

May 13, 2019

Belleville Downtown Improvement Area Board of Management
267 Front Street
Belleville, ON K8N 2Z6

Dear Board of Directors:

We have been engaged to audit the financial statements of Belleville Downtown Improvement Area Board of Management for the year ending December 31, 2018.

The purpose of this letter is to communicate with you regarding all relationships between the board and us that, in our professional judgement, may reasonably be thought to bear on our independence.

In determining which relationships to report, we consider relevant rules and related interpretations prescribed by the rules of Professional Conduct of the Chartered Professional Accountants of Ontario and applicable legislation, covering such matters as:

- (a) holding a financial interest, either directly or indirectly, in a client;
- (b) holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- (c) personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) economic dependence on a client; and
- (e) provision of services in addition to the audit engagement.

We have prepared the following comments to facilitate our discussion with you regarding independence matters arising since June 13, 2018, the date of our last letter.

We are not aware of any relationships between Belleville Downtown Improvement Area Board of Management and us that, in our professional judgement, may reasonably be thought to bear on our independence, and that have occurred from June 13, 2018 to May 13, 2019.

The total fees charged to Belleville Downtown Improvement Area Board of Management for audit services were \$3,050 during the period from June 13, 2018 to May 13, 2019. There were no other services performed during the period.

We hereby confirm that we are independent with respect to Belleville Downtown Improvement Area Board of Management within the meaning of the rules of Professional Conduct of the Chartered Professional Accountants of Ontario as of May 13, 2019.

This report is intended solely for the use of the Board of Directors, management, and others within the Board and should not be used for any other purposes.

Should you wish to discuss the contents of this letter please feel free to contact us.

Yours truly,

WELCH LLP



DOUGLAS CHURCHER, CPA, CA
PARTNER

September 4, 2019

Board of Directors
Belleville Downtown Improvement Area Board of Management
267 Front Street
Belleville, ON
K8N 2Z6

Dear Board of Directors:

As auditors of Belleville Downtown Improvement Area Board of Management we are required to communicate important matters concerning our audit to those charged with governance of the Organization. Canadian generally accepted auditing standards define “those charged with governance” as the person or persons with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity. In the case of Belleville Downtown Improvement Area Board of Management this responsibility rests with the Organization’s Board.

Canadian generally accepted auditing standards define “those charged with governance” as the person or persons with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity.

When governance duties related to the audit of the financial statements are delegated to a subcommittee of the board or to a specific individual, it is appropriate for the auditor to communicate directly with the subcommittee or the individual. Organization

We will issue a report to the Board at the completion of our audit which will explain the results of our audit. We will communicate other matters directly with the Board should the need arise.

Responsibilities in Relation to the Financial Statement Audit

Our responsibilities as auditors are outlined in the audit engagement letter we have provided to you. Accordingly, we ask that you review the appropriate section of the audit engagement letter to ensure that you understand our responsibilities in relation to the financial statement audit.

We would also ask that you review the section of the engagement letter that outlines the responsibilities of management and note that an audit of the financial statements does not relieve management and those charged with governance of these responsibilities.

Risk Based Approach

At Welch LLP, we use a risk based audit approach. In applying our approach, we focus our efforts on account balances and transaction flows that we feel are more likely to result in a material misstatement to the financial statements. Specific areas we intend to focus on and our related approach are outlined in the table below:

Area of focus/significant risks	Audit approach/response
Financial statement presentation - Board and management are not conversant with all external reporting requirements of the CICA Handbook, therefore required reporting issues may not be addressed.	Welch staff will identify significant reporting issues, and, with the assistance of management, determine that appropriate PSAB reporting and disclosure issues are addressed.
Tangible capital assets - Risks that capital expenditures are not appropriately identified, recorded, and amortized. Risks that tangible capital asset disposals are not recorded as removed from asset pools.	Review of costs allocated to tangible capital assets and to operating costs, including comparisons to budget amounts. Examination of accounting entries to record the disposition of assets in the year. Testing of the calculation of amortization.
Year-end cut-off of revenues and expenditures - Allocation of revenues and expenses to the appropriate reporting period.	Review of cut-off of contracts and transactions recorded before and after the year-end for additional receivables or payables. Discussions with management and review of Board meeting minutes to identify issues.

Internal Controls

Evaluation and documentation of the Organization's internal controls is a mandatory component of our audit approach. The strength, relevance and consistent application of the internal controls in place have a direct impact on our audit approach and ultimately on the audit opinion we express.

Entity level controls encompass the Organization's overall philosophy and commitment to establishing and implementing appropriate standards, adhering to those standards and monitoring compliance with those standards. On past audits we have observed the Organization's management and those charged with governance are committed to creating an Organizational environment that is focused on integrity and competence. This sends a strong message to others within the Organization which in our opinion creates an effective internal control environment that we as auditors can rely on when conducting our audit. This in turn enables us to consider placing reliance on operational controls.

Given the size and nature of then entity we have adopted an audit approach that will focus mainly on substantive procedures and will limit our testing of internal controls to the following key controls:

- performing procedures to verify that cheques are signed in accordance with the Organization’s policy
- performing procedures to verify that there bank reconciliation are prepared and reviewed by someone other than the preparer
- performing procedures to verify that the Organization’s internal financial statements are reviewed by those charged with governance

Materiality

With respect to materiality, we follow the guidance provided by Canadian Auditing Standard 320 – “Materiality in Planning and Performing an Audit” (CAS 320). Accordingly, when we establish our overall audit strategy, we are required to establish an overall materiality figure for the financial statements as a whole and, if specific circumstances dictate, establish a separate materiality for a particular account balance, class of transaction or disclosure.

Based on our understanding of the entity, the users of the financial statements and the guidance outlined in CAS 320 we have established overall materiality at two percent of revenues or expenses. This level of materiality will apply to all account balances, classes of transaction and disclosures.

Timing of the Audit

Based on our discussions to date with management we anticipate performing the interim audit work in November and December 2018 and the year-end fieldwork in January 2019.

Audit Team

The key members of the audit team for 2018 are shown in the table below:

Name	Responsibility
Douglas Churcher Engagement Partner dchurcher@welch.on.ca Telephone: 613-966-2844	Responsible for the overall delivery of the audit including the quality of outputs, signing the auditors’ report, and communicating with the Executive Director, Chair of the Board and the Board.
Dan Coleman Reviewing Partner dcoleman@welch.on.ca Telephone: 613-392-1287	Responsible for reviewing the work completed by our engagement team to check that we are meeting both our professional and our firm standards.

Fraud Related Matters

Under Canadian Auditing Standards, we are required to communicate directly with the Audit Committee regarding fraud related matters.

To complete this component of our mandate we need to obtain certain representations from management with respect to error and fraud and establish that you have been alerted accordingly.

Please be aware that management is responsible to report all incidents of fraud, unless the matter is trivial in nature, to the Board along with their recommendation for dealing with the matter. The Board should then review the matter and advise management on how to proceed.

We will obtain written representations concerning fraud related matters from management in their Representation Letter which management will date concurrently with the release date of our audit report.

Changes to Audit and Accounting Standards

There have been changes to the Canadian public sector accounting standards that will impact the Organization's financial statements for the 2018 fiscal year. For the 2018 financial statements the new accounting standards are as follows::

- PS 3210 Assets
- PS 3380 Contractual Rights
- PS 2200 Related Party Disclosures
- PS 3320 Contingent Assets
- PS 3420 Inter-entity Transactions

The accounting standards are not expected to change the amounts reported in the financial statements, although additional note disclosures will be required in the financial statements.

Also, a new audit reporting standard CAS 700 will take effect this year. The changes will impact the content and structure of the information contained in the audit report, providing more information about the roles and responsibilities of the auditor, management and those charged with governance.

Independence

We have assessed our independence and are not aware of any relationships between the Organization and us that may reasonably be thought to bear on our independence. As a result, as of the date of this audit planning communication, we confirm that in our professional judgment, we are independent accountants with respect to the Organization, within the meaning of the rules of professional conduct of our provincial institute.

Reporting matters to those charged with governance

Canadian Auditing Standard (CAS) 260 requires auditors to report audit matters to those charged with governance which as explained earlier, will be the Organization's Board of Directors in Belleville Downtown Improvement Area Board of Management's case. This information should be considered by the Committee reviewing and approving the accounts. We will provide this information to the Organization's Board of Directors upon substantial completion of our audit and the information communicated will include the following matters if any were identified:

- details of any unadjusted misstatements in the Organizations accounts, along with reasons why the adjustments have not been made;
- details of any significant deficiencies in the accounting and internal control system
- details with respect to any significant difficulties encountered during the audit

Fees

Our fee for the audit of the Organization's financial statements for the year-ended December 31, 2018 will be \$3,100 (plus applicable taxes). Fees for any additional services will be agreed upon at that time.

Should you wish to discuss the contents of this letter please feel free to contact us.

Yours truly,

WELCH LLP



**DOUGLAS CHURCHER, CPA, CA
PARTNER**

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT
CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018



Downtown Belleville

Management's Responsibility for the consolidated financial statements

The consolidated financial statements of the Belleville Downtown Improvement Area Board of Management are the responsibility of management and have been approved by the Board.

The consolidated financial statements have been prepared in compliance with Canadian public sector accounting standards for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of the consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Board's management maintains a system of internal controls 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. These systems are monitored and evaluated by management.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting. The Board reviews the Board's consolidated financial statements and discusses any significant financial reporting or internal control matters prior to the Board approval of the consolidated financial statements.

The consolidated financial statements have been audited by Welch LLP, independent external auditors appointed by the Corporation of the City of Belleville, in accordance with Canadian generally accepted auditing standards. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's financial statements.

Chairperson

Treasurer

INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Members of:

BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

Opinion

We have audited the accompanying consolidated financial statements of the Belleville Downtown Improvement Area Board of Management which comprise the consolidated statement of financial position at December 31, 2018 and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the **BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT** as at December 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAB).

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the 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 Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

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

Auditor's Responsibilities for the Audit of the 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 Organization'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 Organization'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 Organization 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.

Belleville, Ontario
Date

CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018

ASSETS		<u>2018</u>	<u>2017</u>
CURRENT ASSETS			
Cash and short term investments - note 4		\$ 146,711	\$ 202,074
Accounts receivable		<u>13,504</u>	<u>23,253</u>
		<u>\$ 160,215</u>	<u>\$ 225,327</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		<u>\$ 22,490</u>	<u>\$ 29,773</u>
FUND BALANCE			
NET FINANCIAL ASSETS		<u>\$ 137,725</u>	<u>\$ 195,554</u>
NON-FINANCIAL ASSETS			
Tangible capital assets - <i>schedule 1</i>		113,076	66,863
Prepaid expenses		<u>1,857</u>	<u>1,857</u>
		<u>114,933</u>	<u>68,720</u>
ACCUMULATED SURPLUS - note 5		<u>\$ 252,658</u>	<u>\$ 264,274</u>

(See accompanying notes)

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	2018 <u>Budget</u> (note 7)	2018 <u>Actual</u>	2017 <u>Actual</u>
REVENUE			
Taxation levy	\$ 230,000	\$ 230,154	\$ 230,000
Government transfers			
Municipal contributions			
- expense reimbursements	-	-	4,160
- graffiti	15,000	16,114	14,874
Miscellaneous and fundraising	-	696	5,706
	<u>245,000</u>	<u>246,964</u>	<u>254,740</u>
EXPENSES			
Advertising - media and promotion	60,000	37,880	61,925
Commitment to city projects	-	50,000	-
Planning and infrastructure	25,000	12,488	8,943
Salaries and administrative	124,000	103,353	111,943
Special projects - graffiti	30,000	24,557	29,022
Special projects - miscellaneous	-	6,088	2,249
Special projects - Build Belleville project	1,000	1,323	11,694
Special projects - merchant pop-up market	-	-	10,050
Taxes written off	5,000	2,761	2,878
Amortization	20,130	20,130	13,419
	<u>265,130</u>	<u>258,580</u>	<u>252,123</u>
ANNUAL SURPLUS (DEFICIT)	(20,130)	(11,616)	2,617
ACCUMULATED SURPLUS, beginning of year	<u>264,274</u>	<u>264,274</u>	<u>261,657</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 244,144</u>	<u>\$ 252,658</u>	<u>\$ 264,274</u>

(See accompanying notes)

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
YEAR ENDED DECEMBER 31, 2018

	2018 <u>Budget</u> (note 7)	2018 <u>Actual</u>	2017 <u>Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ (20,130)	\$ (11,616)	\$ 2,617
Amortization of tangible capital assets	20,130	20,130	13,419
Acquisition of tangible capital assets	<u>-</u>	<u>(66,343)</u>	<u>(40,887)</u>
	-	(57,829)	(24,851)
NET FINANCIAL ASSETS, beginning of year	<u>195,554</u>	<u>195,554</u>	<u>220,405</u>
NET FINANCIAL ASSETS, end of year	<u>\$ 195,554</u>	<u>\$ 137,725</u>	<u>\$ 195,554</u>

(See accompanying notes)

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Annual surplus (deficit)	\$ (11,616)	\$ 2,617
Non-cash charges to operations:		
Amortization	<u>20,130</u>	<u>13,419</u>
	8,514	16,036
Changes in non-cash working capital balances:		
Accounts receivable	9,749	(10,745)
Accounts payable and accrued liabilities	<u>(7,283)</u>	<u>(178,162)</u>
	<u>10,980</u>	<u>(172,871)</u>
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	<u>(66,343)</u>	<u>(40,887)</u>
DECREASE IN CASH	(55,363)	(213,758)
CASH, beginning of year	<u>202,074</u>	<u>415,832</u>
CASH, end of year	<u>\$ 146,711</u>	<u>\$ 202,074</u>

(See accompanying notes)

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
YEAR ENDED DECEMBER 31, 2018

	<u>Furniture and Fixtures</u>	<u>Computer Hardware and Software</u>	<u>Seasonal Decorations</u>	<u>Streetscape Improvements</u>	<u>Total 2018</u>	<u>Total 2017</u>
COST						
Balance, beginning of year	\$ 5,525	\$ 4,500	\$ 90,459	\$ 127,929	\$ 228,413	\$ 187,526
Additions	<u>-</u>	<u>-</u>	<u>66,343</u>	<u>-</u>	<u>66,343</u>	<u>40,887</u>
Balance, end of year	<u>5,525</u>	<u>4,500</u>	<u>156,802</u>	<u>127,929</u>	<u>294,756</u>	<u>228,413</u>
ACCUMULATED AMORTIZATION						
Balance, beginning of year	5,525	3,762	83,956	68,307	161,550	148,131
Amortization	<u>-</u>	<u>242</u>	<u>8,450</u>	<u>11,438</u>	<u>20,130</u>	<u>13,419</u>
Balance, end of year	<u>5,525</u>	<u>4,004</u>	<u>92,406</u>	<u>79,745</u>	<u>181,680</u>	<u>161,550</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS						
	<u>\$ -</u>	<u>\$ 496</u>	<u>\$ 64,396</u>	<u>\$ 48,184</u>	<u>\$ 113,076</u>	<u>\$ 66,863</u>

(See accompanying notes)

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Belleville Downtown Improvement Area Board of Management are the representation of management prepared in accordance with accounting policies for local governments, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Board are as follows:

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses, and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of the operating fund and includes the activities of all committees of the Board.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

Financial Instruments

PSAB allows the Board to classify its financial instruments as either fair value or amortized cost. Currently, the Board does not classify any financial instruments at fair value. The financial instruments carried at amortized cost include cash, investments, accounts receivable and accounts payable and accrued liabilities.

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible Capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful life as follows:

Furniture and fixtures	5 years
Computer hardware and software	5 years
Seasonal decorations	5 years
Streetscape improvements	10 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal.

The Board has a capitalization threshold of \$500, so that individual tangible capital assets of lesser value are expensed for operational reasons.

Revenue Recognition

Property tax billings are prepared by the Corporation of the City of Belleville based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Taxation levy is established annually by members of the Belleville Downtown Improvement Area Board of Management at their annual general meeting. Taxation revenues are recorded in the tax year that it relates to. A normal part of the assessment process is the issue of supplementary assessment rolls that provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the City of Belleville determines the taxes applicable and renders supplementary billing. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined and the effect shared with the Board as appropriate.

Miscellaneous and fundraising revenues are recorded in the period earned, provided collection and relevant receivable is probable and reasonable estimates can be made. Interest income is recognized in the period in which it is earned.

Government transfers are recognized in the financial statements as revenues or expenditures in the year that the events giving rise to the transfer occurred, provided the transfer is authorized, eligibility criteria, if any, have been met by the recipient, and a reasonable estimate of the amount can be made.

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. CHANGE IN ACCOUNTING STANDARDS

The Board adopted the new Public Sector Accounting Standards (PSAS) PS 2200 for Related Party Disclosures and PS 3420 for Inter-entity Transactions effective January 1, 2018. The adoption of these standards did not result in changes to the financial statements other than additional disclosures.

3. FINANCIAL INSTRUMENTS

The Board's financial instruments consist of cash and short-term investments, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Board is not exposed to significant interest rate, currency or credit risks arising from these financial instruments.

4. CASH AND SHORT-TERM INVESTMENTS

Cash and short-term Investments consist of the following:

	<u>2018</u>	<u>2017</u>
Petty cash	\$ -	\$ 202
Chequing account	144,653	199,834
Cashable term deposit - maturing June 18, 2021, 0.65% to 0.75%	2,058	-
Cashable term deposit - maturing June 18, 2018, 0.95% to 1.00%	-	2,038
	<u>\$ 146,711</u>	<u>\$ 202,074</u>

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

5. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	<u>2018</u>	<u>2017</u>
Unrestricted surplus	\$ 86,573	\$ 88,326
Equity in tangible capital assets	113,076	66,863
Reserve - contingency	10,000	10,000
Reserve - security camera project	13,009	19,085
Reserve - street lighting	-	50,000
Reserve - build Belleville	<u>30,000</u>	<u>30,000</u>
	<u>\$ 252,658</u>	<u>\$ 264,274</u>

Reserves represent funds set aside by resolution of the Board for specific purposes.

Appropriations for reserves represent amounts that have been internally restricted for specific purposes by the Board. During 2018 the Board approved the transfer of \$50,000 from the street lighting reserve, \$6,076 from the security camera project reserve. During 2017 the Board approved the transfer of \$35,615 from the security camera project reserve.

6. RELATED PARTY BALANCES AND TRANSACTIONS

The Belleville Downtown Improvement Area Board of Management is a body established by a Corporation of the City of Belleville bylaw using the specific business improvement area provisions of the Municipal Act, 2001.

Amounts owing from the City of Belleville included in accounts receivable totalled \$1,239 (2017 - \$2,479).

Amounts owing to the City of Belleville included in accounts payable and accrued liabilities totalled \$460 (2017 - \$1,289).

During the year the City of Belleville reimbursed the Board \$16,114 (2017 - \$14,874) for Goodbye Graffiti expenses and \$Nil (2017 - \$4,160) towards My Downtown Belleville marketing expenses.

During the year the Board transferred \$50,000 to the City of Belleville towards the cost of new lighting standards in the BDIA boundary as part of the city centre revitalization project.

During the year the Board reimbursed the City of Belleville \$4,938 (2017 - \$4,435) toward cardboard collection.

All transactions with City of Belleville occur in the normal course of business and are recorded at their exchange amount which is the amount agreed upon by the related parties.

CITY OF BELLEVILLE
BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

7. BUDGET FIGURES

Budgets established by the Board are based on a project-oriented basis, the costs of which may be carried out over one or more years. Although they are not directly comparable with current year actual amounts, budget figures have been reflected on the "Consolidated Statement of Operations". Budget figures have been reclassified for the purpose of these financial statements to comply with PSAB reporting requirements.

8. EXPENSES BY OBJECT

The statement of operations presents expenses by function; the following classifies those same expenses by object.

	2018 <u>Actual</u>	2017 <u>Actual</u>
Advertising - media and promotion		
Events	\$ 28,372	\$ 36,236
Media - print, radio, web	9,508	25,190
Sponsorship	-	499
	<u>\$ 37,880</u>	<u>\$ 61,925</u>
Planning and infrastructure		
Seasonal decor	\$ 6,413	\$ 8,546
Security camera	<u>6,075</u>	<u>397</u>
	<u>\$ 12,488</u>	<u>\$ 8,943</u>
Salaries and administrative		
Audit and accounting	\$ 6,160	\$ 9,705
Bank charges	68	105
Cardboard collection	4,938	4,435
Equipment lease	2,853	2,319
Insurance	1,254	1,215
Meeting	302	1,467
Memberships	2,737	3,345
Office supplies, postage, photocopying and other	2,206	5,215
Rent	13,325	14,151
Repairs and maintenance	331	1,269
Telephone and internet	3,216	3,199
Utilities	867	1,095
Wages, contractors and statutory benefits	<u>65,096</u>	<u>64,423</u>
	<u>\$ 103,353</u>	<u>\$ 111,943</u>

REPORT TO THE BOARD OF DIRECTORS OF

OF

**BELLEVILLE DOWNTOWN IMPROVEMENT AREA
BOARD OF MANAGEMENT**

For the year ended December 31, 2018

Prepared by:
Douglas Churcher, CPA, CA
September 4, 2019

AUDIT STATUS

Our audit of the financial statements of Belleville Downtown Improvement Area Board of Management for the year ended December 31, 2018 is substantially complete and we expect to release our auditor's report after the following outstanding matters are completed:

- Receipt of the signed management representation letter
- Board approval of the draft financial statements
- Final subsequent review up to date of approval of the financial statements

If any significant matters arise between the date of this report and the signing of our audit report we will raise them with you. The following paragraphs provide information we are required to communicate with you in accordance with Canadian generally accepted auditing standards.

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES AND FINANCIAL REPORTING

Our audit includes consideration of the qualitative aspects of the financial reporting process, including matters that have a significant impact on the relevance, reliability, comparability, understandability and materiality of the information provided in the financial statements.

There are no matters with respect to the qualitative aspects of accounting practices that we wish to draw to your attention in relation to the financial statements for the 2018 fiscal year.

MANAGEMENT LETTER OF REPRESENTATION

It is necessary for us to obtain written representations from management as an acknowledgement of their responsibility for the fair presentation of the financial statements and as audit evidence on matters material to the financial statements. We have provided a draft of the letter of representation in Appendix A. The Chairman of the Board has committed to provide us with a signed copy of the letter on a date to coincide with the date of our auditors' report.

MISSTATEMENTS

The corrected misstatements identified during our audit are included in Appendix B. Management made all the corrections we proposed and as a result there are no unadjusted errors to report to you.

SIGNIFICANT DEFICIENCIES IN INTERNAL CONTROL

During our audit we did not identify any significant deficiencies in internal control to report to the Board of Directors.

INDEPENDENCE

Canadian generally accepted auditing standards require that we communicate at least annually with you regarding all relationships between Belleville Downtown Improvement Area Board of Management and us that, in our professional judgment, may reasonably be thought to bear on our independence.

Prior to the commencement of our year-end audit fieldwork we provided an independence letter. In this communication we reported to you that there were no independence issues, as outlined in the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario that would prevent us from performing the audit.

Subsequent to the issuance of that letter, no other matters have been identified that would reasonably be thought to bear on our independence. As a result, we reconfirm that we remain independent.

FINANCIAL STATEMENT PRESENTATION

1. Significant Accounting Policies

The organization's significant accounting policies are disclosed in the notes to the financial statements. Specifically, we would like to bring to your attention the following changes to the policies adopted for the current year's financial statements:

New Accounting Standards

Of special note for 2018 audit there a number of new accounting standards:

- PS 3210 Assets
- PS 3380 Contractual Rights
- PS 2200 Related Party Disclosures
- PS 3320 Contingent Assets
- PS 3420 Inter-entity Transactions

The adoption of these standards did not result in changes to the financial statements other than additional disclosures.

No other new policies or significant changes to existing policies were required to comply with new or amended standards implemented by the Chartered Professional Accountants of Canada.

2. Management's Judgments and Accounting Estimates

During the year we encountered the following situations that required significant judgements and/or estimates to be made by management:

Tangible Capital Assets

Management made accounting estimates when determining the historical cost and the estimated useful life of the Corporation's tangible capital assets.

3. Future Accounting Pronouncements Standards

Standards effective beginning on or after April 1, 2019

i) Financial Statement Presentation

Financial Statement Presentation ("PS 1201") was amended to conform to Financial Instruments ("PS 3450"), and requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships.

ii) Portfolio Investments

Portfolio Investments ("PS 3041") has removed the distinction between temporary and portfolio investments. This section was amended to conform to Financial Instruments ("PS 3450"), and now includes pooled investments in its scope. Upon adoption of PS 3450 and PS 3041, Temporary Investments ("PS 3030") will no longer apply.

iv) Foreign Currency Translation

Foreign Currency Translation ("PS 2601") requires exchange rates to be adjusted to the rate in effect at the financial statement date for monetary assets and liabilities denominated in foreign currency and non-monetary items included in the fair value category. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses. Gains and losses on long-term monetary assets and liabilities are amortized over the remaining term of the item.

v) Financial Instruments

Financial Instruments ("PS 3450") establishes recognition, measurement, and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

Standards effective beginning on or after April 1, 2021

VI) Asset Retirement Obligations

Asset Retirement Obligations ("PS3280") has been issued establishing standards on how to account for and reporting asset retirement obligations. The standard will require the Corporation to record a liability when a legal obligation associated with the retirement of a tangible capital asset exists. The costs associated with the asset retirement increases the carrying amount of the related tangible capital asset and would be expensed in a rational and systematic manner.

Standards effective beginning on or after April 1, 2022

VI) Revenue

Revenue ("PS3400") has been issued establishing standards with delineates revenue as either exchange transactions or unilateral transactions and the appropriate revenue recognition timing under each type. Exchange transactions are present where the transactions give rise to one or more performance obligations on the part of the recipient. If no performance obligations are present. It would be described as unilateral.

The Board continues to assess the impacts of the above standards. While the timing of standards adoption may vary, certain standards must be adopted concurrently. The requirements in Financial Statement Presentation ("PS 1201"), Financial Instruments ("PS 3450"), Foreign Currency Translation ("PS 2601") and Portfolio Investments ("PS3041") must be implemented at the same time.

DIFFICULTIES ENCOUNTERED DURING THE AUDIT

During the course of our audit we received the full co-operation of management and did not encounter any difficulties during our audit. There were no limitations on the scope of our audit work and we did not have any disagreements with management.

MATTERS SPECIFICALLY REQUIRED BY OTHER CANADIAN AUDITING STANDARDS TO BE COMMUNICATED

Other sections of Canadian Auditing Standards require us to communicate with those charged with governance in a number of specific circumstances:

- Where we encounter unusual related party transactions or significant matters related to related party transactions;
- Where we encounter other transactions that were unusual or not in the normal course of business;
- Where we suspect or detect fraud;
- Where there is inconsistency between the financial statements and other information in documents containing the financial statements; and
- Where we believe there may be non-compliance with legislative or regulatory requirements.

We did not encounter any such matters during the course of our audit.

NEW AUDIT REPORTING STANDARD

Canadian Auditing Standards require us to communicate to you the following:

As discussed previously, a new audit reporting standard was introduced and was applied for the first time to the Organization's 2018 audited financial statements.

The changes to the audit reporting standard did not have a significant impact on the audit work but did result in significant changes to the format and content to the audit report.

Some of the more notable changes to the format and structure of the report are outlined briefly below:

- The audit opinion paragraph is now shown at the very beginning of the auditor's report.
- The report provides a more detailed description of the auditor's responsibilities.
- The report includes an enhanced description of management's responsibilities including responsibilities related to assessing the entity's ability to continue as a going concern.
- The report also identifies those charged with governance and provides details of their role in the audit process.

ACKNOWLEDGEMENTS

During the course of our audit, we received considerable assistance from the Board's staff and management. We would like to take this opportunity to thank them for efforts and for their constructive approach to the audit.

Yours truly,

WELCH LLP



DOUGLAS CHURCHER, CPA, CA
PARTNER

APPENDIX A

**BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD
OF MANAGEMENT**

267 Front Street
Belleville, ON
K8N 2Z6

Date

Welch LLP
525 Dundas Street East
Belleville, ON
K8N 1G4

To whom it may concern:

We are providing this letter in connection with your audit of the financial statements of Belleville Downtown Improvement Area Board of Management for the year ended December 31, 2018, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian public sector accounting standards.

We acknowledge that your examination was planned and conducted in accordance with Canadian generally accepted auditing standards so as to enable you to express an opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose, fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit:

Financial Statements

The significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Information Provided

1. We have provided you with:
 - (a) Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - (b) Additional information that you have requested from us for the purpose of the audit; and
 - (c) Unrestricted access to persons within the Board from whom you determined it necessary to obtain audit evidence.
2. All transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have assessed this risk as low.
4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Board and involves:
 - (a) Management;
 - (b) Employees who have significant roles in internal control; or
 - (c) Others where the fraud could have a material effect on the financial statements.
5. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
6. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
7. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Accounts Receivable

1. Accounts receivable represent valid claims relating to transactions made before the end of the fiscal year and do not include any amount relating to goods shipped on consignment. Adequate provision has been made for losses which may be sustained in the collection of receivables.

Capital Assets

1. All charges to capital asset accounts during the year represent actual additions to and no expenditures of a capital nature were charged to the operations of the board during the year.
2. All capital assets sold or dismantled have been properly accounted for in the books of the board.
3. Appropriate rates have been used to amortize the assets over their estimated useful lives and the provisions were calculated on a basis consistent with that of the previous period.
4. The board has good title to the properties represented by the balance carried in the capital asset accounts, and there are no liens, mortgages or other charges against any of the capital assets shown on the books of the board.
5. Where the value of any capital assets has been impaired, this fact has been disclosed to you.

Liabilities and Commitments

1. At the year end, with the exception of relatively immaterial obligations for which invoices had not been received or which otherwise could not readily be determined or estimated, all known liabilities of the board are included and fairly stated on the statement of financial position.
2. At the year-end there were no contingent liabilities (e.g., discounted receivables or drafts, guarantees, pending or unsettled suits, matters in dispute).
3. The board has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
4. At the year-end, the board had no unusual commitments or contractual obligations of any sort that were not in the ordinary course of business or that might have an adverse effect upon the board.
5. All claims outstanding against the board or possible claims have been disclosed to you and, where appropriate, reflected in the financial statements or notes thereto.
6. We understand that any illegal or possibly illegal act could damage the board or its reputation or give rise to a claim or claims against the board. We are not aware of any violations or possible violations of law or regulations the effects of which should be considered for disclosure in the financial statements or as the basis for recording a contingent loss.

Statement of Operations

1. All of the revenues of the board for the year has been recorded in the books of account and disclosed in the financial statements.
2. The statement of operations contains no extraordinary or non-recurring items of material amount except as shown thereon.

Corporate Minutes

The minute books of the board contain an accurate record of all of the business transacted at meetings of directors and committees of directors up to the date of this letter.

Controlled and Related Entities

1. All subsidiaries and controlled not-for-profit organizations have been accurately reflected in the financial statements.
2. All enterprises and not for profit organizations where the organization has joint control, exerts significant influence or has an economic interest have been appropriately reflected in the financial statements.

Related Party Transactions

1. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.
2. There have been no exchanges of goods or services with any related parties during the year that require disclosure in the financial statements.

Recognition, Measurement and Disclosure

1. Significant assumptions used in arriving at the fair values of financial instruments as measured and disclosed in the financial statements are reasonable and appropriate in the circumstances.
2. The board has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
3. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
4. The board did not undertake any material non-monetary transactions or transactions for no consideration during the financial reporting period under consideration.

Going Concern

We confirm that we have assessed the entity's ability to continue as a going concern, taking into account all information which is at least twelve months from the year-end date, and we conclude that the entity is able to continue as a going concern for the foreseeable future.

General

1. We are unaware of any frauds or possible frauds having been committed by the board, its employees or any of its directors and officers and we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
2. We have no knowledge of any allegations of fraud or suspected fraud affecting the board's financial statements.
3. We acknowledge that we are responsible for the implementation and operation of internal controls that are designed to prevent and detect fraud and error.
4. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
5. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.
6. In the course of your audit of our financial statements for the year ended December 31, 2018, you have recommended certain journal entries and adjustments to our books and records as attached to this letter. We hereby acknowledge that we understand, agree with and approve of the attached journal entries which have been considered necessary to present fairly the financial position and operating results of our board.

Events Subsequent to the Year-end

No facts have been discovered which necessitate material adjustment to the year-end figures or disclosure in the notes to the financial statements.

Yours very truly,

BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

Per _____

Belleville Downtown Improvement Area Board of Management

APPENDIX B

Year End: December 31, 2018

Adjustments

Rev. 10/10/01

Date: 01-01-18 To 12-31-18

Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit
1	12-31-18	N	Retained Earnings - Previous Year	3560	WS8		11,187.17	
1	12-31-18	N	Miscellaneous Revenue	4055	WS8		90.00	
1	12-31-18	N	Interest Income	4200	WS8			2,951.54
1	12-31-18	N	Media Revenue	4600	WS8			945.90
1	12-31-18	N	Downtown Improvement (City Grant)	4300	WS8		945.90	
1	12-31-18	N	Tree Lights	5330	WS8		5,271.15	
1	12-31-18	N	Wages & Salaries	5410	WS8			13,171.75
1	12-31-18	N	Accounting & Legal	5610	WS8			1,013.11
1	12-31-18	N	Consulting Fees	5615	WS8		12,574.59	
1	12-31-18	N	Rent	5760	WS8		975.76	
1	12-31-18	N	Amortization of Capital Assets	5990	WS8			13,419.00
1	12-31-18	N	EI Expense	5420	WS8		140.69	
1	12-31-18	N	CPP Expense	5430	WS8		316.04	
1	12-31-18	N	Taxation and User Charges	4100	WS8		2,877.60	
1	12-31-18	N	Owing to City of Belleville	5675	WS8			2,877.60
To adjust opening R.E.								
2	12-31-18	N	Accum. amort. Computer Equipment	1425	K1			242.00
2	12-31-18	N	Accum. amort. Seasonal Decorations	1435	K1			8,450.00
2	12-31-18	N	Accum. amort. Streetscape Improvem	1445	K1			11,438.00
2	12-31-18	N	Amortization of Capital Assets	5990	K1		20,130.00	
To record amortization for the year.								
3	12-31-18	N	Surplus from Capital Assets	3200				46,213.00
3	12-31-18	N	Retained Earnings - Previous Year	3560			46,213.00	
To adjust equity in TCA								
4	12-31-18	N	Wages & Salaries	5410	BB3		659.20	
4	12-31-18	N	Accrued Liabilities	2115	BB3			659.20
4	12-31-18	N	Accrued Liabilities	2115	BB3			56.50
4	12-31-18	N	Accounting & Legal	5610	BB3		56.50	
To accrue wage and adjust accounting accrual.								
5	12-31-18	N	CPP Payable	2185	BB4.1			80.01
5	12-31-18	N	Federal Income Tax Payable	2190	BB4.1			55.18
5	12-31-18	N	EI Payable	2180	BB4.1			30.77
5	12-31-18	N	Miscellaneous	5467	BB4.1		165.96	
To adjust source deductions to actual. To reclass late filing penalty								
6	12-31-18	N	Retained Earnings - Previous Year	3560				6,075.05

Prepared by	Manager Review	Partner Review	2nd Partner
CM		DJAC	DJWC
05-03-19		06-19-19	08-28-19

09-05-19
8:11 AM

WS1

Belleville Downtown Improvement Area Board of Management

Year End: December 31, 2018

Adjustments

Rev. 10/10/01

Date: 01-01-18 To 12-31-18

Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	
6	12-31-18	N	Security Camera Reserve	3570			6,075.05		
			To adjust for camera expenses for year from reserve						
7	12-31-18	N	Petty Cash	1050			0.51		
7	12-31-18	N	Miscellaneous	5467				0.51	
			To adjust petty cash amount						
8	12-31-18	N	GIC Account	1100			40.96		
8	12-31-18	N	Interest Income	4200				40.96	
			To fix interest entry for GIC entered backwards						
9	12-31-18	N	Accounts Payable	2100				3,638.72	
9	12-31-18	N	CPP Payable	2185			3,638.72		
			To reverse prior year RJE2 posted by client in error						
10	12-31-18	N	Christmas Reserve	3575			27,639.00		
10	12-31-18	N	Retained Earnings - Previous Year	3560				27,639.00	
			To adjust christmas reserve and full 60,000 budget spent + some as per February 2018 minutes						
R1	12-31-18	R	Taxation and User Charges	4100				2,760.89	
R1	12-31-18	R	Owing to City of Belleville	5675			2,760.89		
			To reclass Taxes written off in 2018						
R2	12-31-18	R	Retained Earnings - Previous Year	3560				50,000.00	
R2	12-31-18	R	Street Lighting	5455			50,000.00		
			To record contribution towards City lighting in Downtown Belleville						
							191,758.69	191,758.69	
Net Income (Loss)				(11,615.86)					

09-05-19
8:11 AM

Prepared by	Manager Review	Partner Review	2nd Partner
CM 05-03-19		DJAC 06-19-19	DJWC 08-29-19

WS1-1

Belleville Downtown District Safety and Security Initiative

This past summer the BDIA has been working with Belleville Police Services on a strategy to increase the safety and security of our members, employees and visitors to the downtown district. Our goal, as per our strategic plan, is to create a downtown where all people feel comfortable to meet, work, visit and enjoy entertainment. One of the ways this is achieved is to communicate what is not acceptable behaviour in the Downtown District and reduce the frequency of inappropriate or threatening behaviour on the streets. Please familiarize yourself and your staff with the information below as we continue to work towards a safer, more enjoyable experience in the downtown core.

Purpose: The BDIA exists to position downtown Belleville as a vibrant community.

Vision: By 2023, Downtown Belleville will be the thriving centre of our community.

Safety and Security Initiatives

The initiatives we have chosen to focus on are designed to empower our members to be a part of the solution. By setting expectations with the greater community and working closely with Belleville Police Services we can make a difference. Below is a synopsis of Rules of Conduct for the Downtown District.

Rules of Conduct: *The Downtown District shops, restaurants and services strive to provide everyone with fair and equitable access to a wide range of locations and services in a welcoming environment that is free from discrimination and harassment. Everyone has the right to equal treatment with respect to the access and use of Downtown District facilities and services without discrimination on the basis of sex, sexual orientation, race, colour, ethnic origin, creed and all other grounds set out in the Ontario Human Rights Code.*

Discrimination and harassment will not be tolerated under any circumstances. These rules of conduct are intended to prevent such conduct and to ensure the dignity and safety of all and to maintain the security of businesses without disruption or lack of public enjoyment.

Business and Building owners make every effort to apply these rules in a fair and positive manner for the benefit of all.

Initiative #1: No Trespass

Our No Trespass Procedure was modeled after No Trespass Policies that are being used successfully by the Quinte Mall and the Belleville Library. Adopting a No Trespass Policy will allow those businesses and properties who opt-in to bar individuals who have engaged in inappropriate or threatening behaviour in one location from all properties that are listed on the 'No Trespass' list.

PLEASE NOTE: IN THE EVENT OF ANY REAL OR PERCEIVED THREAT TO A PERSON IN THE DOWNTOWN CORE CALL 911.

How it works:

- As a business owner or property owner you can 'opt-in' to the No Trespass Procedure
- If an individual engages in inappropriate or threatening behaviour at your location, they are issued a No Trespass letter by you.
- The No Trespass letter lists all opt-in properties that the individual can no longer visit
- If the individual continues to trespass, you can remind them that they are trespassing, ask them to leave and call the police. They will be arrested.
- As a participant of the No Trespass Procedure, you have access to a current list of individuals on the No Trespass list and can enforce the No Trespass procedure should they enter your property or business
- A first Notice of Trespass will be for a period of up to 6 months. Subsequent cases or incidents of more serious or threatening behaviour may incur periods of up to thirty-six (36) months including an indefinite ban for extreme cases. Long term bans shall be the exception rather than the rule.

Initiative #2: District Watch

Often when a business or property owner has an interaction such as shop lifting or graffiti there is no easy way to warn others to look out for the individual or to tell the police. We are introducing 'District Watch'. Using a smartphone app called GroupMe members that opt-in to the 'District Watch' Initiative will be able to share photo, video and details of incidents to all 'District Watch' Members including Belleville Police Services. If you would like to opt-in to District Watch, [click here to sign up](#). You will receive an email with instructions on how to download and use the GroupMe app. If you know how to text, you can use the app. We are always here to help if you need assistance.

Witness Impact Statements

If you or your staff witness an unpleasant, disruptive or illegal interaction in the Downtown District it is important to document the event and submit it to the Belleville Police Services and to the Belleville Downtown District Office. See *Witness Statement Letter* link under **IMPORTANT LINKS** at the end of this document.

IMPORTANT LINKS

- ✓ [No Trespass Initiative opt-in](#) | Opt-in request form
- ✓ [No Trespass Procedure](#) | Comprehensive overview of No Trespass Procedure
- ✓ [Current No Trespass List](#) | Current Opt-in Businesses/properties + No Trespass Orders
- ✓ [No Trespass Order Template](#) | To be filled out for incidents + delivered to individual
- ✓ [Code of Conduct](#) | Can be posted
- ✓ [Witness Statement Letter](#) | To be filled out for incidents + emailed to BPS

PLEASE NOTE: IN THE EVENT OF ANY REAL OR PERCEIVED THREAT TO A PERSON IN THE DOWNTOWN CORE CALL 911.

BELLEVILLE DOWNTOWN DISTRICT NO TRESPASS PROCEDURE

Approved:

Date of Last Review: N/A

Procedure Number: BDIA001

Overview:

The purpose of this procedure is to provide a BIA-wide process for the issuance of notices of trespass and to ensure that access to a Belleville Downtown District property is protected as per the Trespass to Property Act, R.S.O. 1990, T.21, and that all proprietors, employees and patrons have a right to the enjoyment and use of said property without interference.

Individual No-Trespass to Property Notice:

As a proprietor you are encouraged to issue a Trespass Notice to a patron engaging in inappropriate behaviour to ensure that such patron cannot again lawfully enter your business premises and by using this procedure, the no-trespass order will encompass all buildings (including private parking lots) and businesses within the Belleville Downtown District and includes all businesses that opt-in and are listed on the reverse of the written notice.

Rules of Conduct:

The Downtown District shops, restaurants and services strive to provide everyone with fair and equitable access to a wide range of locations and services in a welcoming environment that is free from discrimination and harassment. Everyone has the right to equal treatment with respect to the access and use of Downtown District facilities and services without discrimination on the basis of sex, sexual orientation, race, colour, ethnic origin, creed and all other grounds set out in the *Ontario Human Rights Code*.

Discrimination and harassment will not be tolerated under any circumstances. These rules of conduct are intended to prevent such conduct and to ensure the dignity and safety of all and to maintain the security of businesses without disruption or lack of public enjoyment.

Business and Building owners make every effort to apply these rules in a fair and positive manner for the benefit of all.

1. Threatening, abusive, discriminatory or harassing language of any kind is not permitted.
2. Damage, misuse or theft of any materials, equipment and property is not allowed.
3. Disruptive or intrusive behaviour is not allowed.
4. Members of the public may not make requests for service based on prohibited grounds of discrimination under the *Ontario Human Rights Code*.
5. Children requiring supervision must not be left unattended on any business premises.
6. Members of the public may only use authorized entrances and exits and are not allowed in "Staff Areas" without permission.
7. Members of the public must open all bags, purses, etc. for inspection if requested by staff.
8. Materials not yet paid for may not be taken into washrooms or dressing rooms without

permission of the owner or authorized on-site person.

9. Posting notices, distributing circulars or petitions, soliciting or engaging in any commercial activity on Downtown District properties must not be conducted without prior written approval or the owner and/or the BDIA.
10. Photographing, filming or video recording on Downtown District properties must not be conducted without prior written approval of the owner.
11. Members of the public must wear shirts and shoes and other appropriate attire when entering any business or service location.
12. The use of illegal drugs, cannabis or alcohol is not permitted except where licensed to do so. Members of the public must not enter businesses or service areas while intoxicated or under the influence of any illegal substance.
13. The use of e-cigarettes, vaporizers, or the smoking of cigarette or cannabis is not permitted in any business or within 9 metres of any entrance.
14. Weapons of any kind are not permitted.

Any behaviour that does not support a welcoming environment and/or violates the Rules of Conduct may result in cost-recovery charges, No Trespass bans and/or prosecution. These rules have been approved by the Downtown District BIA Board of Directors.

Definitions:

In this procedure, unless otherwise stated:

1. Belleville Downtown District premises include the businesses and buildings, and all adjacent Belleville Downtown District property which is attached to the building, including private parking lots, within the boundaries established within The Corporation of the City of Belleville Bylaw #9275 dated the 21st day of August, 1972.
2. Trespassing carries the definition used in the Trespass to Property Act, 1990.
 - (1) Every person who is not acting under a right or authority conferred by law and who,
 - i. without the express permission of the occupier, the proof of which rests on the defendant, enters on premises when entry is prohibited under this Act, or engages in an activity on premises when the activity is prohibited under this Act; or
 - (2) does not leave the premises immediately after he or she is directed to do so by the occupier of the premises or a person authorized by the occupier, is guilty of an offence and on conviction is liable to a fine of not more than \$2,000. R.S.O. 1990, c T.21, s. 2(1). 2 of 5
3. The following persons will be empowered to act as "authorized persons" at Belleville Downtown District premises for the purposes of enforcing the Trespass to Property Act, 1990, of the Province of Ontario; and when necessary to issue a notice of trespass.
 - (1) A person currently associated with the business issuing the no-trespass notice (recommended to be in a supervisory position).
 - (2) An Officer of the Belleville Police Service.

Process:

Registration (Opt-In)

1. If you wish to register your business and have it listed for inclusion within the BIA-wide No-Trespass process, you must register via the link provided below.
2. Once registered, your business will be included on all No-Trespass Notices issued within the boundaries described as Belleville Downtown District BIA as per The Corporation of the City of Belleville Bylaw 9275 dated 21st of August, 1972.
3. Your business will continue to be listed in the BIA No-Trespass process until such time as you submit formal notice to the Executive Director to be removed.

Warnings to Trespassers:

4. Entry onto Belleville Downtown District premises may be prohibited by providing notice. The notice may be given orally or in writing to any person whose conduct is disruptive to the conduct of a business or activities or is threatening to the staff or other users of Belleville Downtown District businesses. Specific notice that entry is prohibited is not required to keep persons out where the site is completely enclosed by a fence which has been specifically designed to keep persons off the property.
5. In order to prohibit general entry to Belleville Downtown District premises, it is necessary to confront a trespasser and give oral notice.

Written Notice of Trespass in a Non-Emergency Situation:

6. In a non-emergency situation and/or where a person has trespassed on Belleville Downtown District premises and the person's attendance in future is unwanted, in that it is threatening to other users, disruptive of others use of a Belleville Downtown District property, or is conduct which impairs others using Belleville Downtown District property, a notice of trespass letter may be mailed or delivered in person, in a form similar to the example in the link provided below. Such a letter is not a requirement for laying a charge against such a person should he or she continues to trespass.

Records:

7. The Notice of Trespass as issued by the Belleville Downtown District business shall be filed with the Belleville Police Service and the Executive Director, Belleville Downtown District BIA.

Dealing with a Trespasser:

8. Authorized persons will find the following guidelines useful when dealing with a trespasser:
 - a. Preliminary Measures a) get a good description of the person. b) Note the time.
 - b. Preventing Confrontation – Engendering Maximum Co-operation
 - i. Introduce yourself (name, position and authority to act).
 - ii. Be courteous, calm and assured.
 - iii. Ask the person to identify herself/himself (name and address).
 - iv. Do not touch the person.
 - v. Give clear direction to the person and offer assistance.
 - vi. Try to keep the situation from escalating.
 - vii. The trespasser will usually comply, and no further action will be necessary. If not, inform the person that he or she is trespassing and is directed to leave the premises.

Laying a Charge:

9. If the trespasser refuses to leave, or if the trespasser has caused property damage, you may call the police to lay a charge. Again request the trespasser's name and address (if these are not available from another source) in order that you may have the police lay a charge.
 - a. In the event insufficient information is not available, Belleville Police Service (BPS) and the Belleville Downtown District Executive Director will maintain the order on file and use it if/when a subsequent No Trespass order is issued by another business for the same individual.
10. The authorized person shall notify Belleville Police Service and Belleville Downtown District BIA Executive Director in writing of all the particulars of the event leading up to the incident.

Arresting a Trespasser:

CALL THE POLICE TO MAKE THE ARREST.

Length of Ban:

1. A first Notice of Trespass will be for a period of up to 6 months. Subsequent cases or incidents of more serious or threatening behaviour may incur periods of up to thirty-six (36) months including an indefinite ban for extreme cases. Long term bans shall be the exception rather than the rule.
2. The Notice shall be subject to an automatic review by the Executive Director in consultation with the issuing business after twelve months and every twelve months thereafter.

Appeals:

1. Should a person served with a written Notice of Trespass take issue with that service, a written letter outlining the reason for appeal should be forwarded by that person to the Executive Director, Belleville Downtown District BIA. In making the decision, the Executive Director may choose to seek legal advice from a source. The Executive Director may uphold the service of that Notice or direct its withdrawal and the decision of the Executive Director is final.

Link to No Trespass Procedure and Opt-In Businesses:

Staff Support:

Executive Director, Belleville Downtown District BIA

Signature of Board Chair
Date:

Signature of Executive Director
Date:



NO TRESPASS ORDER

Belleville Downtown District Business Improvement Area

1 Bridge St., East Street, Belleville, Ontario K8N 5N9

Order Issued Date: _____ Date of Expiry: _____

Issued by (Business Name or Property Address: _____

Unknown patron or if known: _____ (name)

Dear Sir or Madam,

Because of your behaviour on (Date) _____ involving:

- Altercation with an employee or another customer (minimum 3-month ban)
- Threatening, abusive, discriminatory or harassing language. (minimum 3-month ban)
- Disruptive or intrusive behaviour (minimum 3-month ban)
- The use of illegal drugs, cannabis or alcohol except where licensed to do so. (minimum 3-month ban)
- Use of vaporizers, smoking of cigarettes, e-cigarettes or cannabis in any business or within 9 metres of any entrance. (minimum 3-month ban)
- Entering a business or service area while intoxicated or under the influence of an illegal substance. (minimum 3-month ban)
- Damage, or theft of property. (minimum 1 year ban)
- Bringing a weapon into a facility (minimum 1 year ban)
- _____ (other)

The Belleville Downtown District BIA is enforcing the provision of the Trespass to Property Act, R.S.O. 1990. This means that you are banned from entering all properties listed below for a period of _____ effective from the date of this letter. This includes all listed property addresses, the parking lots associated with the business and a 9 metre area outside of the front and back entrances of all listed properties. The Belleville Downtown District BIA will not tolerate contravention of our code of conduct. Any violation of the terms of this letter will be treated and enforced as a trespass against each businesses property.

If the decision is made to lift the exclusion, you will be notified as soon as possible. Continued access to the listed properties after that point, will be contingent upon adherence to the Code of Conduct of the Belleville Downtown District BIA.

If the banishment is extended you will be notified in writing.

Yours sincerely,

Marijo Cuerrier
Executive Director
Belleville Downtown District BIA

CC: Mark Hall - Belleville Police Services
Kathryn Brown - Board Chair
Marijo Cuerrier – Executive Director Downtown District BIA



Belleville Downtown District Business Improvement Area

1 Bridge St., East Street, Belleville, Ontario K8N 5N9

Belleville Downtown District Code of Conduct

The Belleville Downtown District shops, restaurants and services strive to provide everyone with fair and equitable access to a wide range of locations and services in a welcoming environment that is free from discrimination and harassment. Everyone has the right to equal treatment with respect to the access and use of Downtown District facilities and services without discrimination on the basis of sex, sexual orientation, race, colour, ethnic origin, creed and all other grounds set out in the *Ontario Human Rights Code*.

Discrimination and harassment will not be tolerated under any circumstances. These rules of conduct are intended to prevent such conduct and to ensure the dignity and safety of all and to maintain the security of businesses without disruption or lack of public enjoyment.

Business and Building owners make every effort to apply these rules in a fair and positive manner for the benefit of all.

1. Threatening, abusive, discriminatory or harassing language of any kind is not permitted.
2. Damage, misuse or theft of any materials, equipment and property is not allowed.
3. Disruptive or intrusive behaviour is not allowed.
4. Members of the public may not make requests for service based on prohibited grounds of discrimination under the *Ontario Human Rights Code*.
5. Children requiring supervision must not be left unattended on any business premises.
6. Members of the public may only use authorized entrances and exits and are not allowed in "Staff Areas" without permission.
7. Members of the public must open all bags, purses, etc. for inspection if requested by staff.
8. Materials not yet paid for may not be taken into washrooms or dressing rooms without permission of the owner or authorized on-site person.
9. Posting notices, distributing circulars or petitions, soliciting or engaging in any commercial activity on Downtown District properties must not be conducted without prior written approval or the owner and/or the BDIA.
10. Photographing, filming or video recording on Downtown District properties must not be conducted without prior written approval of the owner.
11. Members of the public must wear shirts and shoes and other appropriate attire when entering any business or service location.
12. The use of illegal drugs, cannabis or alcohol is not permitted except where licensed to do so. Members of the public must not enter businesses or service areas while intoxicated or under the influence of any illegal substance.
13. The use of e-cigarettes, vaporizers, or the smoking of cigarette or cannabis is not permitted in any business or within 9 metres of any entrance.
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Belleville Downtown District Business Improvement Area
1 Bridge St., East Street, Belleville, Ontario K8N 5N9

WITNESS IMPACT STATEMENT

Date of reported event: _____ Time of reported Event: _____

Business Name or Property Address that event took place (if it was outside, the closest reference to where it happened): _____

Unknown patron or if known: _____ (name)

Reported by

First and Last Name: _____

Date of Birth: _____

Address: _____

Contact phone number: _____

Details of the event:

Please submit to Mark Hall at Belleville Police Services: mhall@police.belleville.on.ca