital	93,468	1,163,817
Trade accounts	376,928	392,449
Prepayment of taxes	255,055	219,409
Deferred revenue	126,252	193,742
Tax sale surplus	561,150	449,176
Asset valuation allowances		
Uncollectible taxes, rates and interest (Note 4)	381,535	450,246
Other doubtful receivables	47,345	21,555
	2,809,700	6,349,996
EQUITY		
Surplus	1,741,343	1,302,983
	$ 4,551,043	*$ 7,652,979*

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY — *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED CAPITAL FUND BALANCE SHEET
March 31, 2019

ASSETS	*2019*	*2018*
CASH AND CASH EQUIVALENTS	$ 482,592	$ -
ACCOUNTS RECEIVABLE		
Federal government	5,762	1,187,394
Provincial government	-	406,081
DUE FROM OWN FUNDS:		
Special Reserve Fund-Equipment	-	321,140
	488,354	1,914,615
TANGIBLE CAPITAL ASSETS		
Tangible capital assets, at cost	79,685,877	78,380,851
Less: Amortization	26,974,047	25,091,386
	52,711,830	53,289,465
	$ 53,200,184	*$ 55,204,080*
LIABILITIES		
BANK INDEBTEDNESS	$ -	$ 3,396
PAYABLES		
Trade	1,479	11,700
LANDFILL CLOSURE LIABILITY	2,258,767	2,984,683
DUE TO OWN FUNDS:		
General Section-Operating Fund	2,796	64,986
Special Reserve Fund-Capital	1,578	1,100,000
Special Reserve Fund-Operating	975,179	1,028,772
LONG TERM DEBT (Note 10)	3,550,830	3,261,975
INVESTMENT IN TANGIBLE CAPITAL ASSETS	46,409,555	46,748,568
	$ 53,200,184	*$ 55,204,080*

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED CAPITAL FUND STATEMENT OF INVESMENT IN TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED March 31, 2019

	2019	2018
BALANCE - BEGINNING OF YEAR	$ 50,263,250	$ 49,867,852
Proceeds from long term debt	(530,000)	-
Transfer landfill closure liability recognition from Reserve to Capital Fund	(2,984,683)	(2,696,979)
	46,748,567	47,170,873
Term debt retired	241,146	269,370
Capital assets contributed (disposed) from service	(10,737)	(197,556)
Transfers for capital purposes from:		
Equipment Reserve Fund	197,300	321,140
Special Operating Reserve Fund	440,936	117,252
Grant for capital purposes	-	1,211,886
Decrease (increase) in landfill closure liability	725,916	(287,704)
	48,343,128	48,605,261
Amortization of tangible capital assets	1,933,573	1,856,693
BALANCE-END OF YEAR	*$ 46,409,555*	*$ 46,748,568*

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED CAPITAL FUND TANGIBLE CAPITAL ASSET SUMMARY
March 31, 2019

	2019			2018
	COST	ACCUMULATED AMORTIZATION	TOTAL	TOTAL
LAND	$ 6,394,851	$ -	$ 6,394,851	$ 6,408,652
GENERAL GOVERNMENT SERVICES	1,949,448	1,312,391	637,057	689,336
ENVIRONMENTAL DEVELOPMENT SERVICES	3,237,893	1,479,398	1,758,495	1,820,396
PROTECTIVE SERVICES				
Law enforcement	689,104	387,427	301,677	279,578
Protective Services	555,616	415,985	139,631	147,673
ENVIRONMENTAL HEALTH SERVICES				
Sewage collection and disposal	15,481,588	5,385,318	10,096,270	9,770,394
Landfill site	14,416,837	5,601,268	8,815,569	9,249,368
Materials recovery facility	800,349	331,322	469,027	486,181
PUBLIC HEALTH AND WELFARE SERVICES	1,218,512	1,082,781	135,731	161,258
MAINTENANCE DEPARTMENT	5,687,158	3,458,681	2,228,477	2,297,715
RECREATION, PLANNING, TOURISM	21,500,960	4,287,846	17,213,114	17,822,808
PUBLIC WORKS				
Sidewalks	606,940	416,329	190,611	206,966
Traffic lights	127,110	76,266	50,844	55,928
Permanent Streets	6,865,914	2,598,559	4,267,355	3,878,776
AIRPORT	153,597	140,476	13,121	14,433
	$ 79,685,877	*$ 26,974,047*	*$ 52,711,830*	*$ 53,289,462*

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED March 31, 2019

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
1. TAXES			
Assessable property			
Residential	$ 7,417,658	$ 7,451,179	$ 7,160,489
Commercial			
Commercial property	1,465,086	1,476,633	1,438,989
Resource			
Taxable assessments	807,171	804,150	777,821
Forest property tax (less than 50,000 acres)	32,036	30,872	30,610
Forest property tax (50,000 acres or more)	502	268	502
	839,709	835,290	808,933
Area rates			
Protective services	207,366	208,305	220,813
Transportation services	1,234,986	1,237,108	1,212,959
Recreational and cultural	6,970	6,991	6,951
Other	69,699	69,877	69,480
	1,519,021	1,522,281	1,510,203
Special assessment			
Environmental health service	531,061	538,240	536,804
Other			
Deed transfer tax	320,000	373,953	405,352
Conditional transfers to other government Agencies			
Correctional services	(178,387)	(178,387)	(179,414)
Deficit of Regional Housing Authority	(110,000)	(164,307)	(102,892)
Appropriation to South Shore Regional Centre for Education	(2,831,737)	(2,831,737)	(2,767,831)
	(3,120,124)	(3,174,431)	(3,050,137)
	$ 8,972,411	***$ 9,023,145***	***$ 8,810,633***

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY — *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED March 31, 2019

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
2. GRANTS IN LIEU OF TAXES			
Federal Government	$ 53,304	$ 53,475	$ 53,304
Federal Government Agency			
Canada Post	5,420	4,937	5,436
Provincial Government			
Provincial property	86,480	85,437	88,333
Crown timberlands	142,120	152,109	142,102
Fire protection	29,463	29,088	29,473
	258,063	266,634	259,908
Based on revenue:			
Aliant	48,000	50,715	47,364
Nova Scotia Power Corporation	785,829	785,829	734,355
Nova Scotia Power Corporation-HST rebate	45,000	75,748	46,528
	878,829	912,292	828,247
	$ 1,195,616	*$ 1,237,338*	*$ 1,146,895*
3. SERVICES PROVIDED TO OTHER GOVERNMENTS			
Local Governments			
Environment health services-landfill	*$ 1,847,542*	*$ 1,961,301*	*$ 1,906,080*
4. SALES OF SERVICES			
Protective services	$ 16,200	$ 14,918	$ 17,647
Environmental health services	686,471	836,400	731,306
Other	3,500	7,090	7,530
	$ 706,171	*$ 858,408*	*$ 756,483*
5. OTHER REVENUE FROM OWN SOURCES			
Licenses and permits	$ 39,900	$ 52,383	$ 48,580
Fines	50,000	38,448	36,772
Rentals	147,383	150,640	150,931
Return on investments	55,000	99,782	67,201
Penalties and interest	190,000	155,276	196,708
Revenue collected for Other Government Agencies	38,593	38,543	38,431
Less: Transmission of revenue collected for Other Government Agencies	(38,593)	(38,543)	(38,431)
Queens Place	531,245	667,506	673,690
Miscellaneous	114,385	179,243	122,199
	$ 1,127,913	*$ 1,343,278*	*$ 1,296,081*

See accompanying notes to the non-consolidated financial statement.

REGION OF QUEENS MUNICIPALITY — *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED March 31, 2019

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
6. UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS			
Provincial Government			
Service Nova Scotia & Municipal Relations			
Assessment Act, farm property acreage	$ 11,719	$ 11,719	$ 10,642
Municipal Grants Act-equalization	1,217,234	1,217,234	1,217,234
	$ 1,228,953	*$ 1,228,953*	*$ 1,227,876*

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
7. CONDITIONAL TRANSFERS FROM FEDERAL & PROVINCIAL GOVERNMENTS OR AGENCIES			
Provincial Government			
Environmental Health Services			
Garbage & refuse collection & disposal	$ 52,000	$ 65,722	$ 67,557
Deferred Revenues - Provincial			
RRFB - Waste Separation Funding	7,500	11,157	11,149
ACOA - accessibility funding	-	9,958	54,763
NSTRIP - transit funding	-	3,799	12,500
Service Nova Scotia			
Facade grant	62,500	25,000	-
Civic number grant	4,700	4,653	4,668
	$ 126,700	*$ 120,289*	*$ 150,637*

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
8. OTHER TRANSFERS			
Transfer from other fund			
Special Reserve Fund-Operating	$ 135,000	$ 353,537	$ 397,652
Special Reserve Fund-Equipment	-	71,200	-
	$ 135,000	*$ 424,737*	*$ 397,652*

See accompanying notes to the non-consolidated financial statement.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED March 31, 2019

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
9. GENERAL GOVERNMENT SERVICES			
Legislative			
Remuneration - mayor	$ 37,610	$ 38,719	$ 37,610
Remuneration - council	132,720	136,241	132,358
Other			
Travel	6,000	7,050	6,013
Other	20,000	15,975	24,462
	196,330	197,985	200,443
General administration			
Administration	902,155	889,380	708,396
Financial management	17,500	17,836	22,230
Bank charges	15,700	18,796	17,312
Taxation			
Administration	59,697	59,166	51,395
Tax billings	17,000	6,596	17,143
Assessment Services	312,000	314,466	311,068
Tax rebate or cancellations			
Reduced taxes (Section 69)	65,000	74,323	65,381
Tax sale	4,500	4,749	2,309
Common services	81,810	91,780	69,177
Other	62,000	46,852	38,856
	1,537,362	1,523,944	1,303,267
Other general government services			
Conventions	40,373	19,976	20,181
Insurance	1,011	-	1,663
Grants to organizations	50,000	250,000	46,500
Other	53,496	45,016	39,644
	144,880	314,992	107,988
Valuation allowance			
Uncollectible taxes	-	168,420	326,404
	$ 1,878,572	***$ 2,205,341***	***$ 1,938,102***

See accompanying notes to the non-consolidated financial statement.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED March 31, 2019

10. PROTECTIVE SERVICES

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
Police protection			
Administration-prosecution fees/DNA testing	$ 32,800	$ 24,917	$ 20,702
Crime investigation, prevention and protective services	2,059,900	2,045,892	2,022,688
	2,092,700	2,070,809	2,043,390
Law enforcement			
Building/Fire Inspection	147,905	89,781	85,051
Bylaw	87,468	83,297	82,230
	235,373	173,078	167,281
Fire protection			
Fire fighting force	594,615	868,435	971,630
Fire alarm system	28,159	30,336	26,833
Water supply and hydrants	197,235	197,235	197,235
Fire station building	45,765	47,200	45,217
Other	4,000	4,725	5,895
	869,774	1,147,931	1,246,810
Emergency measures	35,760	37,849	35,432
Other-Court House	18,449	13,438	18,079
	$ 3,252,056	*$ 3,443,105*	*$ 3,510,992*

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED March 31, 2019

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
11. TRANSPORTATION SERVICES			
Common services			
Administration	$ 821,595	$ 715,814	$ 766,857
Equipment operations	403,260	393,670	399,774
Small tools and equipment	30,250	29,830	28,816
Works/Storage garages	72,162	72,940	60,587
Insurance	6,861	5,265	11,435
Staff training	7,500	10,043	6,182
	1,341,628	1,227,562	1,273,651
Road transport			
Roads and streets	765,013	732,021	706,519
Street lighting	321,000	147,484	321,258
	1,086,013	879,505	1,027,777
Debenture			
Interest	958	958	2,352
Principal	14,205	14,205	44,205
	15,163	15,163	46,557
Air transportation			
Airport	8,125	7,981	8,605
	$ 2,450,929	***$ 2,130,211***	***$ 2,356,590***

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED March 31, 2019

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
12. ENVIRONMENTAL HEALTH SERVICES			
Sewage collection and disposal			
Administration	$ 13,611	$ 15,745	$ 19,352
Sewage collection systems	100,953	86,665	102,057
Sewage treatment and disposal	227,391	356,420	228,044
	341,955	458,830	349,453
Debenture			
Interest	21,000	16,198	-
Principal	53,000	-	-
	74,000	16,198	-
Garbage and waste collection and disposal			
Administration	125,724	124,763	95,551
Garbage and waste collection	995,237	1,018,019	988,884
Landfill	682,878	691,446	696,855
Special Capital Reserve - closure costs	290,481	295,915	287,704
Recycling	625,500	659,541	593,635
	2,719,820	2,789,684	2,662,629
Debenture			
Interest	15,689	15,689	17,492
Principal	54,777	54,777	53,000
	70,466	70,466	70,492
	$ 3,206,241	***$ 3,335,178***	***$ 3,082,574***

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED March 31, 2019

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
13. PUBLIC HEALTH AND WELFARE SERVICES			
Hillsview Acres-per statement B16	$ -	$ -	$ -
Queens Resource Center	23,059	13,392	29,497
	23,059	13,392	29,497
14. ENVIRONMENTAL DEVELOPMENT SERVICES			
Environmental planning and zoning			
Administration	232,853	230,311	223,675
Other	117,764	80,249	31,925
	350,617	310,560	255,600
Other environmental development services			
Tourism and economic development	741,913	636,869	557,837
Environmental development agencies			
Regional Development Authority	31,500	13,760	31,193
Debenture			
Interest	918	918	1,468
Principal	13,795	13,795	13,795
	14,713	14,713	15,263
	$ 1,138,743	$ 975,902	$ 859,893

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
SCHEDULES TO NON-CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED March 31, 2019

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
15. RECREATION AND CULTURAL SERVICES			
Recreational facilities			
Swimming pools	$ 60,979	$ 64,040	$ 65,416
Parks and Playgrounds	327,484	256,706	209,347
Queens Place	1,126,949	1,220,175	1,237,205
	1,515,412	1,540,921	1,511,968
Cultural buildings and facilities			
Historical sites	1,500	2,087	1,745
Museums	108,095	94,239	164,038
Regional Library	80,000	79,400	79,302
TH Raddall Library	65,000	69,225	67,783
	254,595	244,951	312,868
Other recreational & cultural services	278,969	216,658	174,473
Debenture			
Interest	73,447	73,447	77,128
Principal	158,369	158,369	158,369
	231,816	231,816	235,497
	$ 2,280,792	***$ 2,234,346***	***$ 2,234,803***
16. FISCAL SERVICES			
Transfers to own reserves, funds and agencies			
Other funds			
Special Operating Reserve	$ 753,317	$ 1,066,274	$ 1,174,054
Equipment Reserve	355,283	355,283	355,283
General Capital Fund	-	-	12,308
	$ 1,108,600	***$ 1,421,557***	***$ 1,541,645***

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY *GENERAL SECTION*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED STATEMENT OF REVENUE AND EXPENDITURE-HILLSVIEW ACRES
FOR THE YEAR ENDED March 31, 2019

	2019		2018
	BUDGET	ACTUAL	ACTUAL
REVENUE			
Resident care	$ 1,283,069	$ 1,287,346	$ 1,298,700
EXPENDITURE			
Salaries and benefits	1,064,180	1,032,655	1,003,225
Building	100,589	96,129	110,658
Supplies and equipment	22,100	27,206	27,478
Resident care	76,500	86,352	86,838
Other	19,700	42,302	25,773
	1,283,069	1,284,644	1,253,972
EXCESS OF REVENUE OVER EXPENDITURE OPERATIONS	-	2,702	44,728
AMOUNT TRANSFERRED TO SPECIAL OPERATING RESERVE	-	2,702	44,728
EXCESS REVENUE OVER EXPENDITURES	$ -	$ -	$ -

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY — *WATER UTILITY*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED STATEMENT OF OPERATIONS AND SURPLUS
FOR THE YEAR ENDED March 31, 2019

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
OPERATING REVENUE			
Metered sales	$ 504,000	$ 485,472	$ 466,667
Public fire protection	197,235	197,235	197,235
Other	9,020	8,097	7,860
	710,255	690,804	671,762
OPERATING EXPENDITURE			
Water treatment	256,683	340,871	273,855
Transmission and distribution	157,853	140,398	142,723
Administration	142,896	70,117	158,517
Amortization	99,056	98,600	105,694
	656,488	649,986	680,789
OPERATING SURPLUS	53,767	40,818	(9,027)
NON OPERATING REVENUE			
Interest	6,500	44,157	16,228
Other	7,500	-	59,384
	14,000	44,157	75,612
NON OPERATING EXPENDITURE			
Debenture			
Interest	20,257	20,257	23,244
Principal	40,934	40,934	40,934
	61,191	61,191	64,178
NON OPERATING (DEFICIT) SURPLUS	(47,191)	(17,034)	11,434
EXCESS REVENUE OVER EXPENDITURES	*$ 6,576*	23,784	2,407
SURPLUS-BEGINNING OF YEAR		595,512	593,105
SURPLUS-END OF YEAR		*$ 619,296*	*$ 595,512*

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY *WATER UTILITY*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED WATER OPERATING FUND BALANCE SHEET
March 31, 2019

	2019	2018
ASSETS		
Cash and cash equivalents	$ 879,645	$ 1,561,807
RECEIVABLES		
Rates	135,612	125,812
Other	13,242	9,533
PREPAID EXPENSES	32,274	6,903
INVENTORIES - at cost	171,646	100,496
	$ 1,232,419	*$ 1,804,551*
LIABILITIES AND EQUITY		
ACCOUNTS PAYABLE	$ 214,429	$ 202,258
DUE FROM OWN FUNDS		
Water Utility Capital Fund	80,041	104,460
General Section Operating Fund	308,591	894,683
PREPAID ACCOUNTS	7,287	4,683
CUSTOMERS' DEPOSITS	2,775	2,955
	613,123	1,209,039
EQUITY		
SURPLUS	619,296	595,512
	$ 1,232,419	*$ 1,804,551*

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See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY — *WATER UTILITY*
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED WATER CAPITAL FUND BALANCE SHEET
March 31, 2019

ASSETS		*2019*		*2018*
CASH AND CASH EQUIVALENTS				
Amortization (Note 1)	$	1,004,876	$	875,456
DUE FROM OWN FUND:				
General Section Operating		1,831		8,232
Water Utility Operating Fund		80,041		104,460
UTILITY PLANT AND EQUIPMENT		8,014,725		7,650,974
	$	*9,101,473*	*$*	*8,639,122*
LIABILITIES AND EQUITY				
LONG TERM DEBT				
Debentures issued to provincial government or its agencies				
Municipal Finance Corporation	$	368,406	$	409,340
ACCUMULATED ALLOWANCE FOR AMORTIZATION (Note 1)		2,393,840		2,295,240
		2,762,246		2,704,580
EQUITY				
INVESTMENT IN UTILITY PLANT AND EQUIPMENT		6,339,227		5,934,542
	$	*9,101,473*	*$*	*8,639,122*

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED WATER UTILITY PLANT AND EQUIPMENT SUMMARY
March 31, 2019

		2019		2018
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		3,719,318		3,355,567
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
	$	8,014,725	$	7,650,974

WATER UTILITY

NON-CONSOLIDATED WATER CAPITAL FUND STATEMENT OF INVESMENT IN UTILITY PLANT AND EQUIPMENT
FOR THE YEAR ENDED March 31, 2019

		2019		2018
BALANCE - BEGINNING OF YEAR	$	5,934,542	$	5,520,600
Transfers from special reserve		363,751		373,008
Term debt retired		40,934		40,934
BALANCE-END OF YEAR	$	6,339,227	$	5,934,542

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
(Unaudited - See Advisory to Reader)
SUPPLEMENTARY FINANCIAL INFORMATION — *NON-CONSOLIDATED SPECIAL RESERVE FUNDS BALANCE SHEET*
March 31, 2019

	2019				2018
	CAPITAL	*EQUIPMENT*	*OPERATING*	*TOTAL*	*TOTAL*
ASSETS					
CASH AND CASH EQUIVALENTS	$ 4,814,848	$ 1,782,369	$ 6,573,508	$ 13,170,725	$ 6,856,522
DUE FROM OWN FUNDS:					
General Section Operating	2,253	-	414,715	416,968	4,156,210
Equipment Reserve	25,966	-	5,222	31,188	25,966
Tax Sale Surplus trust fund	91,215	-	-	91,215	-
Special Operating Reserve	-	-	-	-	118,956
General Section Capital	1,578	-	999,999	1,001,577	2,128,772
LOANS RECEIVABLE (Note 3)	114,247	-	193,000	307,247	119,469
	5,050,107	*1,782,369*	*8,186,444*	*15,018,920*	*13,405,895*
LIABILITIES					
DUE TO OWN FUND:					
General Section Capital	-	-	24,820	24,820	321,140
Special Operating Reserve	-	5,222	-	5,222	118,956
Special Capital Reserve	-	25,966	-	25,966	-
General Section Operating	-	270,789	-	270,789	-
	-	301,977	24,820	326,797	440,096
RESERVES					
General Section	5,050,107	1,426,588	8,161,624	14,638,319	12,912,869
Water Section	-	53,804	-	53,804	52,930
	5,050,107	1,480,392	8,161,624	14,692,123	12,965,799
	$ 5,050,107	*$ 1,782,369*	*$ 8,186,444*	*$ 15,018,920*	*$ 13,405,895*

See accompanying notes to the non-consolidated financial statements.

NON-CONSOLIDATED SPECIAL RESERVE FUNDS STATEMENT OF RESERVES

FOR THE YEAR ENDED MARCH 31, 2019

	2019				2018
	CAPITAL	EQUIPMENT	OPERATING	TOTAL	TOTAL
BALANCE-BEGINNING OF YEAR	$ 4,500,174	$ 1,422,185	$ 7,042,899	$ 12,965,258	$ 10,778,329
INTEREST EARNED	70,325	28,936	100,637	199,898	93,569
TRANSFERS FROM REVENUE	295,915	534,129	1,269,797	2,099,841	2,041,673
TRANSFERS FROM GENERAL OPERATING	91,215	-	-	91,215	-
DONATIONS FOR RECREATION FACILITY AND SKATE PARK	-	-	-	-	7,500
CONDITIONAL TRANSFER GAS TAX	-	-	703,427	703,427	681,424
PROCEEDS FROM DISPOSALS OF PROPERTY AND EQUIPMENT	92,478	-	-	92,478	242,067
NET INCREASE IN RESERVE	549,933	563,065	2,073,861	3,186,859	3,066,233
	5,050,107	1,985,250	9,116,760	16,152,117	13,844,562
AMOUNTS TRANSFERRED TO CAPITAL FUNDS TO FINANCE ACQUISITIONS OF PROPERTY AND EQUIPMENT	-	197,300	440,936	638,236	489,111
AMOUNTS TRANSFERRED TO : FIRE DEPARTMENT EQUIPMENT ACQUISITION	-	280,537	-	280,537	389,652
AMOUNTS TRANSFERRED TO : WATER SECTION CAPITAL FUND	-	-	363,751	363,751	-
GENERAL SECTION OPERATING FUND	-	27,021	150,449	177,470	-
	-	504,858	955,136	1,459,994	878,763
BALANCE-END OF YEAR	*$ 5,050,107*	*$ 1,480,392*	*$ 8,161,624*	*$ 14,692,123*	*$ 12,965,799*

See accompanying notes to the non-consolidated financial statements.

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited – See Advisory to Reader)
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

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 the Department of Municipal Affairs and for water utilities by the Utilities and Review Board.

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.

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.

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited – See Advisory to Reader)
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Valuation Allowance

Uncollected Taxes and Rates

The Region of Queens Municipality provides a valuation allowance for 100% of the value of taxes outstanding for 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.

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited – See Advisory to Reader)
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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
(Unaudited – See Advisory to Reader)
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions to Boards and Commissions

Western Regional Housing Authority – various properties

The Region's share of the 2019 deficit is $164,307 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 Landfill Closure and Post-closure Liability

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.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

	2019 CURRENT YEAR	2019 PRIOR YEARS	2019 TOTAL	2018 TOTAL
Balance – beginning of year	$ -	$ 1,690,828	$ 1,690,828	$ 1,612,495
Current year's tax levy and interest	11,440,659	-	11,440,659	11,115,322
Collection of area rates	38,543	-	38,543	38,431
	11,479,202	1,690,828	13,170,030	12,766,248
Current year's collections	10,636,934	918,994	11,555,928	10,645,204
Reduced taxes	74,322	-	74,322	65,381
Uncollectible accounts written off	142,629	-	142,629	326,404
Transmission of area rates	38,543	-	38,543	38,431
	10,892,428	918,994	11,811,422	11,075,420
Balance – end of year	$ 586,774	$ 771,834	$ 1,358,608	$ 1,690,828

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited – See Advisory to Reader)
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

3. LOANS RECEIVABLE

	2019	2018
SPECIAL CAPITAL RESERVE FUND		
Mill Village Fire Department – non interest bearing repayable in annual installments of $10,000 maturing in 2021	$ 25,000	$ 35,000
Liverpool Fire Fighters Association – non interest bearing repayable in annual installments of $15,966 maturing in 2024	89,247	105,213
	$ 114,247	$ 140,213
SPECIAL OPERATING RESERVE FUND		
Charleston Fire Department – non interest bearing repayable in annual installments of $5,427 maturing in 2018	$ -	$ 5,222
Port Medway Fire Department – non interest bearing, with an annual installment of $5,000 due in 2019, maturing in 2027	70,000	-
Mill Village Fire Department – non interest bearing repayable in annual installments of $20,000 maturing in 2024	100,000	-
Liverpool Fire Fighters Association – non interest bearing repayable in annual installments of $4,600 maturing in 2024	23,000	-
	$ 193,000	$ 5,222

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited – See Advisory to Reader)
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

4. ASSET VALUATION ALLOWANCE-OPERATING FUND

	2019	2018
Uncollectible Taxes		
Balance – beginning of year	$ 450,246	$ 175,809
Previously reserved – collected tax sale	(211,340)	(51,967)
Uncollectible amounts written off	-	-
	238,906	123,842
Provision for the year	142,629	326,404
Balance – end of year	$ 381,535	$ 450,246

5. SCHOOL CAPITAL

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 Centre for Education). 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 Regional Centre until such time as they no longer require the assets for school purposes. At that time, the Regional Centre re-conveys the land and buildings to the Region of Queens.

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited – See Advisory to Reader)
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

6. 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 Chartered Professional Accountants Association. 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, 2018 indicates a pension asset of $320,974.

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 $392,548 in calendar year 2018 and $597,566 in 2017. Contributions from employees and employer are 8.8% and 9.8% of salary respectively. Total employer and employee contributions in calendar year 2018 and 2017 were $629,158 and $613,041 respectively; which includes a special payment of $54,121 in 2018 and $82,398 in 2017, applied toward the unfunded liability.

The last actuarial valuation filed with regulators was as of December 31, 2016. The next actuarial valuation is scheduled for the period ended December 31, 2019 and will be completed in 2020. The interest rate used in the last filed valuation was the 5.50% per year benchmark. The following estimates as at December 31, 2018 are based on the actuarial valuation as at December 31, 2016.

	2019	2018
Actuarial value of plan assets	$ 12,220,887	$ 12,014,789
Accrued benefit obligation	12,269,344	11,576,738
Estimated funding surplus	$ (48,456)	$ 438,051

The pension asset as at March 31, 2019 includes the following components:

	2019	2018
Accrued benefit obligation	$ 12,269,344	$ 11,576,738
Pension fund assets	12,220,887	12,014,789
	48,456	(438,051)
Unamortized actuarial gain/ (loss)	(369,430)	184,209
Pension liability (asset)	$ (320,974)	$ (253,842)

For the fiscal year ended March 31, 2019, benefit costs of $264,360 (2018 - $254,629) were expensed and are included in salaries, wages and benefits as disclosed in Note 13. This amount included $12,571 (2018 - $26,510) of amortization of net actuarial losses.

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited – See Advisory to Reader)
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

7. RESERVE AND OPERATING SURPLUS ALLOCATIONS AND COMMITMENTS

Special Operating Reserve Allocations	
Sewer projects	$ 1,181,159
Hillsview Acres renovations	407,082
Second generation landfill site	2,735,267
Organic ban project	641,019
Pollution abatement	182,502
Pine Grove Park	137,412
Subdivision Parkland	53,478
Call Center Building	295,937
Federal Gas Tax	1,368,355
Fundraising – Queens' Place	15,338
Computer Equipment Reserve	60,648
Fire Safety Operations	12,500
General Operating Reserve	1,070,927
	$ 8,161,624
Special Capital Reserve Allocation	
2nd Generation Landfill Site – post closure	$ 4,404,770
Accumulated General Capital	645,337
	$ 5,050,107
Equipment Reserve Allocation	
Equipment (Public Works & Landfill)	$ 1,253,868
Queens Place	47,979
Water Equipment	53,804
Fire Department	124,741
	$ 1,480,392

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8. REMUNERATION AND EXPENSES OF ELECTED OFFICIALS AND CHIEF ADMINISTRATIVE OFFICER PAID DURING THE YEAR

	Remuneration	Expenses
Councilors		
Mayor – D. Dagley	$ 38,719	$ 2,259
District 1 – K. Muise	19,378	399
District 2 – H. Kelly (Deputy Mayor)	19,973	5,159
District 3 – B. Fralic	19,378	2,400
District 4 – S. MacLeod	19,378	1,908
District 5 – J. Fancy	19,378	893
District 6 – R. Fiske	19,378	1,506
District 7 – G. Johnson	19,378	2,088
	174,960	16,612
Chief Administrative Officer		
C. McNeill	123,647	3,376
	$ 298,607	$ 19,988

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited – See Advisory to Reader)
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

9. LONG TERM DEBT

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

2020	$295,981
2021	$342,877
2022	$344,837
2023	$346,863
2024	$346,863

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

10. SOLID WASTE LANDFILL 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, 2019, the remaining capacity of the 1st Generation C&D cell is approximated at 161,800 tonnes. Based on current usage this site may provide up to 25 year more years of service. Estimated closure costs in current period dollars total approximately $408,500. The cost estimate is increased annually based on Statistics Canada's 2018 building construction price index. Costs for post closure care and maintenance of this site are not expected to be significant.

As at March 31, 2019, based on current Municipal Solid Waste usage and compaction rates, the remaining capacity of the 2nd Generation solid waste cell is approximately 786,400 tonnes. Total closure costs in current period dollars are estimated to be approximately $3,094,700. The cost estimate is adjusted based on Statistics Canada's 2018 building construction price index.

As at March 31, 2019, based on post closure requirements, estimated total costs would be $1,890,000 in current period dollars. These costs are expected to be incurred over a period of 30 years subsequent to closure of the current cells.

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited – See Advisory to Reader)
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2019

11. SOLID WASTE LANDFILL CLOSURE AND POST-CLOSURE LIABILITY (continued)

The municipality has internally restricted assets of $4,404,770 to 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

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 Centre for Education). 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 Regional Centre until such time as they no longer require the assets for school purposes. At that time, the Regional Centre re-conveys the land and buildings to the Region of Queens Municipality.

Contracts/Leases

Contract for garbage collection for the subsequent year of $622,251 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 $26,598 plus HST expires March 31, 2023.

Lease for library space for the subsequent year of $51,680 plus HST, expires December 31, 2024.

12. COMPARATIVE FIGURES

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

REGION OF QUEENS MUNICIPALITY
SUPPLEMENTARY FINANCIAL INFORMATION
(Unaudited - See Advisory to Reader)
NON-CONSOLIDATED SCHEDULE OF CAPITAL DEBT CHARGES AND TERM DEBT
March 31, 2019

	Due	Balance April 1, 2018	Issued	Redeemed	Balance March 31, 2019	Interest	Interest Rate	Debenture Number
ENVIRONMENTAL HEALTH - SEWER								
Debentures-Nova Scotia Municipal Finance Corporation	2018-2028	$ -	$ 530,000	$ -	$ 530,000	$ 7,548	4.955%-5.21%	38A1
ENVIRONMENTAL HEALTH-LANDFILL								
Debentures-Nova Scotia Municipal CMHC	2017-2025	493,184	-	54,776	438,408	16,522	3.35%	cmhc
ENVIRONMENTAL HEALTH-LANDFILL								
Debentures-Nova Scotia Municipal Finance Corporation	2017-2020	28,410	-	14,205	14,205	1,207	2.33%-4.329%	29A1
RECREATION AND COMMUNITY SERVICES								
Debentures-Nova Scotia Municipal Finance Corporation	2017-2027	1,348,960	-	67,448	1,281,512	48,222	1.636%-3.856%	32A1
FCM	2017-2032	1,363,832	-	90,921	1,272,911	26,360	2.00%	GMF
BUILDINGS AND SIDEWALKS								
Debentures-Nova Scotia Municipal Finance Corporation	2017-2020	27,590	-	13,795	13,795	1,160	2.33%-4.329%	29A1
		3,261,976	530,000	241,145	3,550,831	101,019		
WATER UTILITY								
Debentures-Nova Scotia Municipal Finance Corporation	2015-2028	409,340	-	40,934	368,406	21,194	4.955%-5.21%	27A1
		$ 3,671,316	*$ 530,000*	*$ 282,079*	*$ 3,919,237*	*$ 122,213*		

REGION OF QUEENS MUNICIPALITY
(Unaudited - See Advisory to Reader)
SUPPLEMENTARY FINANCIAL INFORMATION — *NON-CONSOLIDATED CAPITAL PROJECT FUNDING*
FOR THE YEAR ENDED MARCH 31, 2019

		Reserves			Grants	
CAPITAL	*Total*	*Equipment*	*Operating*	*Capital*	*Government*	*Debenture*
Union / Mill Street - sewer/water/Street upgrade	$ 785,021	$ -	$ -	$ -	$ 785,021	$ -
Brooklyn - Sewer/Water/Street upgrades	727,641	-	-	-	-	727,641
Building Inspector truck	38,266	38,266	-	-	-	-
Dump Truck	159,033	159,033	-	-	-	-
Waterloo (design)	22,024	-	-	-	22,024	-
GRAND TOTAL	**$ 1,731,985**	**$ 197,299**	**$ -**	**$ -**	**$ 807,045**	**$ 727,641**

C.

REGION OF QUEENS MUNICIPALITY
TRUST FUNDS
FINANCIAL STATEMENTS
(Unaudited – See Advisory to Reader)

MARCH 31, 2019

DRAFT

Advisory to readers

The Region of Queens Municipality prepares both consolidated and non-consolidated financial statements.

Non-consolidated financial statements are prepared to show the details of the individual funds managed by the Municipality. In particular, they provide information as to how each of the funds performed compared to the approved operating budget of the Municipality. For all other purposes, readers are advised to refer to the consolidated financial statements that have been audited.

These non-consolidated financial statements have **not** been audited. The non-consolidated financial statements are **not** presented in full accordance with Canadian public sector accounting standards.

REGION OF QUEENS MUNICIPALITY
(Unaudited - See Advisory to Reader)
TRUST FUNDS BALANCE SHEET-GENERAL
March 31, 2019

	2019			2018
	FORMER EMPLOYEE PENSION TRUST	*HILLSVIEW ACRES*	*TOTAL*	*TOTAL*
ASSETS				
Cash	$ -	$ 48,676	$ 48,676	$ 45,299
Due from General Section Operating Fund	-	-	-	54
	-	*48,676*	*48,676*	*45,353*
LIABILITIES				
Due to General Section Operating Fund	-	-	-	-
RESERVES				
Balance-beginning of year	866	44,487	45,353	41,289
Interest earned	55	-	55	-
Increase in residents' deposits	-	63,697	63,697	80,616
	921	108,184	109,105	121,905
Disbursements				
Pension paid	921	-	921	-
Decrease in residents' deposits	-	59,508	59,508	76,552
	921	59,508	60,429	76,552
Balance-end of year	-	48,676	48,676	45,353
	$ -	*$ 48,676*	*$ 48,676*	*$ 45,353*

See accompanying notes to the financial statements.

ON BEHALF OF THE REGION OF QUEENS MUNICIPALITY

______________________________ *MAYOR*

______________________________ *CAO*

REGION OF QUEENS MUNICIPALITY
(Unaudited - See Advisory to Reader)
TRUST FUNDS BALANCE SHEET-BURSARIES
March 31, 2019

ASSETS			*2019*				*2018*
	J. Roy Gordon Award	*Gertrude Ford Newcombe Scholarship*	*V. Harlow Gordon Scholarship*	*E. H. Ted Harlow Award*	*Ted Harlow Award*	*TOTAL*	*TOTAL*
CASH	$ 25,322	$ 10,135	$ 9,028	$ 7,074	$ 12,353	$ 63,912	$ 56,576
INVESTMENTS-at cost	15,446	2,588	10,247	10,978	14,930	54,189	54,189
	$ 40,768	*$ 12,723*	*$ 19,275*	*$ 18,052*	*$ 27,283*	*$ 118,101*	*$ 110,765*
RESERVES							
BALANCE-BEGINNING OF YEAR	$ 37,762	$ 11,685	$ 18,241	$ 17,212	$ 25,865	$ 110,765	$ 103,633
Dividends	3,006	1,540	1,536	1,340	1,920	9,342	8,638
	40,768	13,225	19,777	18,552	27,785	120,107	112,271
Disbursements							
Bank charges	-	(2)	(2)	-	(2)	(6)	6
Scholarships	-	(500)	(500)	(500)	(500)	(2,000)	1,500
BALANCE-END OF YEAR	*$ 40,768*	*$ 12,723*	*$ 19,275*	*$ 18,052*	*$ 27,283*	*$ 118,101*	*$ 110,765*

See accompanying notes to the financial statements.

ON BEHALF OF THE REGION OF QUEENS MUNICIPALITY

______________________________ *MAYOR*

______________________________ *CAO*

REGION OF QUEENS MUNICIPALITY
(Unaudited – See Advisory to Reader)
NOTES TO TRUST FUND FINANCIAL STATEMENTS
MARCH 31, 2019

NOTE 1 – PURPOSE OF TRUST

Trust funds under administration by the Region of Queen's Municipality

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, previously held in trust to be utilized to fulfill the obligation of the supplementary retirement plan, have been depleted.

NOTE 3 – COMPARATIVE FIGURES

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

Independent auditor's report

To the members of Council for the Region of Queens Municipality

Opinion

We have audited the consolidated financial statements of Region of Queens Municipality ("the Municipality"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Region of Queens Municipality as at March 31, 2019, and its results of operations, its changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Matter – Supplementary Financial Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in the schedules in Section B and Section C are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the consolidated financial statements taken as a whole.

Other Matter – Comparative Figures

The consolidated financial statements for the year ended March 31, 2018 were audited by another auditor who expressed an unmodified opinion on those financial statements on August 14, 2018.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Bridgewater, Canada
September 10, 2019

Chartered Professional Accountants
Licensed Public Accountants

Region of Queens Municipality
EVENT EXECUTION STRATEGY

INTRODUCTION

"Events create a unique energy within the communities we live allowing us to view our home from a new perspective of pride and promise"

One of Region of Queens Municipality's priorities in 2019-2020 is the development of a comprehensive major events strategy. Strategies are important directional documents that provide the basis for Council to earmark the required funding and staff support multiple years out and provide the public, community organizations, and businesses with our stated intentions to allow these groups to plan for the future incorporating our strategic direction.

The strategy's overarching objective will be to positively influence economic impacts and social experiences, increase the use of RQM facilities in a responsibly fiscal manner in an effort to attract new visitors and spending to Queens County year round. This will be achieved with a focus on increasing the scope of major event activity and support initiatives for new and existing events that enhance the overall community economically and socially. Efforts to improve reporting criteria, establishing a core of event services, as well capitalizing on the promotional, branding and marketing opportunities from all events that exist will be undertaken and utilized. The goal is to have the strategy implemented beginning in January 2020 with an expectation of the core items being completed by the end of the 2021-22 fiscal year. The outcomes to be derived include positive economic and social impacts within our communities improving cultural, sport, tourism, infrastructure and volunteer opportunities.

In alignment with the framework of the Nova Scotia Events Strategy and with a goal to incorporate the themes of Nova Scotia's Culture Action Plan, this Event Execution Strategy will define and guide the Region of Queens Municipality and its partners with a vision of **"Our community recognized as a prime destination for hosting and executing events in Nova Scotia."**

Our Vision #ItsHappeningHere

Liverpool is recognized as a prime event hosting destination in Nova Scotia!

Our Mission

To provide exceptional social experiences to local residents and unique visitors that drive economic benefits locally through the provision of opportunities for sport, culture, arts, community development, and volunteer experiences supported with required infrastructure and venue capacity.

Values

We will provide exceptional service and experiences, be f*ocused on exceptional* standards for venue delivery*, and be s*takeholder driven through continuous *improvement reliant on stakeholder feedback.*

In order to realize long term success this strategy must be fluid, allowing for examination frequently and retooling as necessary. This strategy will become the basis for the formation of a new municipal initiative to support events and event development in Queens. The primary method of delivery will be investments in community infrastructure and coordinated planning and execution.

Events act as a catalyst to bring people together. No matter the distance people have come, the experience of a game, event, festival or performance can tie people to a community forever.

Visitors return home to recount the stories, experiences, feelings and emotions of their visit: to family, friends and colleagues. Meetings, festivals, sport and culture events, tradeshows and conventions of all sizes, being one-offs or frequently held, make up the fabric of what Queens is. Each contributes to our uniqueness.

Events inspire us, they offer us an opportunity to accelerate our potential by encouraging new money and investment in our community, assist in attracting new residents, create sustainable employment and feature our diversity, leave lasting legacies and raise our community profile across the province, country and the world.

Events add to our quality of life in Queens and can provide for us a realization not just of what we aspire to be but what we can or will become.

BACKGROUND

"Events can assist in growing our economy and increasing community pride"

Queens County is comprised of 50 unique communities spanning across our 1000 square kilometre geography dotted with rivers, lakes and islands containing 343 kilometres of coastline. We are known for our two large rivers: Mersey at 146 kilometres in length and Medway at 121 kilometres in length, both serving to connect North and South Queens and all communities in between. Queens County is home to nearly 10,500 permanent residents and hundreds of seasonal residents each summer, with the most densely populated areas of Liverpool, Milton, and Brooklyn. While our population has been decreasing over the past 20 years, there is evidence that Queens County's population is levelling out and experiencing modest growth. This is a positive sign as new families move to the community and will be the key to our future success as our current age demographic shows a median age of 49. More young families are now choosing to live in Queens.

With a competitive tax system throughout the entire municipality, residents benefit from quality infrastructure in Liverpool, Brooklyn, Milton, and Caledonia, five volunteer fire departments, RCMP policing, nearly 200 community groups and organizations developing and maintaining community facilities and offering programs year round, large underutilized waterfront park in Liverpool and fairgrounds in Caledonia, a large cottage country on fresh water lakes, white sand beaches second to none, an artistic and cultural community that spans all areas of Queens and is well-known provincially, as well as a strong mix of accommodations numbering in excess of 300 rooms necessary for the execution of large events.

Despite the absence of an Event Strategy, residents, businesses, organizations, and volunteers in Queens County have led and executed many highly successful events over the past 5 years including: 2019 World Junior Curling Championships, 2014 Canadian Junior Curling Championships, 14 biennial Liverpool International Theatre Festivals, dozens of annual Privateer Days festivals, 29 Hank Snow Country Tributes, 2018 and 2019 Canadian AXE Throwing Championships, Memorial Auto Shows, 133 Queens County Fairs and 9 seasons at Greenfield Raceway, in addition to hundreds of music and cultural events at the historic Astor Theater and countless major championships and events across many disciplines including Liverpool Curling Club, ball fields, and Queens Place Emera Centre.

Communities across Nova Scotia are actively engaged in the events and festival business, varying in levels of commitment and execution based on people, infrastructure, and financial resources.

Tourists spent an estimated $2.8 billion in Nova Scotia in 2018 with individual tourist numbers exceeding 2.5 million visitors. These visitors along with residents local to Nova Scotia and our surrounding communities attend many of the 550 festivals and events hosted in the province annually. Each visitation provides an opportunity to attract new money and bring people to our communities.

Sport tourism across Canada continues to be a growing innovative sector attracting participants and followers keen on spending money to attend events and have amazing experiences. The Canadian Sport Tourism Alliance estimates the industry now totals approximately $6.8 billion across Canada annually.

The 2019 World Junior Curling Championships were believed to have contributed $1,000,000 in GDP economic activity to the province and $600,000 in Queens County with local economic activity in Liverpool and area of in excess of $1 million eclipsing the results of the 2014 Canadian Junior Curling Championships. These multi-week events were hosted primarily at Queens Place Emera Centre.

OUR OPPORTUNITY

"Opportunities are created when great ideas meet challenges"

Liverpool is uniquely positioned as an events hosting hub within the Province of Nova Scotia. Accessible in under 2 hours to a population exceeding 600,000 including regional centers such as Yarmouth, Annapolis Valley and Halifax with timely access to a major transportation hub – Halifax Stanfield International Airport, Region of Queens Municipality features natural outdoor experiences such as white sand beaches, expansive rivers and lakes, forest systems as well prime community waterfront areas. Facility infrastructure is spread throughout the region in various sizes and capacity including our centerpiece Queens Place Emera Centre.

Events strengthen our Region from a health, wellness, and participation perspective. Events act as a catalyst for quality of life and become part of the reason to relocate, work, live and play here in Queens. Events provide a platform with economic and social benefits for our citizens, participants and athletes to fuel a sense of purpose and pride, driving us toward reaching our potential, and acting as incentives for our youth.

It cannot be understated what the exposure of events can bring to a community in both the short and long term. Through television, livestream, radio, newspaper and social media, community messaging and goodwill can instantly be communicated to a global audience. Opportunities abound through event promotions executed by event rights holders and the community is often the most positive and targeted promotion of Queens and our facilities. Our volunteers' year over year support the message that we are a prime location for hosting within the province.

It is now time to elevate our effort and capitalize on the many successes as a community we have experienced by using this events strategy as a means to leverage our strengths, while maximizing social and economic impacts.

OUR PRIMARY OBJECTIVES

***To increase the number of unique visitors* to Queens County**
(New money, longer stays, greater economic impacts, positive social impacts, lessen burden on municipal taxpayers)

To increase the use of municipal facilities
(Traditional and non-traditional uses, new investments to enhance facilities as required, user pay events, free events, event creation, recognition of competitive landscape)

To increase the opportunity to grow community engagement
(Growth of volunteer base, enable promoters and investors to drive activity pertaining to social and culture events, increase major event attraction)

To increase the exposure of Queens County
(Attraction of business, new population, promote local infrastructure/assets, promote event facilities: structural and natural, reach global audiences and create positive media coverage)

To increase community collaboration
(Promotion of events to benefit and get buy-in from local business community, drive community pride)

OUR CHALLENGES

"Challenges are just opportunities disguised as problems"

Every strategy seeks to address and mitigate its challenges or shortcomings in order to provide a more sustainable and relevant product; in this case festivals and events. The following challenges are not exhaustive, but must be acknowledged publicly if we are to overcome them and any potential limitations to success that they might present.

What is our Brand?

In order to be able to attract events, we require name recognition, and that name recognition needs to be simple and easy to remember in order to trigger an emotional attachment. In the past, an ad hoc local business and event group has used the name Events Liverpool, but that group no longer exists. The name is not meant to encompass all of Queens County, but to be understandable and memorable. Therefore Events Liverpool is being proposed. This does not mean that events will not take place outside Liverpool, it is simply an attraction name the same way as Halifax is the brand for Halifax Regional Municipality and not Halifax, Dartmouth, Bedford, Lower Sackville, et cetera or Halifax Regional Municipality. A brand of Events Queens County or Events Liverpool-Queens County are not clear or succinct enough. People from outside Queens County do not relate to Queens County and therefore the use of that wording will nullify the overall brand approach. No Events Liverpool committee is being proposed; it is simply a brand name.

Community and Business Awareness

The value of event hosting, perception of events, and variety of stakeholders in our communities needs to be better communicated and nurtured. From business welcoming and participating in the social aspects of events, to investing in employees and being flexible, these are all areas we must work together to improve upon. Otherwise, the community economic impacts will be minimal and lead to disenfranchisement of the business community and non-support for future events.

Aging Population

The aging population in Queens County is playing a role in our capacity to attract event bidders, investors, organizers, users and ticket buyers, and in execution of large events. We must move the needle, to encourage and inject a new level of youthful volunteerism when it fits, and leverage continued volunteers to execute events. Our demographics offer an opportunity to tailor event attraction regionally to satisfy Queens's residents or a renewed effort to shift the focus and inject more youthful activity from away.

Disengagement from Residents and Businesses

There is no cohesive effort in the understanding of who, what, when, where and how major events should be sought out and the financial implications. Residents and business think the municipality in some cases should hire people to do these events at whatever the cost of organizing and implementing. Unfortunately, the cost of doing so is tremendous and we must find a balance of sustainable cost and the public's expectation of fiscal responsibility. Will event acquisition or development on a major scale be strictly shoulder season or year round, and who should it benefit? And where does the Municipality draw the line in trying to motivate a private business in ways to run its operations?

Learning Curve has been Steep

To measure and understand the execution and results of events hosted in Queens County will be critical to future knowledge and costs of doing so. To be competitive from a hosting cost, services, and facility perspective, we need to understand what our cost drivers are and where we can reduce costs and increase sales. We must clearly understand our place in the festival and event marketplace.

Limiting our Potential without Change

Are we ready to move forward in a confident and realistic manner so we can realize our full potential? Or are we timid and wish to take a more incremental and slow pace and pass up risky ventures and opportunities? As a regional municipality should we actively lead the effort for marketing major event activity, seeking investors, providing potential bids, and responsibly financing major events? If so, we must reduce some of the current staff workload requirements and re-focus our energies on this strategy and eliminate or contract out some existing service or program provisions at an additional cost to taxpayers. When we have made this commitment, and only then, will we establish our region as a prime event execution destination in Nova Scotia.

Major Event Infrastructure is Limited

Currently, our only location with major event infrastructure in place is at Queens Place Emera Centre based on facilities at expected 2019 standards, access to accommodations, indoor facilities including washrooms, ability to gate an event and restrict access, community acceptability, nearby amenities such as food, gas services and medical facilities, sufficient parking, as well as a large pool of volunteers. Queens County Fairgrounds, South Shore Regional Airport, and Privateer Park all have components of what is required to host major events, but none have the total package and each would require significant facility investments or in some cases require mitigation strategies as some components are not possible.

Support is required throughout Queens

While many of the major events will be required to be held in Liverpool, it is imperative that support for such events come from throughout Queens County: east, west, north, south and central. In order to facilitate the opportunities for investment and success, infrastructure is required to be centralized in order to maximize access to the most people which is in the core area of Liverpool. However; without the support of people from outside the core area as well, major events will not be possible without significant subsidization. Therefore, it is important that we continue to support and invest in smaller communities with our Community Investment Fund with facility development for recreational and cultural development so these communities can continue to host smaller community events and see the benefits of centralizing and supporting major events.

One Taxpayer

In many counties, there are multiple municipalities that can cooperate to support major infrastructure and the hosting of major events by each contributing to lessen the burden on any one municipality. We do not have that luxury in Queens and therefore we must fully fund each event unitarily. For instance, Lunenburg County has 5 municipalities, Yarmouth County has 3, and Colchester County has 4 governments. All are competitors with us for hosting major events.

THE STRATEGY!

"Strategy is the dream of what can be! Without a strategy, a plan will take you anywhere"

The value in any strategy is contained within the actual strategy directives and their future impact on the community. The following strategies are believed to provide the most value in terms of both economic development and community support that are achievable and relevant throughout Queens. Strategies are not operational plans, but just that: strategies. If support is received for the strategy, then more detailed plans will need to be created and operationalized for implementation and action.

Make use of CIF

Continue to promote and budget for event execution in the event stream of Community Investment Fund (CIF) to maximize opportunities both small and large throughout Queens County.

Rent Queens Place Emera Centre over the Option of Hosting Events

With hosting events comes significant financial risk and in order to lessen the financial burden to taxpayers in Queens, Queens Place Emera Centre should be promoted for rent and the municipality should no longer host major concert or other events solely at its own cost. Hosting events has become very competitive with numerous facilities in Nova Scotia now in the market and Queens without an alternate revenue source to subsidize events can longer compete financially without substantial subsidization.

Continue to Seek out Unique High Profile Events for Queens

While the hosting of large concert events is no longer being recommended, we must continue to seek out and support large events throughout Queens where facilities exist and required infrastructure is in place, or can be put in place as part of the event budget, to continue to provide opportunities for local residents to experience unique Canadian and world class events while attracting visitors from across Canada and around the world. The Municipality will simply act as renter and not host.

Creation of an Infrastructure Legacy Fund

All future events held at Queens Place Emera Centre hosted by the Municipality or rented to external users, shall have 20% of any surplus after expenses transferred into a reserve for future upgrades and improvements at the facility. This will decrease the annual operating revenues of the facility each year.

Work in Cooperation with Astor Theatre

Often, Astor Theater, Liverpool, hosts musical events that could be seen as being in competition with other venues throughout Queens. Currently, discussions take place between event planners, but there is no formal decisions making mechanism for competing interests. By no longer hosting large concerts at Queens Place Emera Centre, the municipality will end this competitive process.

Joint Infrastructure Investments

Convene meetings with festival and event organizers to determine if there are opportunities for investment in joint infrastructure that would benefit multiple partners and reduce operating costs to help make events more sustainable. The purchase of any infrastructure would be expected to be jointly funded from all partners with the municipal contribution no more than 50%.

More Support for Smaller Community-based Festivals

Many communities throughout Queens hold their own smaller one day or weekend community events or festivals with little to no municipal financial or other support. Opportunities to support and enhance these festivals and events with municipal advice and recommendations should be explored. As we transition away from being the organizer of events, we need to consider supporting other events more like Canada Day in Milton and Caledonia and not host competing Canada Day events in Liverpool.

Accommodations Marketing Levy

Many communities now are implementing marketing levies on room nights sold to tourists and accommodation users to help pay for municipal infrastructure to attract festivals and events which seek to lure these individuals to their community. As festivals and events in Queens are known to provide little economic benefit to accommodations in Queens, this levy is not being pursued. Therefore, local residents will be expected to continue to contribute towards festivals, events, and infrastructure through tax rates and at the gate, while visitors will only pay at the gate.

Privateer Park Sound Stage

As part of the re-development of the Liverpool Waterfront, there are proposed plans to develop a sound stage as part of the one cornerstone building on the property. To make this possible operationally and to continue with our desire to support the long-term sustainability of the Astor Theatre and other community organizations, an operational agreement with an external group like Astor Theatre Society or similar group for the management and operation of this facility should be considered.

Development of a Welcome Passport Program for Businesses

The Municipality should prepare a year round passport with interested businesses to be provided to event participants that provide discounts or special offers to passport holders. The Passport would be designed and printed at the cost of the Municipality with the participating businesses offering the deals. One passport for all of Queens would be the most effective. This project could be facilitated by South Queens Chamber of Commerce and North Queens Board of Trade.

Development of Resources for an Event Friendly Community

When major events take place throughout Queens, some businesses are actively engaged and other are not. There seems to be a disconnect for some businesses about how large events will generate business for their establishment, especially in non-traditional commercial operations outside food and accommodations. Therefore, resources need to be developed to educate and inform our businesses and community members what they can do to support large events and maximize impacts for the community both financially and socially.

Creation of a Special Event Advisory Committee

In order to advance many of the initiatives in this strategy, cooperation needs to increase and in some cases coopetition needs to increase to strengthen all groups and agencies interested in hosting and marketing major events. Included in this committee needs to be private sector business representation to provide feedback on benefits to the commercial sector and how best to maximize community return on its investment. This Committee would be tasked with carrying out evaluations of all major events.

Strategy Resources

Implementing this strategy will require financial and human resources over the traditional budget currently being provided. These resources would be used for meeting costs, strategy passports and brochures, development and maintenance of databases, asset inventories, pursuit of major events, bid preparations, acquisition of software, training, development of evaluation tools, et cetera. Without a major event organization taking the lead in this strategy, the need for a separate comprehensive brand and website is no longer needed.

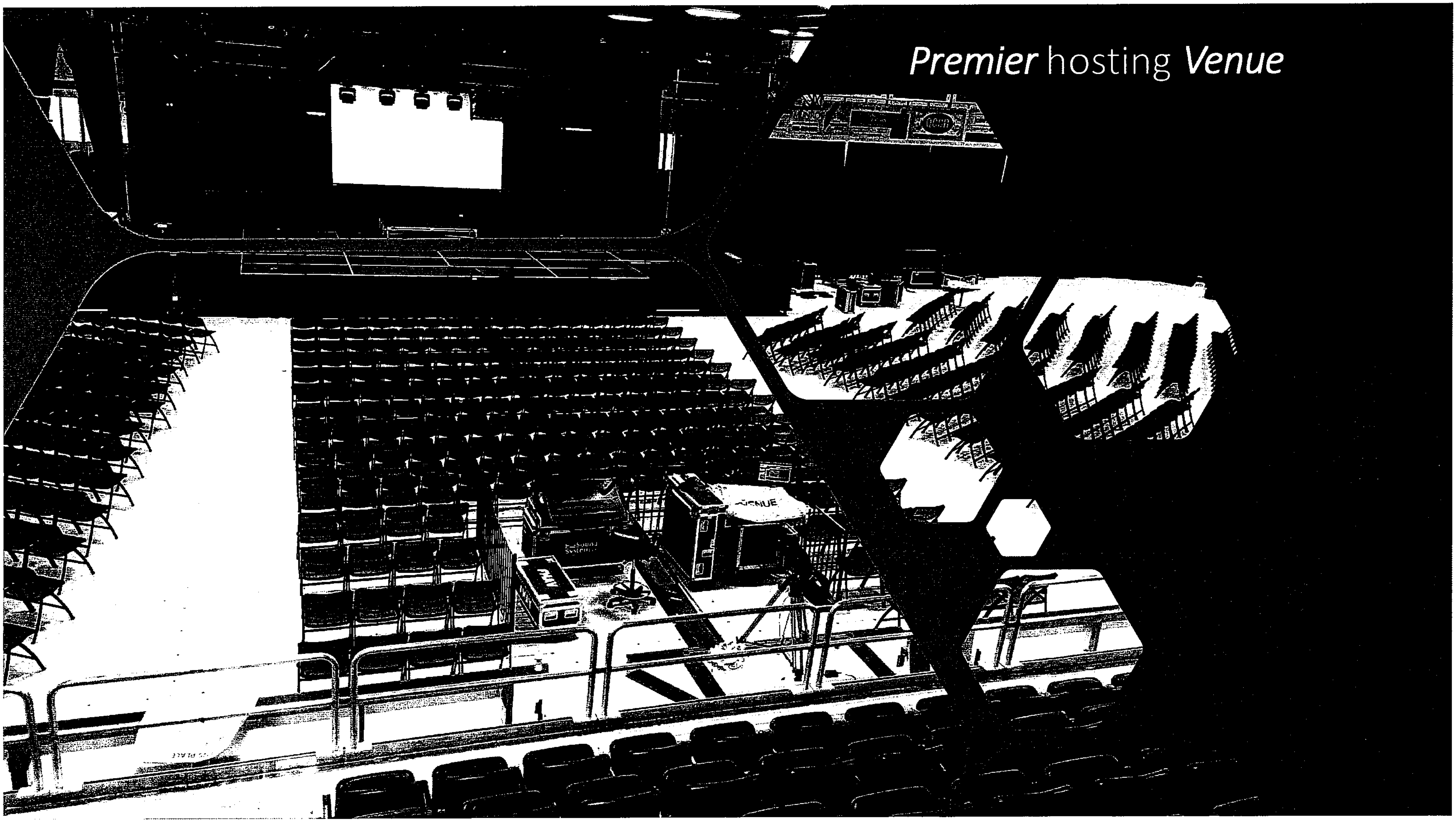
DRAFT - September 5, 2019

14.2


Volunteers delivering Experiences
WJCC
WELCOME TO
OUR HOUSE
BIENVENUE DANS
NOTRE MAISON

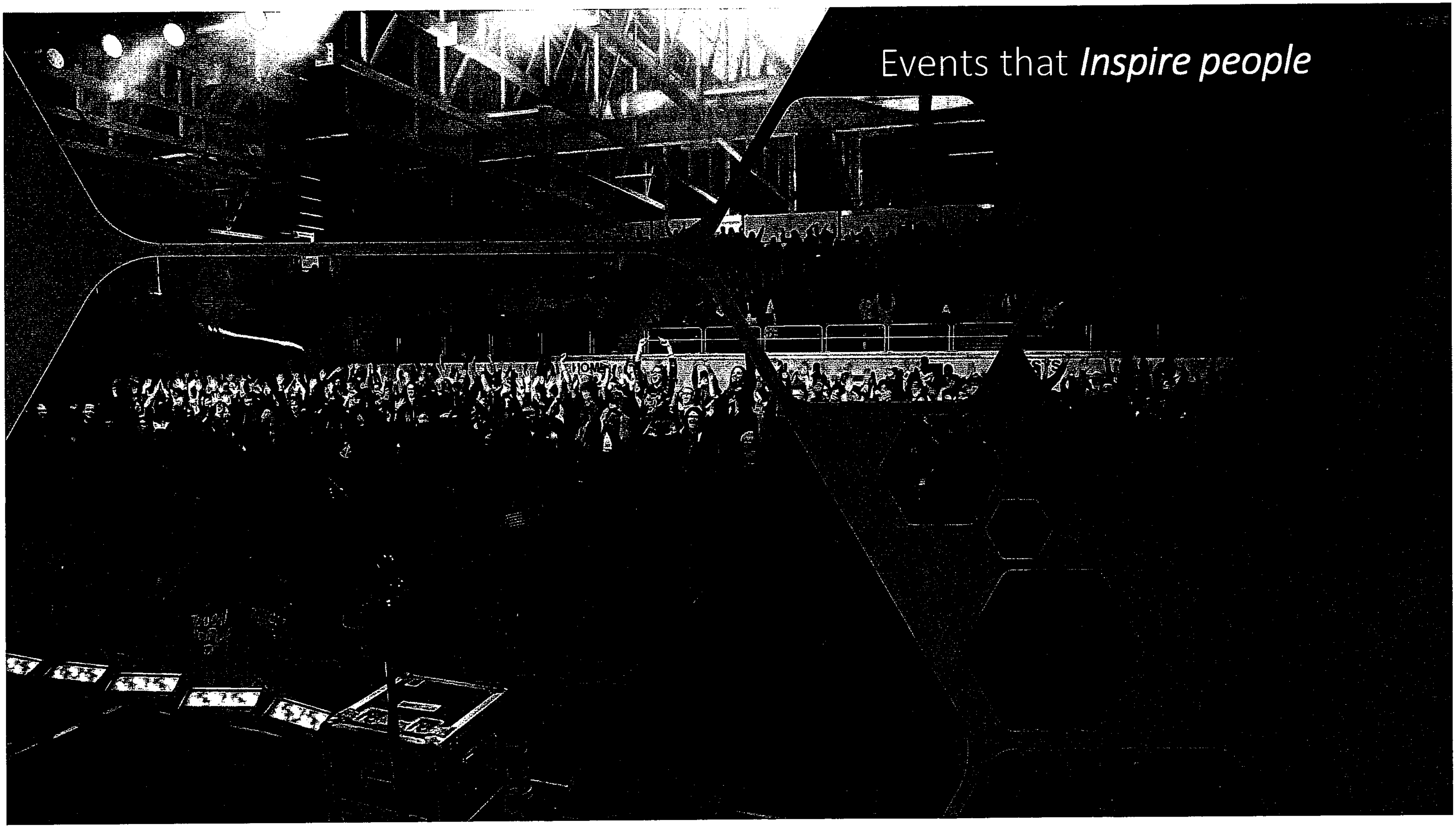
Local, National & World Champions

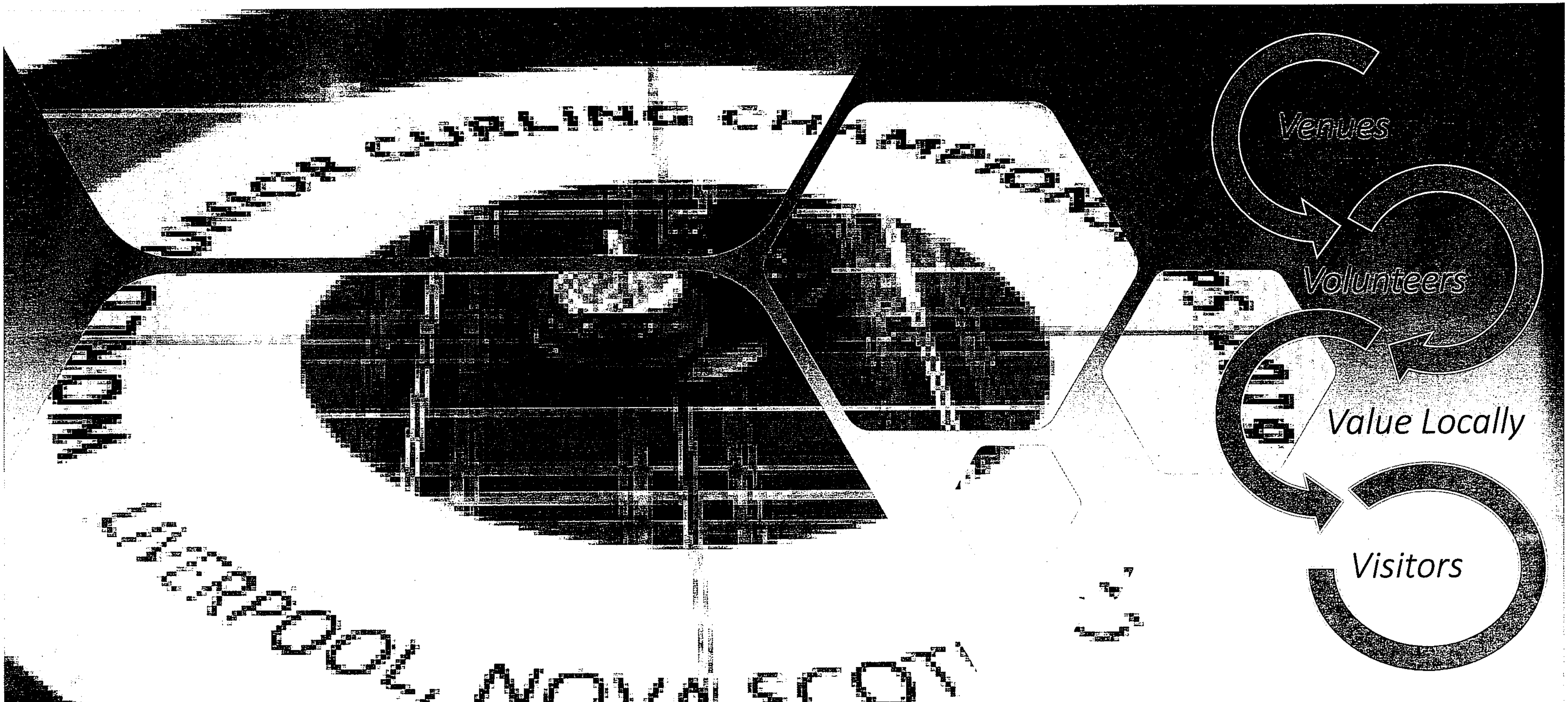

Communities creating Opportunity


Premier hosting *Venue*


Legendary Acts on *Your stage*


Opportunities for *Local talent*


Events that *Inspire people*



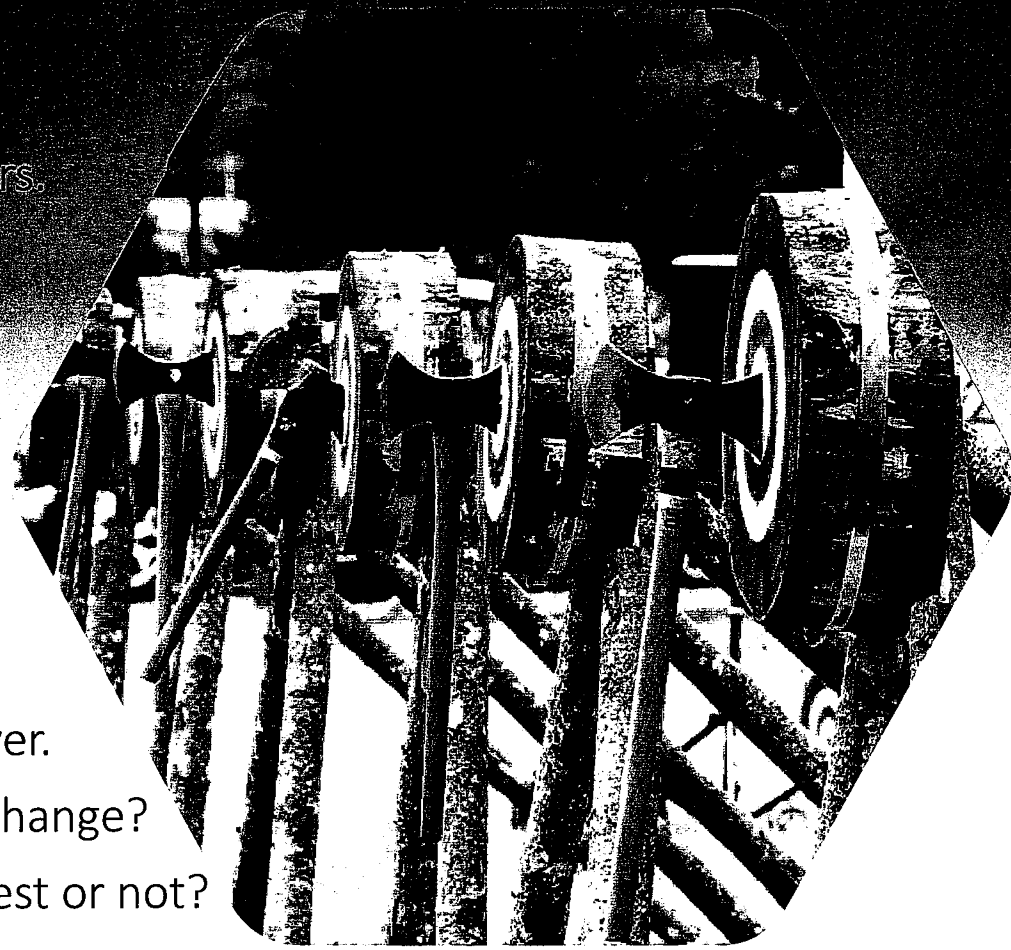
EVENT EXECUTION STRATEGY

"Liverpool is recognized as a prime event hosting destination"


Objectives: Economic Impacts, Social Impacts, Facility Use
Actions: Report, Event Service Delivery, Promote & Market
Timelines: Start January 2020, Core complete March 2022
CANADIAN AXE THROW CHAMPIONS
AUGUST 24
HANK SNOW TRIBUTE
TWO COUNTRY LEGENDS
QUEENS PLACE EMERA CENTRE
HOCKEY NOVA SCOTIA
COUGARS

Strategy must be *fluid, reassessed as often as necessary*

- Events elevate and inspire people.
- Events create emotional attachments.
- Events act as a catalyst to attract visitors.
- Events bring new money, population.



Challenges:

- Lack of a Brand– what are we selling?
- Community & Business Engagement.
- Demographics – aging population.
- Disengagement – what can you do?
- Learning Curve – at what cost? 1 Taxpayer.
- Limiting our Potential – if we refuse to change?
- Major Event infrastructure limited – invest or not?

Strategy is a dream of what we can be, without one directionless..

Achievable and relevant to Queens:

- Continue the Community Investment Fund as is.
- Rent QPEC, RQM no longer hosting major event activity.
- Seek high level events for the community to host.

Considerations:

- Partner on infrastructure required for hosting.
- Increase focus outside Liverpool core, increase support and remove duplication.
- Choose not to implement an Accommodation Levy.
- Contract potential new event ideas & services.
- Increase Event awareness & Event Friendly practices.
- Special Event Advisory Committee – collect & assess.
- Provide resources to move forward – financial & human resources

Events Liverpool

Liverpool Event Tourism Strategy (L.E.T.S)

Our Vision

Liverpool is recognized as a prime event destination in Nova Scotia!

Our Mission

"To provide exceptional social experiences to local residents and unique visitors that drive economic benefits locally through the provision of opportunities for sport, culture, arts, community development and volunteer experiences supported with required Infrastructure and venue capacity"

Our Values

"We will provide *exceptional service and experiences*, be focused on *exceptional standards* for venue delivery and be stakeholder driven through continuous improvement *reliant on stakeholder feedback*."

#LETSDoThis #ItsHappeningHere #ItsHappeningNow


L.E.T.S: Social & Economic Impacts
Thank You!
Steve Burns
Manager: Events, Promotions & Sponsorship
Region of Queens