



ANNUAL GENERAL MEETING  
Wednesday, November 16<sup>th</sup>, 2023  
LOCATION: Capers - 272 Front St  
AGENDA

5:00 - 5:30 pm Registration & Social  
6:00 pm Meeting Starts

**AGM**

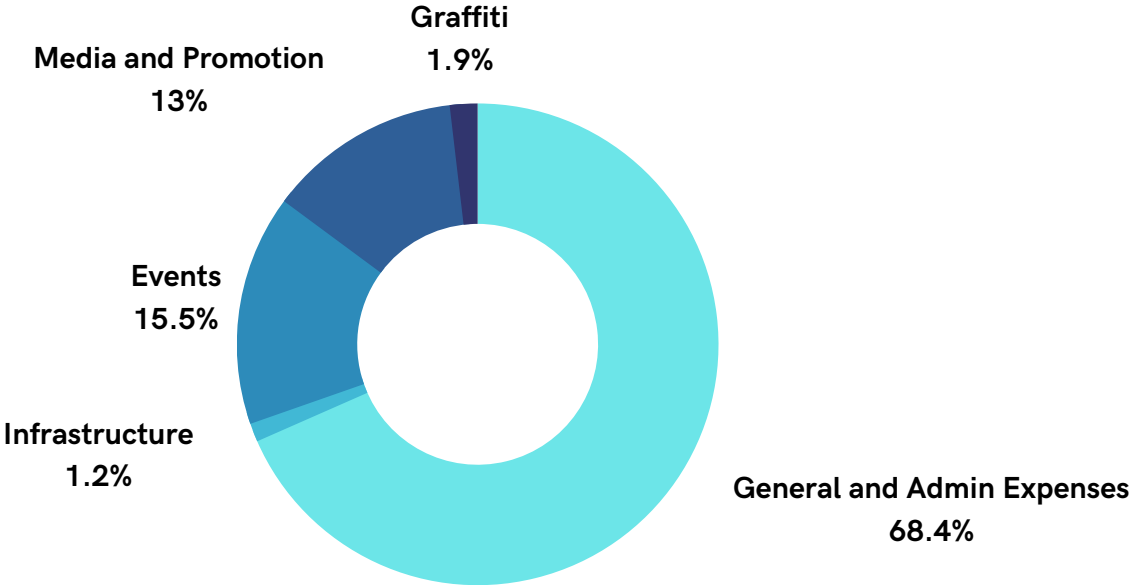
1. Call to Order
2. Land Acknowledgement - Maury Flunder
3. Opening Remarks from the Chair – Maury Flunder
4. Approval of Agenda  
**Motion:** That the agenda be approved as presented
5. Declaration of Pecuniary Interest
6. Approval of the 2022 AGM Minutes  
**Motion:** That the minutes from the 2022 BIA Annual General Meeting be approved as presented.
7. 2022 Consolidated Financial Statements Auditor's report - KPMG  
**Motion:** That the audited 2022 financial statements be approved as presented
8. Presentation of the 2023 Annual Report - Danielle Hanoman
9. Remarks from the Mayor
10. 2023 Budget Presentation - Treasurer Maury Flunder  
**Motion:** That the 2023 budget be approved as presented and submitted to the City for calculation of the BDIA Taxation Rate. Draft Proposal Attached.
11. Closing Remarks
12. Adjournment - Maury Flunder

# BDIA Proposed Budget 2024

## Revenues

	2021 Budget	2022 Budget	2023 Budget	Proposed 2024 Budget
BIA Levy	0.0% \$275104	7.5% \$295625	4.0% \$307450	5.0% \$322822

General and Admin Expenses	218621	203451	208799	220822
Infrastructure	6302	1000	6000	4000
Events	27836	45000	44950	50000
Media and Promotion	61740	40126	41701	42000
Graffiti	13395	6000	6000	6000



Financial Statements of

**BELLEVILLE DOWNTOWN  
IMPROVEMENT AREA BOARD  
OF MANAGEMENT**

Year ended December 31, 2022

# **BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT**

Table of Contents

Year ended December 31, 2022

---

	Page
<b>Management's Responsibility for the Financial Statements</b>	
<b>Independent Auditor's Report</b>	
<b>Financial Statements</b>	
Statement of Financial Position	1
Statement of Operations and Accumulated Surplus	2
Statement of Changes in Net Financial Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5

## **Management's Responsibility for the Financial Statements**

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

The financial statements have been prepared in accordance with Canadian public sector accounting standards as issued by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of the 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 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 financial statements and discusses any significant financial reporting or internal control matters prior to the Board approval of the financial statements.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by the Board, 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



KPMG LLP  
863 Princess Street, Suite 400  
Kingston ON K7L 5N4  
Canada  
Tel 613-549-1550  
Fax 613-549-6349

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Belleville Downtown Improvement Area Board of Management

### ***Opinion***

We have audited the financial statements of the Belleville Downtown Improvement Area Board of Management (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2022
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at end of December 31, 2022, and its results of operations, its changes in 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 Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

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 the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Page 3

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

*KPMG LLP*

---

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

August 15, 2023



# BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

## Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Financial assets:		
Cash and short-term investments (note 2)	\$ 136,811	\$ 96,972
Accounts receivable (note 5)	32,932	101,844
	<u>169,743</u>	<u>198,816</u>
Financial liabilities:		
Accounts payable and accrued liabilities (note 5)	85,403	54,343
Deferred revenue (note 6)	10,326	47,343
	<u>95,729</u>	<u>101,686</u>
Net financial assets	74,014	97,130
Non-financial assets:		
Tangible capital assets (note 3)	82,456	58,220
Prepaid expenses	1,374	1,351
	<u>83,830</u>	<u>59,571</u>
Commitments (note 9)		
Accumulated surplus (note 4)	<u>\$ 157,844</u>	<u>\$ 156,701</u>

See accompanying notes to financial statements.

# BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

## Statement of Operations and Accumulated Surplus

Year ended December 31, 2022, with comparative information for 2021

	2022 Budget (note 8)	2022	2021
<b>Revenue:</b>			
Taxation levy	\$ 295,625	\$ 281,799	\$ 275,104
Municipal contributions:			
Corporation of the City of Belleville (note 5)	–	18,575	68,007
Corporation of the County of Hastings (note 6)	–	107,017	22,957
Grant revenue (note 7)	–	39,834	59,865
Sponsorships and fundraising	–	–	13,500
Miscellaneous revenue	–	45	9,769
Interest income	–	3,104	250
	295,625	450,374	449,452
<b>Expenses:</b>			
Advertising - media and promotion	85,174	65,192	61,740
Planning and infrastructure	6,000	9,150	6,302
Salaries and administrative	204,451	280,328	238,061
Special projects - graffiti	–	–	13,395
Special projects - holidays	–	25,751	25,836
Special projects – Welcoming Streets	–	8,409	3,517
Special projects – miscellaneous	–	1,528	2,005
Special projects - Wi-Fi & Data Analytics project	–	–	11,875
Special projects - Al Fresco	–	5,605	96,351
Special projects – pop-up street patio	–	5,403	–
Taxes written off	–	17,250	–
Amortization	–	30,615	25,625
	295,625	449,231	484,707
Annual surplus (deficit)	–	1,143	(35,255)
Accumulated surplus, beginning of year	156,701	156,701	191,956
Accumulated surplus, end of year	\$ 156,701	\$ 157,844	\$ 156,701

See accompanying notes to financial statements.

# BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

## Statement of Changes in Net Financial Assets

Year ended December 31, 2022, with comparative information for 2021

	2022 Budget (note 8)	2022	2021
Annual surplus (deficit)	\$ —	\$ 1,143	\$ (35,255)
Amortization of tangible capital assets	—	30,615	25,625
Acquisition of tangible capital assets	—	(54,851)	—
Change in prepaid expenses	—	(23)	—
Change in net financial assets	—	(23,116)	(9,630)
Net financial assets, beginning of year	97,130	97,130	106,760
Net financial assets, end of year	\$ 97,130	\$ 74,014	\$ 97,130

See accompanying notes to financial statements.

# BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

## Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ 1,143	\$ (35,255)
Item not involving cash:		
Amortization of tangible capital assets	30,615	25,625
Changes in non-cash operating working capital:		
Accounts receivable	68,912	(52,759)
Prepaid expenses	(23)	-
Accounts payable and accrued liabilities	31,060	14,221
Deferred revenue	(37,017)	54,343
	94,690	6,175
Capital transactions:		
Acquisition of tangible capital assets	(54,851)	-
Increase in cash and short-term investments	39,839	6,175
Cash and short-term investments, beginning of year	96,972	90,797
Cash and short-term investments, end of year	\$ 136,811	\$ 96,972

See accompanying notes to financial statements.

# BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

Notes to Financial Statements

Year ended December 31, 2022

---

The Belleville Downtown Improvement Area Board of Management (the "Board") 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.

## 1. Significant accounting policies:

(a) Basis of presentation:

The financial statements of the Board are the representation of management prepared in accordance with Canadian public sector accounting standards as issued by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

(b) 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.

(c) 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.

(d) 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:

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

---

# BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

Notes to Financial Statements (continued)

Year ended December 31, 2022

---

## 1. Significant accounting policies (continued):

### (d) Tangible capital assets (continued):

When conditions indicate that a tangible capital asset no longer contributes to the Board's ability to provide services or the value of the future economic benefits associated with the tangible capital asset are less than its net book value, and the decline is expected to be permanent, the cost and accumulated amortization of the asset are reduced to reflect the revised estimate of the value of the asset's remaining service potential. The resulting net adjustment is reported as an expense on the Statement of Operations and Accumulated Surplus, however, no adjustments were recorded in the current or prior year.

### (e) Revenue recognition:

Taxation levy is established annually by members of the Board of Directors at their annual general meeting. Taxation revenues are recorded in the tax year that it relates to.

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

Municipal contributions 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.

### (f) 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

# BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 2. Cash and short-term investments:

Cash and short-term Investments consist of the following:

	2022	2021
Petty cash	\$ 283	\$ 283
Chequing account	109,153	69,240
Marketplace account	13,244	13,318
Cashable term deposit - maturing February 1, 2024, 4.30%	9,000	9,000
Cashable term deposit - maturing August 28, 2023, 0.45%	3,030	3,030
Cashable term deposit - maturing August 26, 2024, 0.45%	2,101	2,101
	<b>\$ 136,811</b>	<b>\$ 96,972</b>

## 3. Tangible capital assets:

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Furniture and fixtures	\$ 5,525	\$ 5,525	\$ -	\$ -
Computer hardware and software	15,689	10,252	5,437	4,030
Seasonal decorations	201,542	165,070	36,472	27,971
Streetscape improvements	157,674	117,127	40,547	26,219
	<b>\$ 380,430</b>	<b>\$ 297,974</b>	<b>\$ 82,456</b>	<b>\$ 58,220</b>

Cost and accumulated amortization at December 31, 2021 amounted to \$325,579 and \$267,359, respectively.

# BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 4. Accumulated surplus:

Accumulated surplus consists of the following:

	2022	2021
Unrestricted surplus	\$ 46,129	\$ 69,222
Equity in tangible capital assets	82,456	58,220
Reserve - contingency	10,000	10,000
Reserve - security camera project	13,009	13,009
Reserve - Downtown public Wi-Fi & location analytics project	6,250	6,250
	<b>\$ 157,844</b>	<b>\$ 156,701</b>

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

The Board in partnership with the Corporation of the City of Belleville would like to invest in an outdoor public Wi-Fi system along Front Street. During the 2020 fiscal year, the Board of Directors approved the allocation of the build Belleville reserve fund of \$30,000 to the Downtown public Wi-Fi & location analytics project. A reserve of \$6,250 is remaining for this project.

## 5. Related party balances and transactions:

Included within the accounts receivable and accounts payable balances on the Statement of Financial Position are amounts due from the Corporation of the City of Belleville, a related party due to significant influence. The amounts due to/from the Corporation of the City of Belleville are as follows:

	2022	2021
Accounts receivable - Corporation of the City of Belleville	\$ —	\$ 94,102

	2022	2021
Accounts payable - Corporation of the City of Belleville	\$ 6,000	\$ 2,703



# BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 5. Related party balances and transactions (continued):

During the year, the Board entered into the following transactions with the Corporation of the City of Belleville:

	2022	2021
Municipal contributions consist of the following:		
Graffiti	\$ –	\$ 3,349
Signage and billboard	3,815	–
Downtown at dusk	9,027	–
Pop-up street patio	5,403	–
Miscellaneous	330	–
Downtown AI Fresco	–	64,658
	\$ 18,575	\$ 68,007

During the year, the Board provided a payment to the Corporation of City of Belleville of \$Nil (2021 - \$11,875) for the Downtown Public Wi-Fi & Location Analytics Project.

All transactions with the Corporation of the 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.

## 6. Deferred revenue:

Deferred revenue consists of the following:

	2022	2021
Corporation of the County of Hastings – Welcoming Streets	\$ 10,326	\$ 47,343

During the year, the Board received \$70,000 (2021 - \$70,300) in grant funding for the Welcoming Streets project from the Corporation of the County of Hastings. Of the amounts received, \$107,017 was spent in fiscal 2022 (2021 - \$22,957), with the remaining unspent balance of \$10,326 (2021 - \$47,343) deferred for use in fiscal 2023.

Of the amounts incurred, \$73,818 (2021 - \$19,440) was spent on salaries, \$24,790 (2021 - \$Nil) was spent on rent, and \$8,409 (2021 - \$3,517) was spent on direct project costs.

# BELLEVILLE DOWNTOWN IMPROVEMENT AREA BOARD OF MANAGEMENT

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 7. Grant revenue:

Grant revenue consists of the following:

	2022	2021
Province of Ontario – Reconnect Festival and Event Program	\$ 17,020	\$ 24,513
Bay of Quinte Regional Marketing Board – Al Fresco	–	10,000
Invest Ottawa – Digital Service Squad Member	–	6,814
Ontario Business Improvement Area Association – Digital Service Squad Member	13,660	5,369
Government of Canada – Canada Summer Jobs	9,154	4,396
Province of Ontario – 2021 Summer Experience Program	–	3,723
Bay of Quinte Regional Marketing Board – Other	–	2,700
Other	–	2,350
	<b>\$ 39,834</b>	<b>\$ 59,865</b>

## 8. Budget figures:

The budget figures as approved by the Board of Directors and are established 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 Statement of Operations and Accumulated Surplus. Budget figures have been reclassified for the purpose of these financial statements to comply with PSAB reporting requirements. Amortization was not contemplated on development of the budget and, as such, has not been included in the budget figures reflected on the financial statements.

## 9. Commitments:

The Board has a commitment to rent office space. The minimum payments under the lease are as follows:

2023	\$ 12,930
2024	5,450
	<b>\$ 18,380</b>