

Consolidated Financial Statements of

**CORPORATION OF THE CITY
OF BELLEVILLE**

Year ended December 31, 2021

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Financial Statements

Year ended December 31, 2021

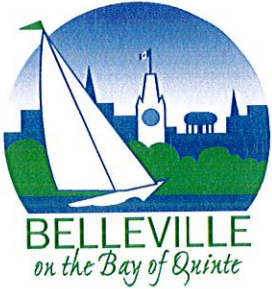
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Management's Responsibility for the Consolidated Financial Statements

Independent Auditors' Report

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City of Belleville

Finance Department

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Corporation of the City of Belleville (the "Corporation") are the responsibility of the Corporation's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of significant accounting policies are described in note 1 to the consolidated financial statements. The preparation of 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 Corporation'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 consolidated financial statements. These systems are monitored and evaluated by management. Management meets with the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to Council approval of the consolidated financial statements. The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Corporation. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Corporation's consolidated financial statements.

Rod Bovay
Chief Administrative Officer

Carol Hinze
Director of Finance/Treasurer

The Corporation of the City of Belleville

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INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the City of Belleville:

Opinion

We have audited the consolidated financial statements of the Corporation of the City of Belleville (the "Corporation"), which comprise:

- the consolidated statement of financial position as at December 31, 2021
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial asset (liability) for the year then ended
- the consolidated statement of cash flows for the year then ended; and
- notes to the consolidated 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 consolidated financial position of the Entity as at December 31, 2021, and its consolidated results of operations and its consolidated 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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' 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.



Other Matter – Comparative Information

The financial statements as at and for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements on September 13, 2021.

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.

Auditors' 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 auditors' 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.



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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 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 auditors' 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 auditors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

June 27, 2022

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Financial assets:		
Cash and investments (note 3)	\$ 134,218,407	\$ 118,243,387
Taxes receivable	4,465,218	5,068,125
Accounts receivable	13,224,379	14,702,840
Land held for resale (note 1(d))	17,568,202	17,590,635
Long-term investments (note 4)	18,971,953	18,807,795
Investment in government business partnership (note 5)	22,710,841	22,158,252
	<u>211,159,000</u>	<u>196,571,034</u>
Liabilities		
Financial Liabilities:		
Construction advance (note 6)	3,100,000	3,100,000
Accounts payable and accrued liabilities	23,780,867	24,464,860
Employee benefits payable (note 7)	17,731,018	17,339,020
Other liabilities (note 8)	4,306,582	2,420,070
Deferred revenue (note 9)	37,495,856	36,402,096
Municipal debt (note 10)	109,656,843	116,138,755
	<u>196,071,166</u>	<u>199,864,801</u>
Net financial asset (liability)	15,087,834	(3,293,767)
Non-financial assets:		
Tangible capital assets, net (note 17)	687,455,367	676,371,579
Inventory of supplies	1,332,191	1,212,863
Prepaid expenses	1,185,208	849,335
	<u>689,972,766</u>	<u>678,433,777</u>
Contingent liabilities and commitments (note 12)		
Accumulated surplus (note 15)	<u>\$ 705,060,600</u>	<u>\$ 675,140,010</u>

See accompanying notes to consolidated financial statements.

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Operations and Accumulated Municipal Equity

Year ended December 31, 2021, with comparative information for 2020

	Budget 2021 (note 19)	2021	2020
Revenue:			
Municipal taxation	\$ 98,275,800	\$ 101,999,042	\$ 96,619,245
Taxation from other governments	2,619,500	2,587,379	2,394,683
User charges	36,976,100	38,256,408	34,412,442
Grants - Government of Canada	41,000	61,700	46,224
Grants - Province of Ontario	5,490,800	4,948,342	5,338,487
Grants - Other Municipalities	171,700	184,168	269,011
Fines	390,800	313,171	326,307
Investment income	1,961,600	926,719	899,629
Interest and penalties on taxes	650,000	583,001	428,909
Development charges levies earned	1,896,800	1,451,472	1,317,875
Donations	46,200	49,440	51,863
Ontario Lottery and Gaming Corporation	1,236,400	1,321,724	875,145
Total revenue	149,756,700	152,682,566	142,979,820
Expenses:			
General government	14,034,000	12,742,767	11,143,915
Protection to persons and property	39,916,000	40,880,105	38,376,662
Transportation services	30,166,900	28,974,643	27,864,820
Environmental services	27,537,800	28,843,306	25,283,325
Health services	5,739,400	5,660,059	5,730,849
Social and family services	5,558,900	5,182,589	5,318,862
Recreation and cultural services	20,615,800	20,341,138	18,767,651
Planning and development	5,550,200	4,165,976	3,190,787
Social housing	5,312,300	5,455,779	5,100,342
Total expenses	154,431,300	152,246,362	140,777,213
Annual operating surplus (deficit)	(4,674,600)	436,204	2,202,607
Other:			
Municipal taxation for capital purposes	5,673,200	5,673,200	5,673,200
Grant - Government of Canada	3,535,000	7,954,193	9,058,475
Grant - Government of Ontario	4,891,700	8,412,656	5,653,401
Contribution from developers	—	114,729	8,936,722
Building code act revenue	18,400	—	162,615
Development charges	1,015,000	3,462,120	6,418,599
Park land	—	67,745	4,387
Other	22,000	775,409	519,354
Tangible capital assets gain (loss)	—	1,244,926	(262,953)
	15,155,300	27,704,978	36,163,800
Interest earned on reserves	—	197,611	349,687
Equity share of government business partnership earnings (note 5)	—	1,581,797	1,041,117
Annual surplus	10,480,700	29,920,590	39,757,211
Accumulated surplus, beginning of year	675,140,010	675,140,010	635,382,799
Accumulated surplus, end of year (note 15)	\$ 685,620,710	\$ 705,060,600	\$ 675,140,010

See accompanying notes to consolidated financial statements.

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Changes in Net Financial Asset (Liability)

Year ended December 31, 2021, with comparative information for 2020

	Budget 2021 (note 19)	2021	2020
Annual surplus	\$ 10,480,700	\$ 29,920,590	\$ 39,757,211
Amortization of tangible capital assets	27,136,000	27,671,895	26,679,478
Acquisition of tangible capital assets	(36,889,700)	(39,311,706)	(49,458,711)
Contribution from developers	–	(114,729)	(8,936,722)
Tangible capital assets loss (gain)	–	(1,244,926)	262,953
Proceeds on sale of tangible capital assets	–	1,915,676	79,328
Change in inventory of supplies	–	(119,326)	(42,962)
Change in prepaid expenses	–	(335,873)	(20,065)
	(9,753,700)	(11,538,989)	(31,436,701)
Change in net financial asset (liability)	727,000	18,381,601	8,320,510
Net financial liability, beginning of year	(3,293,767)	(3,293,767)	(11,614,277)
Net financial asset (liability), end of year	\$ (2,566,767)	\$ 15,087,834	\$ (3,293,767)

See accompanying notes to consolidated financial statements.

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Operating activities:		
Annual surplus	\$ 29,920,590	\$ 39,757,211
Item not involving cash:		
Amortization of tangible capital assets	27,671,895	26,679,478
Contribution from developers	(114,729)	(8,936,722)
Post-employment benefits	391,998	416,930
Tangible capital assets loss (gain)	(1,244,926)	262,953
Solid waste landfill closure and post closure liabilities	1,810,000	40,000
Equity share of government business partnership earnings	(1,581,797)	(1,041,117)
	56,853,031	57,178,733
Change in non-cash operating working capital:		
Taxes receivable	602,907	(1,395,303)
Accounts receivable	1,478,461	(198,459)
Land held for resale	22,433	—
Inventory of supplies	(119,327)	(42,962)
Prepaid expenses	(335,873)	(20,065)
Accounts payable and accrued liabilities	(683,991)	983,529
Other liabilities	76,512	84,423
Deferred revenue	1,093,760	(6,266,414)
Net change in cash from operations	58,987,913	50,323,482
Capital activities:		
Acquisition of tangible capital assets	(39,311,706)	(49,458,711)
Proceeds on disposal of tangible capital assets	1,915,676	79,328
	(37,396,030)	(49,379,383)
Investing activities:		
Dividends received from government business partnership	1,029,208	1,022,487
Net investment in lease	51,000	117,838
Other investments	71,603	70,850
Bell Boulevard water and sewer recoverable costs	(298,575)	119,204
Local improvement levies receivable	11,813	21,955
	865,049	1,352,334
Financing activities:		
Proceeds of long-term debt	—	19,697,000
Repayment of long-term debt	(6,481,912)	(6,337,310)
	(6,481,912)	13,359,690
Increase in cash	15,975,020	15,656,123
Cash, beginning of year	118,243,387	102,587,264
Cash, end of year	\$ 134,218,407	\$ 118,243,387

See accompanying notes to consolidated financial statements.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies:

The consolidated financial statements of the Corporation of the City of Belleville (the "Corporation") are the representations of management and have been prepared in all material respects in accordance with Canadian Public Sector Accounting Standards. Significant aspects of the accounting policies by the Corporation are as follows:

(a) Reporting entity:

The consolidated financial statements reflect the assets, liabilities, revenues, expenses, and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the Corporation and which are owned or controlled by the Corporation except for the Corporation's government business partnership (Elexicon Corporation), which is accounted for on the modified equity basis of accounting. In addition to general government tax-supported operations, they include the following:

- Belleville Public Library Board
- Belleville Downtown Improvement Area

Interdepartmental and organizational transactions and balances are eliminated.

The following joint boards are proportionally consolidated:

- Centre and South Hastings Waste Services Board

Investment in Government Business Partnership

The Corporation's investment in Elexicon Corporation and its subsidiaries (Hydro Corporations) is accounted for on a modified equity basis, consistent with generally accepted accounting principles as recommended by PSAB for investments in government business partnerships. Under the modified equity basis of accounting, the business partnership's accounting principles are not adjusted to conform to those of the Corporation and inter-organizational transactions and balances are not eliminated. The Corporation recognizes its equity interest in the annual income or loss of Hydro Corporations in its "Consolidated Statement of Operations" with a corresponding increase or decrease in its investment asset account. Any dividends that the Corporation may receive from Hydro Corporations and other capital transactions will be reflected as adjustments in the investment asset account.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(a) Reporting entity (continued):

Investment in Quinte Solar Generation Inc.

The Corporation, Solera Sustainable Energies Company Limited, and Elexicon Corporation holds 15%, 15% and 70% equity interest respectively in the above company, incorporated to own, operate and maintain projects related to solar electricity generation facilities and systems at some specific locations. This venture is currently in the application stage with the Independent Electricity System Operator (IESO) and has not yet been injected with capital by the joint parties.

The following local boards and joint local boards are not consolidated:

- The Hastings and Prince Edward Counties Health Unit
- Hastinet - a joint board of The Belleville Public Library Board and Quinte West Public Library Board
- Quinte Conservation

(b) Accounting for school board transactions:

The assets, liabilities, revenues, and expenses with respect to the operations of schools boards are not reflected in these consolidated financial statements.

(c) Basis of accounting:

The consolidated financial statements are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(d) Land held for resale:

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing. Included in land held for resale at December 31, 2021 is industrial land held for resale of \$16,609,238 (2020 - \$16,609,238) and land and buildings declared surplus by Council with a net book value of \$958,964 (2020 - \$981,397).

(e) Net investment in direct financing leases receivable:

Investment income related to the Corporation's net investment in direct financing leases is recognized in a manner that produces a consistent rate of return on investment. The investment in leases is composed of net minimum remaining lease payments net of unearned investment income.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(f) Deferred revenue - obligatory reserve funds

The Corporation receives contributions under the authority of provincial legislation and City by-laws. These funds by their nature are restricted in their use and until applied to applicable projects are recorded as deferred revenue. Amounts applied to projects are recorded as revenue in the fiscal period they are expended.

(g) Deferred revenue

Deferred revenues represent user charges which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year services are performed. In addition, any contributions received with external restrictions are deferred until the related expenditures are made.

(h) Post-employment benefits:

The Corporation accrues its obligations under the defined benefit plans as the employees render the services necessary to earn the compensated absences and other post-employment benefits. The actuarial determination of the accrued benefit obligations for retirement benefits uses the projected benefit method prorated on service (which incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors). The most recent actuarial valuation of the benefit plans was as of January 1, 2019, and the next required valuation will be as of January 1, 2022.

Actuarial gains (losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The net accumulated actuarial gains (losses) are amortized over the average remaining service period of active employees. The average remaining service period of the active employees covered by the other retirement benefits plan is 10 years (2020 – 10 years).

Past service costs arising from plan amendments are recognized immediately in the period the plan amendments occur.

(i) Contaminated sites liability:

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when, as at the financial reporting date, all the following criteria are met for a site or a portion of a site which is no longer in productive use:

- i) an environmental standard exists;
- ii) contamination exceeds environmental standard;

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(i) Contaminated sites liability (continued):

- iii) the Corporation is directly responsible or accepts responsibility; and
- iv) a reasonable estimate of the amount can be made.

(j) Government transfers and Ontario Lottery and Gaming Corporation funding:

Government transfers and Ontario Lottery and Gaming Corporation funding are recognized as revenues or expenses 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.

(k) Taxation and related revenues:

Property tax billings are prepared by the Corporation based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by City Council incorporating amounts to be raised for local services and amounts the Corporation is required to collect on behalf of the Province of Ontario in respect of education taxes. Realty taxes are billed based on the assessment rolls provided by MPAC. Taxation revenues are recorded at the time tax billings are issued. 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 Corporation determines the taxes applicable and renders supplementary tax billings. 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 school boards as appropriate.

(l) 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 annual surplus or deficit, provides the Change in Net Financial Asset (Liability) for the year.

(m) 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. Initial costs for tangible assets that were acquired and developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(m) Tangible capital assets (continued):

The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful life as follows:

Asset	Useful Life - Years
Land improvements	15 years
Buildings and leasehold improvements	20 to 100 years
Vehicles and equipment	5 to 10 years
Computer hardware and software	5 to 10 years
Water and waste plants and networks:	
– underground and other networks	15 to 75 years
– sewage treatment plants and facilities	50 to 75 years
Transportation:	
– roads	15 to 26 years
– bridges and other structures	25 to 75 years

Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

The Corporation has a capitalization threshold so that individual tangible capital assets of lesser value are expensed, unless they are pooled, because collectively they have significant value, or for operational reasons.

The carrying value of an item of capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount is not recoverable and exceeds its fair value. Capital assets have been reviewed for full or partial impairment. Management has determined there are none.

(n) Contribution of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. Similarly, transfer of assets to third parties are recorded as an expense equal to the net book value of the assets as of the date of transfer.

(o) Works of art and historical treasures:

The Corporation owns both works of art and historical treasures at various museums and facilities. These assets are deemed worthy of preservation because of the social rather than financial benefits they provide the community. These assets are not recorded as tangible capital assets and are not amortized.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(p) Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expense as incurred.

(q) Inventory of supplies:

Inventories held for consumption are recorded at the lower of cost and replacement cost.

(r) Foreign currencies:

Foreign currency transactions entered into by the Corporation have been translated at the exchange rate prevailing at the date of transaction. Monetary assets have been translated at the year-end exchange rate. Foreign exchange gain and losses are included in the Consolidated Statement of Operations.

(s) Use of estimates:

The preparation of consolidated financial statements in conformity with accounting policies as issued by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Financial instruments:

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

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

3. Cash and investments:

The cash and investments balance consists of the following:

	Market value	2021	2020
City of Belleville:			
Cash and chequing accounts	\$ 75,001,983	\$ 75,001,983	\$ 57,648,781
Mutual funds/segregated funds	1,763,656	1,763,656	38,572,204
Fixed income accounts	35,500,000	35,500,000	15,287,970
Principal protected notes	21,802,707	21,000,014	6,000,029
Belleville Public Library Board	439,094	439,094	373,165
Belleville Downtown Improvement Area	96,972	96,972	90,797
Centre and South Hastings Waste Services Board	270,441	416,688	270,441
	\$ 134,874,853	\$ 134,218,407	\$ 118,243,387

Cash and investments in the amount of \$36,592,421 (2020 - \$35,662,628) have been restricted to support obligatory reserve funds, reserves and deferred revenue.

4. Long-term investments:

Long-term investments balance consists of the following:

	2021	2020
Net investment in lease (a)	\$ –	\$ 51,000
Bell Boulevard water and sewer recoverable costs (b)	2,208,756	1,910,181
Local improvement levies receivable (c)	26,087	37,901
Note receivable Elexicon Corporation (d)	2,206,000	2,206,000
Note receivable Elexicon Energy Inc. (d)	5,588,000	5,588,000
Notes receivable - other (e)	8,581,145	8,581,145
Other investments	361,965	433,568
	\$ 18,971,953	\$ 18,807,795

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

4. Long-term investments (continued):

(a) Net investment in lease:

The net investment in lease includes the following:

	2021	2020
Total lease payments receivable	\$ —	\$ 51,590
Less: unearned interest income	—	590
	\$ —	\$ 51,000

The Corporation purchased equipment and leased the equipment to a company which is accounted for as a direct financing lease. Terms of the lease include monthly payments of \$10,318 starting July 1, 2011 and matured June 1, 2021; an incremental borrowing rate of 5.25%; an option to purchase the equipment for a nominal amount at the conclusion of the lease agreement; security of an irrevocable letter of credit in the amount of \$200,000 which remained in place for the term; in the event of default the equipment supplier agrees to buy back the equipment from the Corporation at the depreciated cost.

(b) Bell Boulevard water and sewer recoverable costs:

The Corporation entered into a servicing agreement with the owners of lands on the westerly end of Bell Boulevard to attract development to the area. All recoverable costs as a result of the Corporation installing services, together with accrued interest, shall be repayable at the earlier of the issuance of a building permit for development or the expiry of 15 years from the date of the agreement. The interest rate throughout the term of this agreement is fixed at the rate of 2.67%. Security consists of a one-foot road frontage which will be released once the recoverable costs are paid or satisfactory terms of payment have been arranged with the Corporation.

Deposits received of \$Nil (2020 - \$50,782) regarding these costs have been included in deferred revenue as disclosed in note 9.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

4. Long-term investments (continued):

(c) Local improvement levies receivable:

Improvements to infrastructure are often requested by residents such as extending waterlines, sewers, sidewalks, or curb and gutters to new areas, or repairs and upgrades to municipal drains. The Corporation records the outstanding ratepayer funding of these local improvements as a receivable in the Consolidated Statement of Financial Position. The levies are receivables and bear interest at the rate of 4.27%. The ratepayers have the option to pay the balance of the loan at any time. The local improvement levies receivable for capital projects on the tax roll consist of the following:

	2021	2020
Water	\$ 15,129	\$ 21,981
Wastewater	10,958	15,920
	\$ 26,087	\$ 37,901

(d) Notes receivable:

The note receivable from Elexicon Corporation is payable on demand, bears interest at 4.13% at the Ontario Energy Board deemed long-term debt rate for ten years.

The note receivable from Elexicon Energy Inc. is payable on demand, bears interest at 4.13% the Ontario Energy Board deemed long-term debt rate for ten years. Elexicon Corporation has guaranteed the note receivable from Elexicon Energy Inc. to the City of Belleville.

On the tenth anniversary of the date of these notes, the interest rate per annum shall be adjusted to the deemed long-term rate in effect at that time. Thereafter, the interest rate per annum shall be adjusted to match the then current deemed long-term rate in effect at the earlier of (i) the five year anniversary of the most recent interest rate adjustment date of this note, and (ii) the date (following the most recent interest rate adjustment of the note) on which Elexicon Energy Inc. files a cost of service application with the Ontario Energy Board. The City of Belleville may demand full or partial repayment of the notes together with any accrued interest with sixty days' notice. Elexicon Energy Inc. has the option of prepaying the principal amount at any time, in whole or in part with the prior written consent of the City of Belleville.

The Corporation has waived the right to demand repayment of any portion of the principal on the notes receivable before the date of January 1, 2023.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

4. Long-term investments (continued):

(e) Notes receivable - other:

The notes receivable - other consists of the following:

	2021	2020
Notes receivable in Canadian dollars	\$ 8,581,145	\$ 8,581,145

The Corporation has agreed to advance a Company up to \$6,500,000 United States dollars (USD). The loan agreement provides for the actual promissory note to be stated in Canadian dollars based on the exchange rate in effect at the time of each advance.

The loan shall be advanced in multiple tranches as follows:

The first \$3,250,000 USD is non-interest bearing, is repayable upon certain triggering events. The borrower may prepay this note at any time without notice or bonus. In 2016 the Corporation advanced the Company \$3,250,000 USD and received a promissory note for \$4,296,175 Canadian dollars.

The second \$3,250,000 USD bears interest at 1.5% per annum calculated semi-annually effective October 1, 2016, monthly interest payments (including accrued interest from October 1, 2016) commencing on January 1, 2018, monthly principal payments of \$22,032 commencing October 31, 2020 with maturity date of September 30, 2025. The maturity date of the note shall be extended to the date of renewed lease termination, if the lease is renewed between the Corporation and the Company. In the event that the average paid ticket sales for the regular season of the Company is below 3,500 ticket sales per game then the principal payment for the year in question (commencing October 1) shall be reduced by the same percentage that the percentage of sales is below 3,500 ticket sales.

The borrower and the Corporation have agreed to suspend certain principal and interest payments pursuant to the loan agreement and grid note and rental payments pursuant to the lease and license as a result of Covid-19 crisis provided that the parties are able to negotiate and complete the terms of formal amending and extension agreements.

The Corporation holds various security on the note receivable including restrictions on control, borrowing, return of capital and a guarantee in the amount of \$3,965,700.

Triggering events under the loan agreement include; the Company relocating, sale of the Company, or a change in control outside of the current ownership.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

4. Long-term investments (continued):

(f) Investment in government partnership:

The Corporation is a member of the Centre & South Hastings Waste Services Board, a Joint Municipal Service Board operating waste reduction programs including recycling, hazardous waste management and composting. Consistent with generally accepted accounting treatment for government partnerships, the joint service board is accounted for on a proportionate consolidated basis whereby the Corporation's pro-rata share of each of the financial assets, liabilities, non-financial assets, revenues and expenses are combined on a line by line basis in the consolidated financial statements.

During the year the Corporation paid \$1,036,628 (2020 - \$979,785) to Centre & South Hastings Waste Services Board for recycling services.

5. Investment in government business partnership:

(a) Elexicon Corporation is a government business partnership jointly owned by the City of Pickering, Town of Ajax, Municipality of Clarington, Town of Whitby and City of Belleville. The City of Belleville owns 9,044 Common shares of Elexicon Corporation representing a 9.044% interest in the company which is accounted for using the modified equity basis of accounting.

Elexicon Corporation's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). The following table provides condensed financial information which comprise the consolidated balance sheet, the consolidated statement of income and comprehensive income. The amounts are disclosed in thousands of dollars:

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

5. Investment in government business partnership:

(a) (continued):

Consolidated Balance Sheet

	2021	2020
Current assets	\$ 104,266	\$ 98,525
Non-current assets	585,290	535,562
Total assets	689,556	634,087
Regulatory balances	39,164	26,912
	\$ 728,720	\$ 660,999

	2021	2020
Current liabilities	\$ 85,153	\$ 88,743
Non-current liabilities	391,046	325,415
Shareholders' equity	251,115	245,005
Total liabilities and shareholders' equity	727,314	659,163
Regulatory balances	1,406	1,836
	\$ 728,720	\$ 660,999

Consolidated Statement of Operations

	2021	2020
Revenue	\$ 501,355	\$ 553,366
Commodity cost and expenses	(495,547)	(544,451)
Other income	7,107	5,733
Finance costs and unrealized loss on interest rate swaps	(2,796)	(9,494)
Income before income taxes	10,119	5,154
Income tax expense	(5,871)	(5,194)
Net income (loss)	4,248	(40)
Net movements in regulatory balances, net of tax	12,684	12,539
Other comprehensive income (loss), net of tax: Remeasurements of employee future benefits	558	(999)
Total equity earnings	\$ 17,490	\$ 11,500
City's share of equity earnings	\$ 1,581	\$ 1,040

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

5. Investment in government business partnership:

(b) The Corporation's equity is represented by:

	2021	2020
Promissory notes receivable (note 4)	\$ 7,794,000	\$ 7,794,000
Investment in government business partnership:		
Initial cost of investment in shares	12,954,063	12,954,063
Adjustment on mergers	752,837	752,837
Government business partnership shares	13,706,900	13,706,900
Accumulated share of net earnings	21,851,989	20,270,192
Accumulated dividends received	(12,848,048)	(11,818,840)
Total investment in government business partnership	22,710,841	22,158,252
Total investment in government business partnership and note receivable	\$ 30,504,841	\$ 29,952,252

(c) Equity in government business partnership:

	2021	2020
Balance, beginning of year	\$ 29,952,252	\$ 29,933,622
Equity share of net earnings for the year	1,581,797	1,041,117
Dividends received	(1,029,208)	(1,022,487)
Balance, end of year	\$ 30,504,841	\$ 29,952,252

(d) Contingencies and guarantees of Elexicon Corporation ("Elexicon") as disclosed in their financial statements are as follows:

(i) Insurance claims:

Elexicon is a member of the Municipal Electric Association Reciprocal Insurance Exchange ("MEARIE") which was created on January 1, 1987. A reciprocal insurance exchange may be defined as a group of persons formed for the purpose of exchanging reciprocal contracts of indemnity or inter-insurance with each other. MEARIE provides general liability insurance to member electric utilities. MEARIE also provides vehicle and property insurance to Elexicon.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

5. Investment in government business partnership:

(d) (continued):

(i) Insurance claims (continued):

Insurance premiums charged to each member electric utility consist of a levy per \$1 of service revenue subject to a credit or surcharge based on each electric utility's claims experience. The maximum coverage is \$40,000 per occurrence for liability insurance, \$21,000 for vehicle insurance, and \$198,798 for property insurance and \$12,000 for privacy, cyber, and network security insurance.

(ii) Contractual obligation - Hydro One Networks Inc.:

The Corporation's subsidiary, EEI, is party to a connection and cost recovery agreement with Hydro One related to the construction by Hydro One of a transformer station designated to meet EEI's anticipated electricity load growth. Construction of the project was completed during 2007 and EEI connected to the transformer station during 2008.

To the extent that the cost of the project is not recoverable from future transformation connection revenue, EEI is obligated to pay a capital contribution equal to the difference between these revenue and the construction costs allocated to EEI. The construction costs allocated to EEI for the project are \$19,950.

Hydro One has performed a true-up based on actual load at the end of the tenth anniversary of the in-service date and the Corporation has paid \$nil in 2021 (2020 - \$2,135) to Hydro One and recognized the same as an intangible asset. Hydro One is expected to perform another true-up based on actual load at the end of the fifteenth anniversary of the in-service date.

(iii) Prudential Support:

Purchasers of electricity in Ontario, through the IESO, are required to provide security to mitigate the risk of default based on their expected activity in the market. The IESO could draw on this security if the Corporation fails to make the payment required on a default notice issued by the IESO. The Corporation has provided a \$64,000 guarantee to the IESO on behalf of EEI. Additionally, EEI has provided letters of credit for \$807 to the IESO for prudential support.

(iv) General claims:

From time to time, the Corporation is involved in various lawsuits, claims and regulatory proceedings in the normal course of business. In the opinion of management, the outcome of such matters will not have a material adverse effect on the Corporation's consolidated financial position and results of operations or cash flows.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

6. Construction advance:

The Corporation previously approved the temporary borrowing for financing capital works in the amount of \$3,100,000 (2020 - \$3,100,000) and incurs interest at a floating monthly construction rate which at December 31, 2021 was 0.70% (2020 - 0.66%).

7. Employee benefits payable:

(a) The Corporation provides certain employee benefits which will require funding in future periods. An actuarial valuation of future liabilities as at January 1, 2019 was completed on April 23, 2020 and forms the basis for the estimated liability reported in these financial statements.

The main actuarial assumptions employed for the valuation are as follows:

(i) Interest (discount) rate:

The obligation as at December 31, 2021, of the present value of future liabilities and the expense for the 12 months ended December 31, 2020, were determined using an annual discount rate of 3.00% (2020 - 3.00%). This corresponds to the Corporation's cost of borrowing and the long term yield on high quality bonds at the date of the valuation.

(ii) Salary levels:

Future general salary and wages level were assumed to increase at 3.00% (2020 - 3.00%) per annum.

(iii) Medical costs:

Medical costs were assumed to increase at 4.20% in 2021 to 2024, 5.30% in 2025 to 2034, 4.60% in 2035 to 2039 and to an ultimate rate of 4.00% per annum in 2024 and thereafter.

(iv) Dental costs:

Dental costs were assumed to increase at 4.50% in 2021 to 2024, 5.60% in 2025 to 2029, 5.3% in 2030 to 2034, 4.60% in 2035 to 2039 and to an ultimate rate of 4.00% per annum in 2040 and thereafter.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

7. Employee benefits payable (continued):

(a) (continued)

	Medical, dental, life insurance benefits	Sick leave benefits	2021 Total	2020 Total
Employee future benefits payable, beginning of year	\$ 14,880,295	\$ 2,458,725	\$ 17,339,020	\$ 16,922,090
Current service costs	704,240	140,525	844,765	891,060
Interest expense on benefits	430,200	76,189	506,389	492,555
Benefits payments	(753,151)	(119,214)	(872,365)	(879,885)
Amortization of actuarial gain	(86,791)	–	(86,791)	(86,800)
Employee future benefits payable, end of year	\$ 15,174,793	\$ 2,556,225	\$ 17,731,018	\$ 17,339,020
Employee future benefits payable consists of:				
Unfunded accrued benefit obligations	\$ 12,616,273	\$ 2,556,225	\$ 15,172,498	\$ 16,471,055
Unamortized actuarial gain	2,558,520	–	2,558,520	867,965
	\$ 15,174,793	\$ 2,556,225	\$ 17,731,018	\$ 17,339,020

(b) Pension plan:

The Corporation makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employees and the Corporation contribute jointly to the plan.

Contributions for employees with a normal retirement age of 65 were being made at a rate of 9.0% (2020 - 9.0%) for earnings up to the annual maximum pensionable earnings of \$61,600 (2020 - \$58,700) and at a rate of 14.6% (2020 - 14.6%) for earnings greater than the annual maximum pensionable earnings.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

7. Employee benefits payable (continued):

(b) Pension plan (continued):

Contributions for employees with a normal retirement age of 60 were being made at a rate of 9.2% (2020 - 9.2%) for earnings up to the annual maximum pensionable earnings of \$61,600 (2019 - \$58,700) and at a rate of 15.8% (2020 - 15.8%) for earnings greater than the annual maximum pensionable earnings.

The amount contributed to OMERS for 2021 was \$4,528,102 (2020 - \$4,507,802) for current service and is included as an expense on the Consolidated Statement of Operations. The actuarial valuation of the OMERS plan at December 31, 2021 indicated an actuarial deficit of \$3.1 billion (2020 - \$4.3 billion) in the plan. OMERS is a multi-employer plan, any pension plan surplus or deficit are a joint responsibility of Ontario Municipal organizations and their employees. As a result, the Corporation does not recognize any share of the OMERS pension surplus or deficit in the consolidated financial statements.

(c) Liability for vested sick leave benefit:

Under the sick leave benefit plan, unused sick leave can accumulate and certain employees may become entitled to a cash payment when they leave the Corporation's employment.

(d) Reserves

Reserves of \$8,492,459 (2020 - \$8,403,736) have been established to partially provide for these liabilities, and are reported in schedule 1 to the consolidated financial statements.

8. Other liabilities:

Other liabilities balance consists of the following:

	2021	2020
Liability for annual leave	\$ 1,306,582	\$ 1,230,070
Solid waste landfill closure and post-closure care	2,680,000	870,000
Contaminated sites liability	320,000	320,000
	<u>\$ 4,306,582</u>	<u>\$ 2,420,070</u>

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

8. Other liabilities (continued):

(a) Liability for annual leave:

Under the Corporation's employment policies, unused annual leave may accumulate and employees may become entitled to a cash payment when they leave the Corporation's employment. The estimated liability for annual leave which could be taken in cash by an employee on termination amounted to \$1,306,582 (2020 - \$1,230,070).

(b) Landfill closure and post-closure care:

The Ontario Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. The estimated liability for these expenditures is recognized based on the cumulative capacity used to date, compared to the total estimated landfill capacity.

The estimated liability for the Thurlow landfill is \$2,680,000 based on the present value of closure and post-closure costs estimated at \$3,416,400, using assumed rates of 2.69% for inflation and 2.31% for interest.

The Thurlow landfill has an estimated remaining capacity of 21.48% and is expected to provide capacity for 14 years based on current waste generation rates.

A reserve of \$894,640 (2020 - \$812,808) has been established to provide for this liability and is reported in schedule 1 to the consolidated financial statements.

Post-closure care is estimated to continue for a period of approximately 25 years.

(c) Contaminated sites liability:

The Corporation is responsible for the remediation of contaminated sites that are no longer in productive use where the Corporation is directly responsible or has accepted responsibility for remediation. The Corporation utilizes a risk based assessment approach for identifying sites with potential contamination, for which a provision may need to be provided. A provision for future clean-up costs and monitoring has been accrued based on environmental assessments.

From time to time, there may be uncertainty as to whether the Corporation has a legal responsibility or accepts responsibility for a contaminated site that may be reportable under PS 3260. It is not expected that the impact of any such sites would have a material impact on the consolidated financial statements. When the Corporation is able to determine that it accepts or is legally responsible for contamination of a site and all other criteria have been met, the Corporation will accrue a liability for these future clean-up costs.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

9. Deferred revenue:

The deferred revenue balance consists of the following:

Cost	Balance at December 31, 2020	Additions	Transferred to income	Balance at December 31, 2021
Obligatory reserve funds:				
Development charges	\$ 15,294,408	\$ 7,408,038	\$ (4,913,593)	\$ 17,788,853
Park	187,866	8,412	(67,745)	128,533
Building code act	4,920,619	360,552	(49,600)	5,231,571
Provincial gas tax	2,325,656	846,218	(1,332,404)	1,839,470
Federal gas tax	7,172,287	6,331,637	(6,058,863)	7,445,061
Other:				
Belleville Public Library	15,514	(57)	(2,000)	13,457
Bell Boulevard water and sewer extension	50,782	–	(50,782)	–
Centre and South Hastings Waste Services Board	41,383	–	(19,042)	22,341
Belleville Downtown Improvement Area	–	54,343	–	54,343
Government transfers	5,005,902	3,368,431	(4,419,712)	3,954,621
Safe restart agreement (SRA) general municipal funding	676,003	776,754	(1,452,757)	–
Safe restart agreement (SRA) transit funding	13,591	1,098,243	(921,311)	190,523
Prepaid taxation	591,690	629,071	(591,690)	629,071
Miscellaneous	106,395	198,012	(106,395)	198,012
Total	\$ 36,402,096	\$ 21,079,654	\$ (19,985,894)	\$ 37,495,856

A requirement of the public sector accounting board of Chartered Professional Accountants Canada Public Sector Accounting handbook is that Obligatory Reserve Funds be reported as deferred revenue. This requirement is in place as provincial legislation or agreements restricts how these funds may be used and under certain circumstances, these funds may possibly be refunded.

Other deferred revenue consist of revenues related to user fees, development agreements and donations to be recognized in future years, and government transfers received prior to revenue recognition criteria being met.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

10. Municipal debt:

The municipal debt balance consists of the following:

Debt instrument	Interest rate	Payment frequency	Payment type	Payment amount	Maturity date	2021	2020
Debenture	2.35%	Semi-Annual	Principal and interest	\$ 140,000	Jan-21	\$ —	\$ 140,000
Debenture	3.19%	Semi-Annual	Principal and interest	71,745	Jun-27	718,597	836,336
Debenture	2.46%	Semi-Annual	Principal and interest	34,454	Oct-31	607,580	660,562
Debenture	3.47%	Semi-Annual	Principal and interest	129,050	Jun-32	2,255,045	2,430,320
Debenture	3.19%	Semi-Annual	Principal and interest	759,638	Apr-33	14,529,684	15,560,730
Debenture	3.86%	Monthly	Principal and interest	235,860	Jul-33	26,401,993	28,175,884
Debenture	3.34%	Semi-Annual	Principal and interest	1,143,829	Nov-35	25,415,748	26,819,266
Debenture	2.78%	Semi-Annual	Principal and interest	849,329	Oct-36	20,718,969	21,818,657
Debenture	1.88%	Semi-Annual	Principal and interest	46,475	Dec-35	1,139,467	1,210,000
Debenture	2.13%	Semi-Annual	Principal and interest	182,839	Dec-40	5,689,357	5,930,000
Debenture	2.30%	Semi-Annual	Principal and interest	331,627	Dec-45	12,180,403	12,557,000
						\$ 109,656,843	\$ 116,138,755
Long-term debt is comprised of:							
Tax supported						\$ 92,226,103	\$ 97,620,849
User fee supported debt						17,430,740	18,517,906
						\$ 109,656,843	\$ 116,138,755

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

10. Municipal debt (continued):

Principal and interest repayments are estimated to be as follows:

	Principal	Interest	Total
2022	\$ 6,549,240	\$ 3,379,041	\$ 9,928,281
2023	6,763,537	3,164,746	9,928,283
2024	6,985,039	2,943,251	9,928,290
2025	7,213,988	2,714,300	9,928,288
2026 and thereafter	82,145,039	14,260,645	96,405,684
	<u>\$ 109,656,843</u>	<u>\$ 26,461,983</u>	<u>\$ 136,118,826</u>

For the purposes of the above, it has been assumed that the demand loans will be paid to maturity based on current repayment terms.

Interest expense recorded in the year relating to the municipal debt is \$3,578,803 (2020 - \$3,458,453).

11. Related party transactions and balances:

Elexicon Corporation

The Corporation is a shareholder in Elexicon Corporation (note 5) and receives electricity and other services from this company.

	2021	2020
Related party balances:		
Accounts receivable	\$ 35,506	\$ 36,020
Accounts payable and accrued liabilities	422,256	558,296
Promissory notes receivable (note 4)	7,794,000	7,794,000
Related party transactions:		
Revenues:		
Interest on promissory notes	321,892	336,955
Property taxes paid	69,810	47,401
Expenses:		
Electrical energy and services	2,273,326	1,926,015

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

12. Contingent liabilities and commitments:

The Corporation has a commitment to Hastings County to finance debentures related to the capital construction of Hastings Manor of approximately \$2,541,800 based on current proportionate share of resident days, with annual payments of approximately \$924,300 for 2 years. Debentures have an effective interest rate of 4.14% to 4.74% with maturity dates from August 31, 2023 to September 30, 2023.

The Corporation has a commitment to Hastings County to finance debentures related to the capital construction of Centennial Manor of approximately \$125,300 based on a proportionate share of weighted assessment (Thurlow and Quinte annex), with annual payments of approximately \$86,600 for 1 year. Debentures have an effective interest rate of 2.97% to 3.70% with maturity date of May 31, 2022.

The Corporation has an agreement with a Crown Agency of the Province of Ontario to operate the Corporation's water pollution control facilities to December 31, 2022 with the option for five-year extensions. During the year, payments under the agreement totalled \$3,229,448 (2020 - \$3,141,562).

As at December 31, 2021 the Corporation has outstanding capital project contractual commitments of approximately \$12,242,100.

As at December 31, 2021, certain legal actions are pending against the Corporation. An estimate of the contingency cannot be made since the outcome of these matters cannot be determined at this time. The Corporation carries liability insurance. Any settlement in excess of amounts which have been recorded in the accounts and insurance coverage will be accounted for as a current transaction in the year of settlement.

Contingent environmental liabilities may arise out of existing and former operations. Such liabilities are different from environmental remediation and solid waste landfill closure and post-closure care liabilities because the liabilities are not determinable, the condition which may give rise to the expenditures are uncertain, and the future expectations of the applicable regulatory authorities are not known. Potential costs that may arise in connection with such liabilities are not included in the Corporation's Consolidated Statement of Operations until the source and nature of the obligation becomes clear and is reasonably estimable.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

13. Contractual rights:

The Corporation is involved in various contracts and agreements arising in the ordinary course of business. This results in contractual rights to economic resources, leading to both assets and revenue in the future.

(a) Lease revenue:

The Corporation has entered into a number of fixed term lease agreements for the use of Corporation owned land and/or buildings that are anticipated to provide the Corporation with future revenues.

(b) Developer contributions:

The Corporation has entered into property development agreements which require the developers to contribute various infrastructure assets to the Corporation, including roads and underground networks. The timing and extent of these future contributions vary depending on development activity and fair value of the assets at time of contribution which cannot be determined with certainty at this time.

(c) Funding agreements and grants:

The Corporation is the recipient of funding agreements and grants from federal, provincial, municipal and other government agencies. These funding agreements do not abnormally impact the Corporation's financial position and do not guarantee the Corporation the right to future funding. At December 31, 2021, the balance of the outstanding contractual rights not accrued in the financial statements are as follows:

2022	\$ 3,216,931
2023	3,356,798
	<hr/> \$ 6,573,729 <hr/>

(d) Municipal contribution agreement:

The Corporation has entered into a contribution agreement with the Ontario Lottery & Gaming (OLG) Corporation. Under this agreement the Corporation receives a percentage of net gaming revenue generated by the Shorelines Casino Belleville through a quarterly unrestricted transfer from OLG.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

14. Provincial offences administration:

As a result of the provincial-municipal restructuring under Bill 108, streamlining of administration of Provincial Offences Act (POA) 1997, the County of Hastings has assumed responsibility and administration of the POA office and courts for the County, the City of Belleville and the City of Quinte West.

Revenues from POA office consists of fines levied under Part I and III (including delay penalties) for POA charges filed at 253 Pinnacle Street in Belleville. Offenders may pay their fines at any court office in Ontario, at which time, their receipt is recorded in the Integrated Courts Operations Network system ("ICON") operated by the Province of Ontario. The County of Hastings recognized fine revenue when the receipt of funds is recorded by ICON and matched to the offence notice, regardless of the location where the payment is made.

The City of Belleville shares net POA revenues based on proportionate number of tickets issued. During the year the City of Belleville received \$84,808 (2020 - \$128,977) in net POA revenues.

15. Accumulated surplus:

The accumulated surplus position is comprised of the following:

	2021	2020
Net book value of tangible capital assets	\$ 687,455,367	\$ 676,371,579
Less: related debt	112,756,843	119,135,527
Equity in tangible capital assets	574,698,524	557,236,052
Capital projects	(3,316,624)	(7,171,086)
Reserves and reserve funds (schedule 1)	96,984,532	87,448,712
Amounts to be recovered:		
Landfill closure and post-closure costs	(2,680,000)	(870,000)
Employee costs	(19,037,600)	(18,265,277)
Contaminated sites	(320,000)	(320,000)
Equity in government business partnership (note 5)	30,504,841	29,952,252
Unrestricted surplus:		
City of Belleville	28,196,331	27,304,965
Belleville Public Library Board	159,077	157,572
Belleville Downtown Improvement Area	57,347	66,977
Centre and South Hastings Waste Services Board	(185,828)	(400,157)
	\$ 705,060,600	\$ 675,140,010

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

16. Operations of school board:

Further to note 1, the taxation, other revenues and expenses of school boards are comprised the following:

	2021	2020
Taxation	\$ 18,173,655	\$ 21,560,001
Requisitions	(18,173,655)	(21,560,001)
	\$ —	\$ —

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

17. Tangible capital assets:

2021	GENERAL						INFRASTRUCTURE					Total 2021
	Land and land improvements	Building and leasehold improvements	Vehicles and equipment	Computer hardware and software	Other	Assets under construction	Plant and facilities	Roads	Underground and other networks	Bridges and other structures	Assets under construction	
Cost												
Opening cost	\$ 70,057,360	\$ 143,495,130	\$ 33,531,985	\$ 7,794,971	\$ 20,983,596	\$ 3,717,689	\$ 112,572,687	\$ 348,714,769	\$ 356,426,673	\$ 42,242,874	\$ 17,528,794	\$ 1,157,066,528
Additions during the year	6,379,266	3,722,526	6,327,943	926,162	1,079,455	12,772,530	823,318	13,131,613	8,065,958	4,691,690	25,965,107	83,885,568
Disposals during the year	(214,995)	(7,702)	(1,617,867)	(180,974)	(585,948)	(14,844,272)	-	(1,472,394)	(946,220)	-	(29,587,567)	(49,457,939)
Closing cost	76,221,631	147,209,954	38,242,061	8,540,159	21,477,103	1,645,947	113,396,005	360,373,988	363,546,411	46,934,564	13,906,334	1,191,494,157
Accumulated amortization												
Opening accumulated amortization	18,348,667	28,587,104	18,523,125	3,585,812	11,697,206	-	48,966,636	238,421,268	101,767,441	10,797,690	-	480,694,949
Amortization during the year	2,186,595	4,031,608	2,425,259	1,200,670	1,427,556	-	2,491,566	8,159,753	5,105,366	643,523	-	27,671,896
Disposals and writedowns	(23,062)	(28,831)	(1,522,459)	(180,964)	(584,158)	-	-	(1,472,394)	(516,187)	-	-	(4,328,055)
Closing accumulated amortization	20,512,200	32,589,881	19,425,925	4,605,518	12,540,604	-	51,458,202	245,108,627	106,356,620	11,441,213	-	504,038,790
Net book value	\$ 55,709,431	\$ 114,620,073	\$ 18,816,136	\$ 3,934,641	\$ 8,936,499	\$ 1,645,947	\$ 61,937,803	\$ 115,265,361	\$ 257,189,791	\$ 35,493,351	\$ 13,906,334	\$ 687,455,367
2020	GENERAL						INFRASTRUCTURE					Total
	Land and land improvements	Building and leasehold improvements	Vehicles and equipment	Computer hardware and software	Other	Assets under construction	Plant and facilities	Roads	Underground and other networks	Bridges and other structures	Assets under construction	2020
Cost												
Opening cost	\$ 62,644,806	\$ 118,630,983	\$ 31,282,218	\$ 4,431,186	\$ 19,240,343	\$ 23,975,264	\$ 110,798,619	\$ 333,084,216	\$ 330,741,005	\$ 41,990,905	\$ 26,021,078	\$ 1,102,840,623
Additions during the year	7,413,283	24,867,509	3,518,287	3,435,687	2,319,089	17,926,351	1,774,068	17,545,288	26,022,361	251,969	31,134,980	136,208,872
Disposals during the year	(729)	(3,362)	(1,268,520)	(71,902)	(575,836)	(38,183,926)	-	(1,914,735)	(336,693)	-	(39,627,264)	(81,982,967)
Closing cost	70,057,360	143,495,130	33,531,985	7,794,971	20,983,596	3,717,689	112,572,687	348,714,769	356,426,673	42,242,874	17,528,794	1,157,066,528
Accumulated amortization												
Opening accumulated amortization	16,307,987	25,068,317	17,582,547	2,796,559	10,882,463	-	46,538,024	231,429,092	97,049,785	10,187,944	-	457,842,718
Amortization during the year	2,040,871	3,521,542	2,121,328	861,132	1,389,852	-	2,428,612	8,831,120	4,875,276	609,746	-	26,679,479
Disposals and writedowns	(191)	(2,755)	(1,180,750)	(71,879)	(575,109)	-	-	(1,838,944)	(157,620)	-	-	(3,827,248)
Closing accumulated amortization	18,348,667	28,587,104	18,523,125	3,585,812	11,697,206	-	48,966,636	238,421,268	101,767,441	10,797,690	-	480,694,949
Net book value	\$ 51,708,693	\$ 114,908,026	\$ 15,008,860	\$ 4,209,159	\$ 9,286,390	\$ 3,717,689	\$ 63,606,051	\$ 110,293,501	\$ 254,659,232	\$ 31,445,184	\$ 17,528,794	\$ 676,371,579

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

18. Segmented information:

The Corporation of the City of Belleville is a municipal government institution, responsible for providing a wide range of services to its citizens. For management reporting purposes the Corporation's operations and activities are organized and reported by department. These departments are reported by functional area in the body of the financial statements similar to reporting reflected in the Ontario Financial Information Return.

These functional areas represent segments for the Corporation and expanded disclosure by object has been reflected in schedule 2: Segment Disclosure Statement of Operations. For each segment, the revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1.

19. Budget figures:

The operating and capital budgets are approved by Council each year. The capital budget is set 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 the current year actual amounts, budget figures have been reflected on the Consolidated Statement of Operations and the Consolidated Statement of Changes in Net Financial Asset (Liability). Budget figures have been reclassified for the purpose of these financial statements to conform with PSAB reporting requirements (see schedule 3).

20. Impact of COVID-19:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian, Ontario and municipal governments, enacting emergency measures to combat the spread of the virus. The pandemic has had significant operational and financial impacts as a result of social and market disruption.

The Corporation continues to experience impacts of the pandemic in the 2022 fiscal year. Impacts have been mitigated by associated funding and other cost saving measures. The outcome and time frame for a recovery from the pandemic is unknown, and therefore it is not practicable to estimate and disclose its financial effect on future operations at this time.

21. Comparative information:

Certain comparative information has been reclassified to conform to the financial statement presentation adopted in the current year.

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 1: Continuity of Reserves and Reserve Funds

Year ended December 31, 2021

	Balance	Revenue Contributions				Transfers				Balance
	Jan. 1, 2021	Interest	Operations	Capital	TOTAL	Operations	Capital	Interfund	TOTAL	Dec. 31, 2021
Reserves										
Belleville Downtown Improvement	41,134	-	-	-	-	-	-	-	-	41,134
Belleville Library	86,798	-	15,000	-	15,000	19,104	-	-	19,104	82,694
Centre & South Hastings Waste Services Board	692,247	-	-	-	-	11,681	-	-	11,681	680,567
Future Expenditures	3,334,636	-	690,167	-	690,167	472,703	-	165,388	638,091	3,386,712
	4,154,816	-	705,167	-	705,167	503,488	-	165,388	668,876	4,191,107
Reserve Funds										
Accessibility	19,559	42	-	-	42	-	-	-	-	19,601
Archives Facility	90,174	194	-	-	194	-	-	-	-	90,368
Arts & Culture	4,266	9	-	-	9	-	-	-	-	4,275
Belleville Library	88,783	446	60,000	-	60,446	-	-	-	-	149,230
Brownfields Development	269,739	467	45,116	-	45,582	50,000	-	-	50,000	265,321
Canada Day	43,226	93	-	-	93	-	-	-	-	43,319
Capital Equipment	1,354,084	2,599	540,000	148,630	691,228	-	849,765	-	849,765	1,195,548
Capital Levy	4,793,354	10,294	3,000,000	525,974	3,536,268	-	4,001,915	(165,388)	3,836,527	4,493,095
Casino	2,713,327	6,638	1,834,943	30,579	1,872,160	328,800	786,838	-	1,115,638	3,469,848
Community Improvement Plan (CIP)	352,848	1,295	500,000	-	501,295	-	-	-	-	854,143
Election Expenses	183,972	472	71,181	-	71,653	-	-	-	-	255,625
Elexicon Revenue	485,876	1,541	1,351,100	-	1,352,641	887,878	-	-	887,878	950,639
Environmental Remediation	1,900,677	4,243	150,000	-	154,243	-	-	-	-	2,054,920
Façade Improvement	320,445	466	-	-	466	37,828	-	-	37,828	283,083
Facilities	531,251	1,168	25,000	6,739	32,907	-	13,860	-	13,860	550,298
Flood Control	289,000	709	81,850	-	82,558	-	-	-	-	371,558
Future Employee Benefits	8,403,736	18,124	550,000	-	568,124	479,400	-	-	479,400	8,492,459
Harbour	121,181	212	50,000	25,000	75,212	-	121,200	-	121,200	75,193
Industrial Land	651,614	1,399	-	-	1,399	-	-	-	-	653,013
Infrastructure Oversizing - Wastewater	315,835	732	50,000	-	50,732	-	-	-	-	366,567
Infrastructure Oversizing - Water	400,774	914	50,000	-	50,914	-	-	-	-	451,689
Municipal Accommodation Tax	594,799	1,393	403,690	-	405,083	68,018	110,000	-	178,018	821,864
Museum Collections	6,052	13	-	-	13	-	-	-	-	6,065
Museum Improvements	21,791	47	-	-	47	-	-	-	-	21,838
Parking Development	1,201,407	2,271	4,000	95,570	101,841	58,721	225,000	-	283,721	1,019,527
Police Facility	1,069,585	3,371	1,000,000	-	1,003,371	-	-	-	-	2,072,956
Recreation Facilities	136,403	212	(57)	12,665	12,821	-	95,000	-	95,000	54,224
Road Renewal	1,559,114	3,241	-	3,278	6,519	-	150,199	-	150,199	1,415,434
Sanitary Sewer	13,775,751	27,132	3,667,684	539,124	4,233,940	50,000	5,352,196	-	5,402,196	12,607,494
Sidewalks	417,688	763	-	-	763	-	125,000	-	125,000	293,451
Solar	961,412	2,072	225,000	10,739	237,811	43,000	175,000	-	218,000	981,223
Stormwater Management	845,425	1,797	-	-	1,797	17,350	-	-	17,350	829,871
Tax Rate Stabilization	7,323,997	16,474	3,486,100	-	3,502,574	-	-	-	-	10,826,571
Thurlow Landfill	812,808	1,831	80,000	-	81,831	-	-	-	-	894,640
Waste Management	62,408	134	-	-	134	-	-	-	-	62,543
Water Service	30,308,077	-	9,958,259	1,599,215	11,557,474	50,000	7,406,791	-	7,456,791	34,408,761
Winter Control	863,456	2,528	521,187	-	523,715	-	-	-	-	1,387,171
	83,293,896	115,335	27,705,054	2,997,513	30,817,901	2,070,996	19,412,764	(165,388)	21,318,372	92,793,425
TOTALS	87,448,712	115,335	28,410,221	2,997,513	31,523,068	2,574,484	19,412,764	(0)	21,987,248	96,984,532

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 2: Segment Disclosure Statement of Operations

Year ended December 31, 2021

2021	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Culture Services	Planning and Development	Social Housing	Total
Revenue										
Municipal taxation	\$ 10,083,498	\$ 32,641,531	\$ 17,827,772	\$ 3,344,596	\$ 6,008,565	\$ 5,714,961	\$ 16,965,659	\$ 3,850,964	\$ 5,561,496	\$ 101,999,042
Taxation from other governments	383,590	881,628	322,094	82,246	145,614	138,499	412,093	86,835	134,780	2,587,379
User charges	1,367,586	1,761,997	1,870,246	30,533,300	-	-	1,352,940	1,370,339	-	38,256,408
Grants - Government of Canada	-	58,133	-	-	-	-	3,567	-	-	61,700
Grants - Province of Ontario	1,554,955	1,776,975	946,211	-	-	-	204,073	466,128	-	4,948,342
Grants - other municipalities	-	179,571	-	4,597	-	-	-	-	-	184,168
Fines	-	87,027	226,144	-	-	-	-	-	-	313,171
Investment income	721,892	-	-	201,457	-	-	3,370	-	-	926,719
Interest and penalties on taxes	583,001	-	-	-	-	-	-	-	-	583,001
Development charges	-	203,010	78,258	276,151	-	-	651,477	242,576	-	1,451,472
Donations	-	-	-	-	-	-	49,440	-	-	49,440
Ontario Lottery and Gaming Corporation	1,321,724	-	-	-	-	-	-	-	-	1,321,724
Total revenue	16,016,246	37,589,872	21,270,725	34,442,347	6,154,179	5,853,460	19,642,619	6,016,842	5,696,276	152,682,566
Expenses										
Salaries, wages and employee benefits	6,874,800	31,650,724	9,591,471	4,914,488	-	-	9,362,359	1,454,370	-	63,848,212
Interest on long-term debt	-	219,342	1,339,521	600,129	-	-	1,032,856	386,955	-	3,578,803
Materials and supplies	1,886,735	3,806,489	5,952,653	5,216,549	-	-	4,558,914	1,030,372	-	22,451,712
Contracted services and general services	1,161,960	888,445	778,818	8,030,126	-	-	758,388	358,075	-	11,975,812
Rents and financial expenses	1,695,008	100,130	79,616	1,743,236	-	-	61,010	7,871	-	3,686,871
External transfers	975,260	859,685	-	-	5,660,059	5,182,589	-	899,685	5,455,779	19,033,057
Interfunctional adjustments	(228,700)	50,000	(50,500)	204,200	-	-	25,000	-	-	-
Amortization	377,704	3,305,290	11,283,064	8,134,578	-	-	4,542,611	28,648	-	27,671,895
Total expenses	12,742,767	40,880,105	28,974,643	28,843,306	5,660,059	5,182,589	20,341,138	4,165,976	5,455,779	152,246,362
Annual operating surplus (deficit)	\$ 3,273,479	\$ (3,290,233)	\$ (7,703,918)	\$ 5,599,041	\$ 494,120	\$ 670,871	\$ (698,519)	\$ 1,850,866	\$ 240,497	\$ 436,204

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 2: Segment Disclosure Statement of Operations (continued)

Year ended December 31, 2021

2020	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and culture Services	Planning and Development	Social Housing	Total
Revenue										
Municipal taxation	\$ 6,606,244	\$32,613,814	\$ 17,407,174	\$ 3,483,891	\$ 5,822,800	\$5,440,600	\$15,838,029	\$ 4,336,993	\$5,069,700	\$ 96,619,245
Taxation from other governments	2,394,683	-	-	-	-	-	-	-	-	2,394,683
User charges	1,367,562	855,124	1,329,917	28,502,628	-	-	1,404,424	952,787	-	34,412,442
Grants - Government of Canada	-	-	-	-	-	-	46,224	-	-	46,224
Grants - Province of Ontario	2,105,294	1,722,378	1,215,678	5,470	-	-	156,879	132,788	-	5,338,487
Grants - other municipalities	-	252,664	-	16,347	-	-	-	-	-	269,011
Fines	-	3,500	322,807	-	-	-	-	-	-	326,307
Investment income	637,536	-	-	256,521	-	-	5,572	-	-	899,629
Interest and penalties on taxes	428,909	-	-	-	-	-	-	-	-	428,909
Development charges	38,428	199,084	-	610,363	-	-	470,000	-	-	1,317,875
Donations	-	-	-	-	-	-	51,863	-	-	51,863
Ontario Lottery and Gaming Corporation	875,145	-	-	-	-	-	-	-	-	875,145
Total revenue	14,453,801	35,646,564	20,275,576	32,875,220	5,822,800	5,440,600	17,972,991	5,422,568	5,069,700	142,979,820
Expenses										
Salaries, wages and employee benefits	7,362,938	30,962,511	9,934,754	5,120,241	-	-	8,815,132	1,241,133	-	63,436,709
Interest on long-term debt	-	216,046	1,083,968	647,875	-	-	1,099,853	410,711	-	3,458,453
Materials and supplies	1,624,345	3,313,490	4,547,670	2,853,120	-	-	3,877,258	555,995	-	16,771,878
Contracted services and general services	994,628	527,798	955,162	8,077,106	-	-	501,050	176,560	-	11,232,304
Rents and financial expenses	118,958	100,281	79,922	233,254	-	-	71,201	14,780	-	618,396
External transfers	884,380	790,239	-	-	5,730,849	5,318,862	-	755,323	5,100,342	18,579,995
Interfunctional adjustments	(181,100)	50,269	(405,848)	536,679	-	-	-	-	-	-
Amortization	339,766	2,416,028	11,669,192	7,815,050	-	-	4,403,157	36,285	-	26,679,478
Total expenses	11,143,915	38,376,662	27,864,820	25,283,325	5,730,849	5,318,862	18,767,651	3,190,787	5,100,342	140,777,213
Annual operating surplus (deficit)	\$ 3,309,886	\$ (2,730,098)	\$ (7,589,244)	\$ 7,591,895	\$ 91,951	\$ 121,738	\$ (794,660)	\$ 2,231,781	\$ (30,642)	\$ 2,202,607

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 3: Reconciliation of Financial Plan to Budget

Year ended December 31, 2021

	OPERATING BUDGET	CAPITAL BUDGET	RESERVES AND RESERVE FUNDS	TCA ADJUSTMENTS	BELLEVILLE LIBRARY BOARD	BELLEVILLE DOWNTOWN IMPROVEMENT AREA	CENTRE & SOUTH HASTINGS WASTE SERVICES	ELIMINATIONS	PSAB BUDGET
REVENUES									
Municipal taxation	99,101,600	-	-	-	-	275,000	-	(1,100,800)	98,275,800
Taxation from other governments	2,619,500	-	-	-	-	-	-	-	2,619,500
User fees and sale of goods and services	36,184,000	-	-	-	79,500	5,000	1,007,500	(299,900)	36,976,100
Grants - Government of Canada	41,000	-	-	-	-	-	-	-	41,000
Grants - Province of Ontario	5,399,800	-	-	-	91,000	-	-	-	5,490,800
Grants - Other Municipalities	167,000	-	-	-	2,342,000	15,000	1,041,200	(3,393,500)	171,700
Fines	390,800	-	-	-	-	-	-	-	390,800
Investment income	1,950,000	-	-	-	5,000	-	6,600	-	1,961,600
Penalty and interest on taxes	650,000	-	-	-	-	-	-	-	650,000
Development charges	1,896,800	-	-	-	-	-	-	-	1,896,800
Ontario Lottery and Gaming Corporation	1,236,400	-	-	-	-	-	-	-	1,236,400
Donations	41,200	-	-	-	5,000	-	-	-	46,200
	149,678,100	-	-	-	2,522,500	295,000	2,055,300	(4,794,200)	149,756,700
EXPENDITURES									
General government	13,743,600	-	-	378,000	-	-	-	(87,600)	14,034,000
Protection services	36,625,000	-	-	3,305,000	-	-	-	(14,000)	39,916,000
Transportation services	19,044,600	-	-	11,283,000	-	-	-	(160,700)	30,166,900
Environmental services	18,993,300	-	-	8,135,000	-	-	2,015,500	(1,606,000)	27,537,800
Health services	5,739,400	-	-	-	-	-	-	-	5,739,400
Social and family services	5,558,900	-	-	-	-	-	-	-	5,558,900
Recreational and cultural services	16,275,400	-	-	4,047,000	2,922,500	-	-	(2,629,100)	20,615,800
Planning and development	5,497,400	-	-	29,000	-	320,600	-	(296,800)	5,550,200
Social housing	5,312,300	-	-	-	-	-	-	-	5,312,300
	126,789,900	-	-	27,177,000	2,922,500	320,600	2,015,500	(4,794,200)	154,431,300
Capital									
General government	-	2,192,600	-	(2,192,600)	-	-	-	-	-
Protection services	-	1,292,800	-	(1,292,800)	-	-	-	-	-
Transportation services	-	27,742,300	-	(27,742,300)	-	-	-	-	-
Environmental services	-	4,582,000	-	(4,582,000)	-	-	-	-	-
Recreational and cultural services	-	1,080,000	-	(1,080,000)	-	-	-	-	-
	-	36,889,700	-	(36,889,700)	-	-	-	-	-
NET REVENUES/(EXPENDITURES)	22,888,200	(36,889,700)	-	9,712,700	(400,000)	(25,600)	39,800	-	(4,674,600)
OTHER INCOME AND EXPENSES RELATED TO CAPITAL									
Municipal taxation	-	5,673,200	-	-	-	-	-	-	5,673,200
Government transfers	-	-	-	-	-	-	-	-	-
Canada	-	3,535,000	-	-	-	-	-	-	3,535,000
Ontario	-	4,891,700	-	-	-	-	-	-	4,891,700
Donations	-	22,000	-	-	-	-	-	-	22,000
Building code act	-	18,400	-	-	-	-	-	-	18,400
Development charges	-	985,000	-	-	30,000	-	-	-	1,015,000
	-	15,125,300	-	-	30,000	-	-	-	15,155,300
FINANCING AND TRANSFERS									
Debenture and other long-term borrowing	-	3,975,000	-	(3,975,000)	-	-	-	-	-
Debt repayment	(6,214,500)	-	-	6,214,500	-	-	-	-	-
Transfers from (to) other funds	(16,673,700)	17,789,400	(1,115,700)	-	-	-	-	-	-
	(22,888,200)	21,764,400	(1,115,700)	2,239,500	-	-	-	-	-
ANNUAL SURPLUS (DEFICIT)	-	-	(1,115,700)	11,952,200	(370,000)	(25,600)	39,800	-	10,480,700