

Consolidated Financial Statements of

**CORPORATION OF THE
CITY OF BELLEVILLE**

Year ended December 31, 2024

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Financial Statements

Year ended December 31, 2024

TABLE OF CONTENTS

Management’s Responsibility for the Consolidated Financial Statements

Independent Auditor’s Report

Consolidated Financial Statements:

Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus	3
Consolidated Statement of Changes in Net Financial Assets	5
Consolidated Statement of Remeasurement Gains and Losses.....	6
Consolidated Statement of Cash Flows	7
Notes to Consolidated Financial Statements	9
Schedule 1: Continuity of Reserves and Reserve Funds.....	47
Schedule 2: Segment Disclosure Statement of Operations	51
Schedule 3: Reconciliation of Financial Plan to Budget.....	59



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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.

Matthew MacDonald
Chief Administrative Officer

Brandon Ferguson
Director of Finance/Treasurer

The Corporation of the City of Belleville

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INDEPENDENT AUDITOR'S 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 "Entity"), which comprise:

- the consolidated statement of financial position as at December 31, 2024
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of remeasurement gains and losses for the year then ended
- the consolidated statement of cash flows for the year then ended
- 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, 2024, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

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.

- 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, stylized font. Below the text, there is a long, horizontal, slightly wavy line that serves as a flourish or underline.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

August 12, 2025

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Financial Position

December 31, 2024, with comparative information for 2023

Description	2024	2023
Assets		
Financial assets:		
Cash and cash equivalents (note 2)	\$57,708,217	\$45,745,797
Portfolio investments (note 3)	150,637,311	146,889,442
Taxes receivable	10,157,613	5,575,293
Accounts receivable	30,986,405	20,077,763
Assets held for resale (note 15(b))	15,040,368	13,511,475
Other investments (note 4)	17,842,382	18,351,760
Investment in government business partnership (note 5)	23,013,634	23,006,453
Total assets	305,385,930	273,157,983
Liabilities		
Financial liabilities:		
Accounts payable and accrued liabilities	29,481,687	26,921,922
Employee benefits payable (note 7)	17,792,516	17,956,427
Asset retirement obligations (note 6)	6,296,730	6,523,058
Contaminated sites liability	320,000	320,000
Deferred revenue (note 8)	114,629,900	98,884,100
Municipal debt (note 9)	113,417,273	120,908,063
Total liabilities	281,938,106	271,513,570
Net financial assets	23,447,824	1,644,413
Non-financial assets:		
Tangible capital assets (note 15)	730,907,307	714,233,993
Inventory of supplies	1,471,758	1,284,074
Prepaid expenses	249,140	1,556,537
Total liabilities and net assets	732,628,205	717,074,604

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Financial Position (continued)

December 31, 2024, with comparative information for 2023

Description	2024	2023
Contingent liabilities and commitments (note 11)		
Contractual rights (note 12)		
Accumulated surplus	\$756,076,029	\$718,719,017
Accumulated surplus is comprised of:		
Accumulated surplus (note 13)	\$752,433,718	\$718,741,940
Accumulated remeasurement gains (losses)	3,642,311	(22,923)
Total accumulated surplus	\$756,076,029	\$718,719,017

See accompanying notes to consolidated financial statements.

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

Description	Budget 2024 (Note 17)	Actual 2024	Actual 2023
Revenue:			
Municipal taxation	\$124,701,300	\$127,593,774	\$115,376,340
Taxation from other governments	2,870,600	2,890,283	2,718,537
User charges	47,556,500	48,033,395	44,267,924
Grants - Government of Canada	4,660,500	750,784	63,424
Grants - Province of Ontario	3,573,100	3,466,398	2,690,262
Grants - Other Municipalities	361,100	64,117	300,763
Fines	722,200	1,550,546	363,317
Investment income	5,232,400	6,547,893	2,823,790
Interest and penalties on taxes	800,000	1,176,514	787,333
Development charges	2,177,800	964,240	1,162,418
Donations	81,500	79,163	137,788
Ontario Lottery and Gaming Corporation	3,500,000	3,351,297	3,520,437
Other	0	(352,564)	354,217
Total revenue	196,237,000	196,115,840	174,566,550
Expenses (Schedule 2):			
General government	15,334,500	16,379,783	21,538,361
Protection to persons and property	50,017,800	50,625,990	45,105,008
Transportation services	33,083,800	32,870,679	30,572,838
Environmental services	34,088,400	32,340,813	41,241,566
Health services	7,636,400	7,552,063	6,496,640
Social and family services	9,038,800	6,700,087	7,173,102
Recreation and cultural services	26,370,700	25,780,614	23,397,519
Planning and development	11,002,000	4,945,773	4,525,678
Social housing	6,701,700	6,836,786	6,263,339
Total expenses	193,274,100	184,032,588	186,314,051
Annual operating surplus (deficit)	2,962,900	12,083,252	(11,747,501)

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Operations and Accumulated Surplus (continued)

Year ended December 31, 2024, with comparative information for 2023

Description	Budget 2024 (Note 17)	Actual 2024	Actual 2023
Revenue related to capital:			
Grants - Government of Canada	3,975,000	6,783,871	3,140,847
Grants - Province of Ontario	10,196,600	3,941,200	4,645,287
Contribution from developers	0	9,719,382	6,171,322
Development charges	8,570,700	2,409,928	1,797,275
Other	0	18,604	749,825
Gain (loss) on disposal of tangible capital assets	0	(467,117)	1,037,767
Total revenue related to capital	22,742,300	22,405,868	17,542,323
Interest earned on reserve funds (Schedule 1)	2,366,700	2,366,676	2,552,035
Equity share of government business partnership earnings (note 5)	0	501,216	452
Annual surplus	28,071,900	37,357,012	8,347,309
Accumulated surplus, beginning of year	718,719,017	718,719,017	710,371,708
Accumulated surplus, end of year	\$746,790,917	\$756,076,029	\$718,719,017

See accompanying notes to consolidated financial statements.

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2024, with comparative information for 2023

Description	Budget 2024 (Note 17)	Actual 2024	Actual 2023
Annual surplus	\$28,071,900	\$37,357,012	\$8,347,309
Amortization of tangible capital assets	29,478,000	29,488,078	27,819,788
Acquisition of tangible capital assets	(73,962,200)	(38,800,094)	(37,853,833)
Contribution from developers	0	(9,719,382)	(6,171,322)
Loss (gain) on disposal of tangible capital assets	0	467,117	(1,037,767)
Proceeds on disposal of tangible capital assets	0	224,516	1,488,907
Reclassification of assets held for sale	0	1,666,449	0
Change in inventory of supplies	0	(187,683)	38,341
Change in prepaid expenses	0	1,307,398	(189,667)
Total	(44,484,200)	(15,553,601)	(15,905,553)
Change in net financial assets	(16,412,300)	21,803,411	(7,558,244)
Net financial assets, beginning of year	1,644,413	1,644,413	9,202,657
Net financial assets (liabilities), end of year	(\$14,767,887)	\$23,447,824	\$1,644,413

See accompanying notes to consolidated financial statements.

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Remeasurement Gains and Losses

Year ended December 31, 2024, with comparative information for 2023

Description	2024	2023
Accumulated remeasurement losses, beginning of year	\$(22,923)	\$0
Net unrealized gain (losses) attributable to:		
Investments designated at fair value	3,665,234	(22,923)
Net remeasurement gain (losses) for the year	3,665,234	(22,923)
Accumulated remeasurement gain (losses), end of year	\$3,642,311	\$(22,923)

See accompanying notes to consolidated financial statements.

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

Description	2024	2023
Operating activities:		
Annual surplus	\$37,357,012	\$8,347,309
Items not involving cash:		
Amortization of tangible capital assets	29,488,078	27,819,788
Contribution from developers	(9,719,382)	(6,171,322)
Employee benefits payable	(163,909)	(136,764)
Asset retirement obligation	(226,331)	78,920
Loss (gain) on disposal of tangible capital assets	467,117	(1,037,767)
Unrealized loss (gain) on portfolio investments	(3,665,234)	22,923
Equity share of government business partnership earnings	(501,216)	(452)
Subtotal	53,036,135	28,922,635
Change in non-cash operating working capital:		
Taxes receivable	(4,582,321)	(2,194,917)
Accounts receivable	(10,908,643)	(2,780,511)
Assets held for resale	(1,528,894)	1,645,012
Inventory of supplies	(187,683)	38,341
Prepaid expenses	1,307,398	(189,667)
Accounts payable and accrued liabilities	2,559,767	188,772
Deferred revenue	15,745,800	34,024,881
Net change in cash from operations	55,441,559	59,654,546
Capital activities:		
Acquisition of tangible capital assets	(37,133,645)	(37,853,833)
Proceeds on disposal of tangible capital assets	224,516	1,488,907
	(36,909,129)	(36,364,926)

CORPORATION OF THE CITY OF BELLEVILLE

Consolidated Statement of Cash Flows (continued)

Year ended December 31, 2024, with comparative information for 2023

Description	2024	2023
Investing activities:		
Dividends received from government business partnership	494,035	768,685
Acquisition of portfolio investments, net of disposals	(82,634)	(49,102,435)
Other investments	509,379	141,924
Total investing activities	920,780	(48,191,826)
Financing activities:		
Proceeds from municipal debt	0	24,564,000
Repayment of municipal debt	(7,490,790)	(6,763,538)
Repayment of construction advance	0	(3,100,000)
Total financing activities	(7,490,790)	14,700,462
Increase (decrease) in cash and cash equivalents	11,962,420	(10,201,744)
Cash and cash equivalents, beginning of year	45,745,797	55,947,541
Cash and cash equivalents, end of year	\$57,708,217	\$45,745,797

See accompanying notes to consolidated financial statements.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2024

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, expenditures, 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

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(a) Reporting entity (continued):

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 the Public Sector Accounting Board ("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 and Accumulated Surplus with a corresponding increase or decrease in its investment asset account in its Consolidated Statement of Financial Position. Any dividends that the Corporation may receive from Hydro Corporations and other capital transactions will be reflected as adjustments in the investment asset account.

Investment in Quinte Solar Generation Inc.

The Corporation, Solera Sustainable Energies Company Limited, and Elexicon Corporation hold 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.

Local Boards and Joint Boards

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

- The Hastings and Prince Edward Counties Health Unit
- Quinte Conservation

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(b) Accounting for school board transactions:

The assets, liabilities, revenues, and expenditures 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) Deferred revenue:

Obligatory reserve funds and any other externally restricted financing amounts must be reported as deferred revenue. These amounts will be recognized as revenue in the Consolidated Statement of Operations and Accumulated Surplus in the year the services are performed.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(e) Asset retirement obligations:

An asset retirement obligation ("ARO") is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability for closure of operational sites and post-closure care relating to landfill sites has been recognized based on estimated future expenses. The liability is discounted using a present value calculation and adjusted annually for accretion expense. Assumptions used in the subsequent calculations are revised yearly.

The liability for the removal of asbestos in several of the buildings owned by the Corporation and for the decommissioning of fuel storage tanks has been recognized based on estimated undiscounted future expenses. Assumptions used in the subsequent calculations are revised yearly.

The recognition of the ARO liability resulted in an accompanying increase to the respective tangible capital assets. The landfill tangible capital asset is amortized using the units of production method, while the buildings tangible capital assets affected by the asbestos liability are being amortized with the building following the amortization accounting policies.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(f) Employee benefits payable:

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, 2022, and the next required valuation will be as of January 1, 2025.

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 8 years (2023 - 9 years).

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

(g) 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:

- an environmental standard exists;
- contamination exceeds environmental standard;
- the Corporation is directly responsible or accepts responsibility; and
- a reasonable estimate of the amount can be made.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

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

Government transfers and Ontario Lottery and Gaming Corporation funding are recognized 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.

(i) 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.

(j) 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 Assets for the year.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(k) 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 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 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 held for resale are recorded at the lower of cost or net realizable value. Cost includes amounts for improvements to prepare the assets for sale or servicing.

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.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(l) 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.

m) 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.

(n) 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.

(o) Inventory of supplies:

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

(p) 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 and Accumulated Surplus.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(q) Use of estimates:

The preparation of consolidated financial statements in conformity with accounting policies as issued by the 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 expenditures during the reporting period. Amounts subject to estimates include employee benefits payable, asset retirement obligations and the carrying value of the Corporation's tangible capital assets. Actual results could differ from those estimates.

(r) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and reported on the Consolidated Statement of Financial Position. Derivatives and portfolio investments in equity instruments that are quoted in an active market are measured at fair value while all other financial instruments are measured at cost or amortized cost.

Unrealized changes in fair value are recognized in the Statement of Remeasurement Gains and Losses until they are realized, when they are transferred to the Consolidated Statement of Operations and Accumulated Surplus.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

All financial assets are assessed for impairment on an annual basis. Where a decline is determined to be other than temporary, the amount of the loss is reported in the Consolidated Statement of Operations and Accumulated Surplus and any unrealized gain is adjusted through the Consolidated Statement of Remeasurement Gains and Losses. On sale, the unrealized gain or loss included in the Consolidated Statement of Remeasurement Gains and Losses associated with that instrument are reversed and recognized in the Consolidated Statement of Operations and Accumulated Surplus.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(r) Financial instruments (continued):

Establishing fair value:

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date. In situations in which there is no market for these guarantees, and they were issued without explicit costs, it is not practicable to determine their fair value with sufficient reliability (if applicable).

Fair value hierarchy:

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

2. Cash and cash equivalents:

The cash and cash equivalents balance consists of the following:

Description	2024	2023
City of Belleville:		
Cash and chequing accounts	\$56,349,327	\$44,914,362
Belleville Public Library Board	911,661	713,286
Belleville Downtown Improvement Area	144,195	118,149
Centre and South Hastings Waste Services Board	303,034	0
Total	\$57,708,217	\$45,745,797

3. Portfolio Investments:

The portfolio investments balance consists of the following:

Investments	Level	2024	2023
City of Belleville:			
Mutual funds/segregated funds	2	\$0	\$187,366
Fixed income accounts	2	100,945,000	100,185,000
Principal protected notes	2	49,692,311	46,517,076
Total		\$150,637,311	\$146,889,442

During the year, there were no transfers between fair value hierarchy levels.

Cash and investments in the amount of \$112,504,191 (2023 - \$97,704,624) have been restricted to support obligatory reserve funds, reserves and deferred revenue.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

4. Other investments:

Other investments balance consists of the following:

Description	2024	2023
Note receivable Elexicon Corporation (a)	\$2,206,000	\$2,206,000
Note receivable Elexicon Energy Inc. (a)	5,588,000	5,588,000
Notes receivable - other (b)	8,140,503	8,404,888
Other investments	1,907,879	2,152,872
Total	\$17,842,382	\$18,351,760

(a) 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.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

4. Other investments:

(a) Notes receivable (continued):

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, 2026.

(b) Notes receivable - other:

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.

The second \$3,250,000 USD bears interest at 1.5% per annum calculated semi-annually and matures in January 2027.

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; a permanent relocation outside of Belleville, an arm's-length 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, 2024

4. Other investments (continued):

(c) 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 expenditures are combined on a line-by-line basis in the consolidated financial statements.

During the year the Corporation paid \$1,728,861 (2023 - \$1,517,248) 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:

Consolidated Balance Sheet (in thousands of dollars)

Description	2024	2023
Current assets	\$124,314	\$116,654
Non-current assets	786,742	721,435
Total assets	911,056	838,089
Regulatory balances	53,757	56,310
Total	\$964,813	\$894,399

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

5. Investment in government business partnership (continued):

(a) (Continued):

Description	2024	2023
Current liabilities	\$193,653	\$175,942
Non-current liabilities	502,018	450,307
Shareholders' equity	254,463	256,768
Total liabilities and shareholders' equity	950,134	883,017
Regulatory balances	14,679	11,382
Total	\$964,813	\$894,399

Consolidated Statement of Operations (in thousands of dollars)

Description	2024	2023
Revenue	\$564,962	\$518,981
Commodity cost and expenses	(548,364)	(495,111)
Other income	10,929	9,050
Finance costs and unrealized gain (loss) on interest rate swaps	(16,502)	(26,853)
Income before income taxes	11,025	6,067
Income tax expense	458	(1,828)
Net income	11,483	4,239
Net movements in regulatory balances, net of tax	(5,850)	(3,615)
Other comprehensive income (loss), net of tax:		
Remeasurements of employee future benefits	(91)	(619)
Total equity earnings	\$5,542	\$5
City's share of equity earnings	\$501	\$0

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

5. Investment in government business partnership (continued):

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

Description	2024	2023
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	24,269,576	23,768,360
Accumulated dividends received	(14,962,842)	(14,468,807)
Subtotal	23,013,634	23,006,453
Total	\$30,807,634	\$30,800,453

(c) Equity in government business partnership:

Description	2024	2023
Balance, beginning of year	\$30,800,453	\$31,568,686
Equity share of net earnings for the year	501,216	452
Dividends received	(494,035)	(768,685)
Balance, end of year	\$30,807,634	\$30,800,453

(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, 2024

5. Investment in government business partnership (continued):

(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.

(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 this 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 2024 (2023 - \$Nil) 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.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

5. Investment in government business partnership (continued):

(d) (Continued):

(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.

6. Asset retirement obligations:

The Corporation's asset retirement obligations (AROs) consist of several obligations as follows:

(a) Landfill obligation:

The Corporation owns and operates one landfill. The costs were based upon the presently known obligations that will exist at the estimated year of closure of the site and for 25 years thereafter. As at December 31, 2024, the landfill had an estimated remaining useful life of 11 years. The Corporation recognized an obligation relating to the removal and post-removal care of the landfill. These costs were discounted using a discount rate of 4.4% (2023 - 2.3%) per annum and an inflation rate of 4.0% (2023 - 2.7% per annum).

(b) Asbestos and other obligations:

The Corporation owns several buildings that are known to have asbestos and underground fuel storage tanks, which represents a health hazard upon demolition/decommission and there is a legal obligation to remove it. The Corporation recognized an obligation relating to the removal and post-removal care of the asbestos and decommissioning of fuel storage tanks as estimated at January 1, 2022. These costs were not discounted due to uncertainty surrounding the expected timing of cash outflows.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

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, 2022 was completed on March 15, 2023 and the results have been extrapolated to December 31, 2024 to form 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, 2024, of the present value of future liabilities and the expense for the 12 months ended December 31, 2024 were determined using an annual discount rate of 4.00% (2023 - 4.00%). 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% (2023 - 3.00%) per annum.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

7. Employee benefits payable:

(a) (Continued)

(iii) Medical costs:

Medical costs were assumed to increase at 4.90% in 2023 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 2040 and thereafter.

(iv) Dental costs;

Dental costs were assumed to increase at 5.10% in 2023 to 2024, 5.60% in 2025 to 2029, 5.30% in 2030 to 2034, 4.60% in 2035 to 2039 and to an ultimate rate of 4.00% per annum in 2040 and thereafter.

Description	Medical, dental, life insurance benefits	Sick leave benefits	2024 Total	2023 Total
Employee future benefits payable, beginning of year	\$15,746,608	\$2,209,819	\$17,956,427	\$18,093,191
Current service costs	626,217	103,489	729,706	727,714
Interest expense on benefits	530,496	62,969	593,465	583,080
Benefits payments	(846,045)	(226,907)	(1,072,952)	(1,033,428)
Amortization of actuarial gain	(335,927)	(78,203)	(414,130)	(414,130)
Employee future benefits payable, end of year	\$15,721,349	\$2,071,167	\$17,792,516	\$17,956,427
Employee future benefits payable consists of:				
Unfunded accrued benefit obligations	\$13,369,863	\$1,523,745	\$14,893,608	\$14,643,389
Unamortized actuarial gain	2,351,486	547,422	2,898,908	3,313,038
Total	\$15,721,349	\$2,071,167	\$17,792,516	\$17,956,427

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

7. Employee benefits payable (continued):

(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% (2023 - 9.0%) for earnings up to the annual maximum pensionable earnings of \$68,500 (2023 - \$66,600) and at a rate of 14.6% (2023 - 14.6%) for earnings greater than the annual maximum pensionable earnings.

Contributions for employees with a normal retirement age of 60 were being made at a rate of 9.2% (2023 - 9.2%) for earnings up to the annual maximum pensionable earnings of \$68,500 (2023 - \$66,600) and at a rate of 15.8% (2023 - 15.8%) for earnings greater than the annual maximum pensionable earnings.

Contributions for employees with a normal retirement age of 60 were being made at a rate of 9.2% (2023 - 9.2%) for earnings up to the annual maximum pensionable earnings of \$68,500 (2023 - \$66,600) and at a rate of 15.8% (2023 - 15.8%) for earnings greater than the annual maximum pensionable earnings.

The amount contributed to OMERS for 2024 was \$5,677,386 (2023 - \$5,052,527) for current service and is included as an expense on the Consolidated Statement of Operations and Accumulated Surplus. The actuarial valuation of the OMERS plan at December 31, 2024 indicated a deficit of \$2.9 billion (2023 - deficit of \$4.2 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.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

7. Employee benefits payable (continued):

(d) Reserve fund

A reserve fund of \$5,238,085 (2023 - \$5,052,014) has been established to partially provide for these liabilities and are reported in Schedule 1 to the consolidated financial statements.

8. Deferred revenue:

The deferred revenue balance consists of the following:

Cost	Balance at December 31, 2023	Additions	Transferred to income	Balance at December 31, 2024
Obligatory reserve funds:				
Development charges	\$64,270,568	\$13,232,424	\$(3,374,169)	\$74,128,823
Park	485,107	121,107	0	606,214
Building code act	8,564,904	508,095	(868,121)	8,204,878
Provincial gas tax	2,357,869	1,170,641	(590,563)	2,937,947
Canada Community Building Fund	9,446,108	3,931,414	(5,287,615)	8,089,907
Ontario Community Infrastructure Fund	12,196,235	7,031,244	(2,405,443)	16,822,036
Other:				
Belleville Public Library	19,485	426	(17,133)	2,778
Centre and South Hastings Waste Services Board	15,864	0	(3,150)	12,714
Government transfers	364,349	1,611,609	(264,349)	1,711,609
Prepaid taxation	858,687	1,189,074	(858,687)	1,189,074
Miscellaneous	304,924	70,086	548,910	923,920
Total	\$98,884,100	\$28,866,120	\$(13,120,320)	\$114,629,900

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

8. Deferred revenue (continued):

In accordance with the Development Charges Act (the “Act”), the City entered into arrangements with developers to defer the payment of the underlying development charges to a future date. The amounts plus interest are repayable in instalments as outlined in the Act upon occupancy. The total value of these arrangements is \$6,114,388 (2023 - \$4,073,189) and is included in development charges above with a corresponding amount in accounts receivable on the Consolidated Statement of Financial Position.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

9. Municipal debt:

The municipal debt balance consists of the following:

Debt instrument	Interest rate	Payment frequency	Payment type	Payment amount	Maturity date	2024	2023
Debenture	3.19%	Semi-Annual	Principal and interest	\$71,745	Jun-27	\$342,172	\$471,638
Debenture	2.46%	Semi-Annual	Principal and interest	34,454	Oct-31	440,634	497,649
Debenture	3.47%	Semi-Annual	Principal and interest	129,050	Jun-32	1,691,546	1,885,877
Debenture	3.19%	Semi-Annual	Principal and interest	759,638	Apr-33	11,233,333	12,367,069
Debenture	3.86%	Monthly	Principal and interest	235,860	Jul-33	20,651,073	22,642,379
Debenture	3.34%	Semi-Annual	Principal and interest	1,143,829	Nov-35	20,915,161	22,465,315
Debenture	2.78%	Semi-Annual	Principal and interest	849,329	Oct-36	17,231,729	18,426,379
Debenture	1.88%	Semi-Annual	Principal and interest	46,475	Dec-35	919,775	994,380
Debenture	2.13%	Semi-Annual	Principal and interest	182,839	Dec-40	4,936,066	5,192,501
Debenture	2.30%	Semi-Annual	Principal and interest	331,627	Dec-45	10,997,538	11,400,876
Debenture	5.01%	Monthly	Principal and interest	143,742	Dec-48	24,058,246	24,564,000
Total						\$113,417,273	\$120,908,063
Long-term debt is comprised of:							
Tax supported						\$99,313,153	\$105,657,774
User fee supported debt						14,104,120	15,250,289
Total						\$113,417,273	\$120,908,063

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

9. Municipal debt (continued):

Principal and interest repayments are estimated to be as follows:

Year	Principal	Interest	Total
2025	\$7,745,670	\$3,907,520	\$11,653,190
2026	8,009,582	3,643,600	11,653,182
2027	8,211,122	3,370,314	11,581,436
2028	8,418,928	3,090,770	11,509,698
2029 and thereafter	81,031,971	20,302,148	101,334,119
Total	\$113,417,273	\$34,314,352	\$147,731,625

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 \$4,186,315 (2023 - \$3,207,703).

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

10. 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.

Description	2024	2023
Related party balances:		
Accounts receivable	\$77,018	\$109,324
Accounts payable and accrued liabilities	1,327,120	482,149
Promissory notes receivable (note 4)	7,794,000	7,794,000
Related party transactions:		
Revenues:		
Interest on promissory notes	321,892	321,892
Property taxes paid	114,596	109,426
Expenses:		
Electrical energy and services	2,769,986	3,000,295

11. Contingent liabilities and commitments:

- (a) 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, 2027. During the year, payments under the agreement totalled \$3,647,600 (2023 - \$3,422,133).
- (b) The Corporation has an agreement with the City of Peterborough for the supply and delivery of fire dispatch services to December 31, 2028 totaling \$1,858,770 plus HST with the option for a five-year extension.
- (c) As at December 31, 2024 the Corporation has outstanding capital project contractual commitments of approximately \$31,636,259 (2023 - \$20,803,800).
- (d) As at December 31, 2024, 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.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

12. 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, 2024, the balance of the outstanding contractual rights not accrued in the financial statements is \$9,552,857.

(d) Municipal contribution agreement:

The Corporation of the City of Belleville has entered into a contribution agreement with the Ontario Lottery & Gaming (OLG) Corporation. Under this agreement the City 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, 2024

13. Accumulated surplus:

The accumulated surplus position is comprised of the following:

Description	2024	2023
Net book value of tangible capital assets	\$730,907,307	\$714,233,993
Less: related debt	113,417,273	120,908,063
Equity in tangible capital assets	617,490,034	593,325,930
Capital projects	1,530,275	9,080,181
Reserves and reserve funds (Schedule 1)	114,399,438	98,970,567
Amounts to be recovered:		
Asset retirement obligations	(6,296,730)	(6,523,058)
Employee costs	(20,127,591)	(19,750,998)
Contaminated sites	(320,000)	(320,000)
Assets held for resale	15,040,368	13,511,475
Equity in government business partnership (note 5)	30,807,634	30,800,453
Unrestricted surplus (deficit):		
Belleville Public Library Board	117,239	204,004
Belleville Downtown Improvement Area	37,703	84,300
Centre and South Hastings Waste Services Board	(244,652)	(640,914)
Total	\$752,433,718	\$718,741,940

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

14. Operations of school board:

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

Description	2024	2023
Taxation	\$20,167,492	\$18,751,369
Requisitions	(20,167,492)	(18,751,369)
Total	\$0	\$0

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

15. Tangible capital assets:

(a) Continuity schedule

2024	GENERAL					
Description	Land and land improvements	Building and leasehold improvements	Vehicles and equipment	Computer hardware and software	Other	Assets under construction
Cost						
Opening cost	\$87,043,978	\$152,304,655	\$39,400,809	\$10,526,085	\$28,313,794	\$4,257,542
Additions during the year	3,149,376	3,573,860	3,923,669	1,167,937	3,180,486	14,039,710
Disposals during the year	(35,378)	(2,226,918)	(668,125)	(952,263)	(1,040,668)	(13,129,894)
Closing cost	90,157,976	153,651,597	42,656,353	10,741,759	30,453,612	5,167,358
Accumulated amortization						
Opening accumulated amortization	25,512,630	40,860,038	19,542,753	7,026,029	17,640,285	0
Amortization during the year	2,842,323	4,346,561	2,763,610	1,556,979	1,571,867	0
Disposals and writedowns	(17,867)	(577,783)	(578,550)	(952,255)	(761,514)	0
Closing accumulated amortization	28,337,086	44,628,816	21,727,813	7,630,753	18,450,638	0
Net book value	\$61,820,890	\$109,022,781	\$20,928,540	\$3,111,006	\$12,002,974	\$5,167,358

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

15. Tangible capital assets (continued):

2024	INFRASTRUCTURE					
Description	Plant and facilities	Roads	Underground and other networks	Bridges and other structures	Assets under construction	Total 2024
Cost						
Opening cost	\$114,804,396	\$379,281,872	\$386,115,993	\$52,655,663	\$13,277,648	\$1,267,982,435
Additions during the year	1,411,496	16,416,157	15,787,306	29,190	24,891,412	87,570,599
Disposals during the year	0	(1,000,845)	(677,786)	0	(25,918,512)	(45,650,389)
Closing cost	116,215,892	394,697,184	401,225,513	52,684,853	12,250,548	1,309,902,645
Accumulated amortization						
Opening accumulated amortization	56,539,652	257,346,430	116,418,571	12,862,054	0	553,748,442
Amortization during the year	2,613,988	7,480,704	5,555,005	757,041	0	29,488,078
Disposals and writedowns	0	(970,026)	(383,187)	0	0	(4,241,182)
Closing accumulated amortization	59,153,640	263,857,108	121,590,389	13,619,095	0	578,995,338
Net book value	\$57,062,252	\$130,840,076	\$279,635,124	\$39,065,758	\$12,250,548	\$730,907,307

(b) Asset held for resale:

As at December 31, 2024, land and land improvements held for resale totals \$13,512,976 (2023 - \$12,931,611) and buildings declared surplus by Council with a net book value of \$1,527,392 (2023 - \$579,864).

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

15. Tangible capital assets (continued):

2023	GENERAL					
Description	Land and land improvements	Building and leasehold improvements	Vehicles and equipment	Computer hardware and software	Other	Assets under construction
Cost						
Opening cost	\$79,521,477	\$149,343,562	\$35,529,300	\$8,982,887	\$25,594,045	\$4,924,670
Additions during the year	7,525,436	2,965,062	5,602,004	1,604,757	3,052,630	16,956,097
Disposals during the year	(2,935)	(3,969)	(1,730,495)	(61,559)	(332,881)	(17,623,225)
Closing cost	87,043,978	152,304,655	39,400,809	10,526,085	28,313,794	4,257,542
Accumulated amortization						
Opening accumulated amortization	22,895,416	36,688,299	18,599,275	5,711,330	16,517,610	0
Amortization during the year	2,618,301	4,182,578	2,530,536	1,376,133	1,437,590	0
Disposals and writedowns	(1,087)	(10,839)	(1,587,058)	(61,434)	(314,915)	0
Closing accumulated amortization	25,512,630	40,860,038	19,542,753	7,026,029	17,640,285	0
Net book value	\$61,531,348	\$111,444,617	\$19,858,056	\$3,500,056	\$10,673,509	\$4,257,542

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

15. Tangible capital assets (continued):

2023	INFRASTRUCTURE					Total
Description	Plant and facilities	Roads	Underground and other networks	Bridges and other structures	Assets under construction	2023
Cost						
Opening cost	\$113,932,035	\$364,768,073	\$366,313,981	\$52,014,569	\$26,514,872	\$1,227,439,471
Additions during the year	872,361	15,322,139	20,330,853	654,265	20,639,289	95,524,893
Disposals during the year	0	(808,340)	(528,841)	(13,171)	(33,876,513)	(54,981,929)
Closing cost	114,804,396	379,281,872	386,115,993	52,655,663	13,277,648	1,267,982,435
Accumulated amortization						
Opening accumulated amortization	53,981,290	250,942,022	111,506,612	12,117,851	0	528,959,705
Amortization during the year	2,558,362	7,038,639	5,320,275	757,374	0	27,819,788
Disposals and writedowns	0	(634,231)	(408,316)	(13,171)	0	(3,031,051)
Closing accumulated amortization	56,539,652	257,346,430	116,418,571	12,862,054	0	553,748,442
Net book value	\$58,264,744	\$121,935,442	\$269,697,422	\$39,793,609	\$13,277,648	\$714,233,993

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

16. 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. 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.

17. 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 Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets. Budget figures have been reclassified for the purpose of these financial statements to conform with PSAB reporting requirements (see Schedule 3).

18. 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

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

19. Financial instruments and risk management:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. City is exposed to credit risk with respect to accounts receivable and taxes (collectively its “receivables”) on the Consolidated Statement of Financial Position.

The Corporation assesses, on a continuous basis, its receivables and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Corporation at December 31, 2024 is the carrying value of these assets. The carrying amount of receivables is valued with consideration for an allowance for doubtful accounts. The amount of any related impairment loss is recognized in the Consolidated Statement of Operations and Accumulated Surplus. Subsequent recoveries of impairment losses related to receivables are credited to the Consolidated Statement of Operations and Accumulated Surplus.

Description	Current	Past due	Gross receivables	Allowances	Net receivables
Accounts receivable	\$28,793,073	\$2,295,203	\$31,088,276	\$(101,871)	\$30,986,405
Taxes receivable	1,260,002	8,897,611	10,157,613	0	10,157,613
Total	\$30,053,075	\$11,192,814	\$41,245,889	\$(101,871)	\$41,144,018

Amounts past due but not allowed for are deemed by management to be collectible based on historical experience regarding collections.

The Corporation follows an investment policy approved by Council. The maximum exposure to credit risk with respect to portfolio investments of the Corporation at December 31, 2024 is the carrying value of the investments.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

19. Financial instruments and risk management (continued):

(b) Market risk:

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other price risks, will affect the Corporation's net results of operations or the fair value of its holdings of financial instruments. Market risk includes three types of risk: currency risk, interest rate risk and other price risk.

(i) Currency risk:

Currency risk arises from the Corporation's operations in different currencies and converting non-Canadian earnings at different points in time at different foreign currency levels when adverse changes in foreign currency rates occur. The Corporation does not have any material transactions or financial instruments denominated in foreign currencies.

(ii) Interest rate risk:

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. Financial assets and financial liabilities with variable interest rates expose the Corporation to this risk.

The Corporation is exposed to this risk through its interest-bearing investments, including fixed income securities and mutual funds/seggregated funds. As at December 31, 2024, had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve with all other variables held constant, the estimated impact on the market value of investments would be approximately \$1,009,450 (2023 - \$1,003,724). This risk is mitigated by the Corporation's intention to hold these investments to maturity.

In addition to the above, the Corporation is exposed to interest rate risk as it has municipal debt bearing interest at a fixed rate as described in note 9. As prevailing interest rates fluctuate, the market value of these debts will fluctuate. This risk is mitigated by the Corporation's intention to hold the debt to maturity.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

19. Financial instruments and risk management (continued):

(b) Market risk (continued):

(iii) Other price risk:

Other price risk arises when the fair value of equity funds changes due to a decrease in a stock market index or other risk variables. The Corporation is exposed to this risk through the principal protected notes held in its investment portfolio. As at December 31, 2024, a 1% movement in the stock markets, with all other variables held constant, would have an estimated effect on the market values of the Corporation's principal protected notes of \$496,923 (2023 - \$465,171).

(c) Liquidity risk:

Liquidity risk is the risk that the Corporation will not be able to meet all of its cash outflow obligations as they come due. The Corporation mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting. Accounts payable and accrued liabilities are all current and the terms of municipal debt is disclosed in note 9.

There have been no significant changes to these risk exposures from 2023.

20. Change in Accounting Policy – Adoption of new accounting standards:

The Corporation adopted the following standards concurrently beginning January 1, 2024 prospectively with no restatement: PS 3160 Public Private Partnerships, PS 3400 Revenue and adopted PSG-8 Purchased Intangibles prospectively.

PS 3400 Revenue establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as nonexchange transactions. For exchange transactions, revenue is recognized when a performance obligation is satisfied. For non-exchange transactions, revenue is recognized when there is authority to retain an inflow of economic resources and a past event that gave rise to an asset has occurred.

PSG-8 Purchased Intangibles provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm's length exchange transactions between knowledgeable, willing parties that are under no compulsion to act.

CORPORATION OF THE CITY OF BELLEVILLE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

20. Change in Accounting Policy – Adoption of new accounting standards (continued):

PS 3160 Public Private Partnerships (P3s) provides specific guidance on the accounting and reporting for P3s between public and private sector entities where the public sector entity procures infrastructure using a private sector partner.

There were no adjustments to opening balances as a result of adopting the new accounting standards

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 1: Continuity of Reserves and Reserve Funds

Year ended December 31, 2024

Description	Revenue Contributions				
	Balance Jan. 1, 2024	Interest	Operations	Capital	TOTAL
Reserves					
Belleville Library	\$28,393	\$0	\$10,000	\$0	\$10,000
Centre & South Hastings Waste Services Board	674,010	0	0	0	0
Belleville Downtown Improvement	16,259	0	0	0	0
	718,662	0	10,000	0	10,000
Reserve Funds					
Accessibility	20,583	769	0	0	769
Archives Facility	94,895	3,544	0	0	3,544
Asset Management	18,755,937	744,671	13,137,118	3,933,093	17,814,882
Belleville Library	256,940	2,122	60,000	11,984	74,106
Casino	5,305,058	199,917	3,351,297	312,720	3,863,934
Community Improvement Plan (CIP)	1,910,144	69,209	0	0	69,209
Election Expenses	163,901	6,890	41,147	0	48,037
Elexicon Revenue	1,317,908	35,447	815,927	0	851,374
Environmental	4,445,827	156,019	100,000	0	256,019
Future Employee Benefits	5,052,014	192,771	325,000	0	517,771
Industrial Land	532,376	19,884	0	0	19,884
Municipal Accommodation Tax	988,818	41,927	616,020	4,614	662,561
Museum Collections	6,369	238	0	0	238
Parking Development	848,701	26,564	85,183	22,322	134,069
Police	747,794	20,963	620,500	10,562	652,025
Retirement & Leave	4,000,000	149,401	225,000	0	374,401
Sanitary Sewer	2,381,001	204,726	7,030,312	2,798,954	10,033,992

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 1: Continuity of Reserves and Reserve Funds (Continued)

Year ended December 31, 2024

Description	Revenue Contributions				
	Balance Jan. 1, 2024	Interest	Operations	Capital	TOTAL
Tax Rate Stabilization	9,270,082	393,558	4,965,925	0	5,359,483
Thurlow Landfill	1,104,931	42,950	90,000	0	132,950
Water Service	39,573,229	0	10,318,071	1,813,012	12,131,083
Winter Control	1,475,397	55,106	369,575	0	424,681
Subtotal	98,251,905	2,366,676	42,151,075	8,907,261	53,425,012
TOTALS	\$98,970,567	\$2,366,676	\$42,161,075	\$8,907,261	\$53,435,012

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 1: Continuity of Reserves and Reserve Funds (Continued)

Year ended December 31, 2024

Description	Transfers				Balance
	Operations	Capital	Interfund	TOTAL	Dec. 31, 2024
Reserves					
Belleville Library	0	0	0	0	38,393
Centre & South Hastings Waste Services Board	1,025	0	0	1,025	672,985
Belleville Downtown Improvement	0	0	0	0	16,259
	1,025	0	0	1,025	727,637
Reserve Funds					
Accessibility	0	0	0	0	21,352
Archives Facility	0	0	0	0	98,439
Asset Management	47,682	12,235,706	0	12,283,388	24,287,431
Belleville Library	38,295	0	0	38,295	292,751
Casino	153,158	3,198,142	0	3,351,300	5,817,692
Community Improvement Plan (CIP)	161,704	0	0	161,704	1,817,649
Election Expenses	0	0	0	0	211,938
Elexicon Revenue	1,610,702	0	0	1,610,702	558,580
Environmental	637,296	0	0	637,296	4,064,550
Future Employee Benefits	331,700	0	0	331,700	5,238,085
Industrial Land	0	0	0	0	552,260
Municipal Accommodation Tax	298,572	113,447	0	412,019	1,239,360
Museum Collections	0	0	0	0	6,607
Parking Development	0	275,000	0	275,000	707,770
Police	660,468	993,600	(254,249)	1,399,819	0
Retirement & Leave	150,000	0	0	150,000	4,224,401
Sanitary Sewer	1,664,884	1,963,403	0	3,628,287	8,786,706

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 1: Continuity of Reserves and Reserve Funds (Continued)

Year ended December 31, 2024

Description	Transfers				Balance Dec. 31, 2024
	Operations	Capital	Interfund	TOTAL	
Tax Rate Stabilization	4,275,234	0	(245,751)	4,029,483	10,600,082
Thurlow Landfill	0	0	0	0	1,237,881
Water Service	476,253	8,719,870	0	9,196,123	42,508,189
Winter Control	0	0	500,000	500,000	1,400,078
Subtotal	10,505,948	27,499,168	0	38,005,116	113,671,801
TOTALS	\$10,506,973	\$27,499,168	\$0	\$38,006,141	\$114,399,438

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 2: Segment Disclosure Statement of Operations

Year ended December 31, 2024

2024	General Government	Protection to Persons and Property	Transportation Services	Environmental Services
Revenue				
Municipal taxation	\$19,634,892	\$40,479,913	\$20,244,963	\$2,367,119
Taxation from other governments	449,126	1,014,931	342,211	67,570
User charges	2,175,472	2,644,486	3,200,289	34,115,648
Grants - Government of Canada	0	660,671	63,539	0
Grants - Province of Ontario	784,166	1,972,226	36,385	413,252
Grants - other municipalities	0	61,903	0	2,214
Fines	0	1,155,988	394,558	0
Investment income	4,443,409	0	0	2,070,897
Interest and penalties on taxes	1,176,514	0	0	0
Development charges	0	192,234	0	229,613
Donations	0	0	0	0
Ontario Lottery and Gaming Corporation	3,351,297	0	0	0
Other	(326,398)	0	0	0
Subtotal	31,688,478	48,182,352	24,281,945	39,266,313

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 2: Segment Disclosure Statement of Operations (Continued)

Year ended December 31, 2024

2024	General Government	Protection to Persons and Property	Transportation Services	Environmental Services
Expenses				
Salaries, wages and employee benefits	9,075,505	38,208,988	11,244,003	5,917,298
Interest on long-term debt	0	1,038,863	1,445,649	513,185
Materials and supplies	2,460,704	5,020,919	7,597,234	4,238,937
Contracted services and general services	1,157,388	1,186,300	1,247,000	9,856,751
Rents and financial expenses	3,942,956	150,812	173,366	1,945,800
External transfers	1,277,335	1,157,145	35,860	0
Interfunctional adjustments	(2,206,186)	121,680	241,521	1,047,945
Amortization	672,081	3,741,283	10,886,046	8,820,897
Total expenses	16,379,783	50,625,990	32,870,679	32,340,813
Annual operating surplus (deficit)	\$15,308,695	\$(2,443,638)	\$(8,588,734)	\$6,925,500

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 2: Segment Disclosure Statement of Operations (Continued)

Year ended December 31, 2024

2024	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	Social Housing	Total
Revenue						
Municipal taxation	\$6,620,812	\$7,625,810	\$19,686,879	\$3,852,654	\$7,080,732	\$127,593,774
Taxation from other governments	150,845	173,742	449,890	80,644	161,324	2,890,283
User charges	0	0	4,117,364	1,780,136	0	48,033,395
Grants - Government of Canada	0	0	26,574	0	0	750,784
Grants - Province of Ontario	0	0	260,369	0	0	3,466,398
Grants - other municipalities	0	0	0	0	0	64,117
Fines	0	0	0	0	0	1,550,546
Investment income	0	0	33,587	0	0	6,547,893
Interest and penalties on taxes	0	0	0	0	0	1,176,514
Development charges	0	0	461,052	81,341	0	964,240
Donations	5,000	0	74,163	0	0	79,163
Ontario Lottery and Gaming Corporation	0		0	0	0	3,351,297
Other	0	0	0	(26,166)	0	(352,564)
Subtotal	6,776,657	7,799,552	25,109,878	5,768,609	7,242,056	196,115,840

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 2: Segment Disclosure Statement of Operations (Continued)

Year ended December 31, 2024

2024	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	Social Housing	Total
Expenses						
Salaries, wages and employee benefits	132,728	0	12,209,906	2,458,765	0	79,247,193
Interest on long-term debt	0	0	878,533	310,085	0	4,186,315
Materials and supplies	35,071	0	5,731,429	491,067	0	25,575,361
Contracted services and general services	5,701	0	670,552	883,485	0	15,007,177
Rents and financial expenses	0	0	97,785	54,341	0	6,365,060
External transfers	7,378,563	6,700,087	42,500	735,128	6,836,786	24,163,404
Interfunctional adjustments	0	0	795,040	0	0	0
Amortization	0	0	5,354,869	12,902	0	29,488,078
Subtotal	7,552,063	6,700,087	25,780,614	4,945,773	6,836,786	184,032,588
Annual operating surplus (deficit)	\$(775,406)	\$1,099,465	\$(670,736)	\$822,836	\$405,270	\$12,083,252

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 2: Segment Disclosure Statement of Operations (continued)

Year ended December 31, 2024

2023	General Government	Protection to Persons and Property	Transportation Services	Environmental Services
Revenue				
Municipal taxation	\$19,087,376	\$36,134,976	\$18,386,957	\$2,531,797
Taxation from other governments	454,526	947,550	320,674	70,974
User charges	1,299,909	2,286,887	2,948,583	32,337,163
Grants - Government of Canada	0	2,867	52,751	0
Grants - Province of Ontario	159,174	1,772,180	214,455	69,100
Grants - other municipalities	0	298,808	0	1,955
Fines	0	71,930	291,387	0
Investment income	741,827	0	0	2,049,171
Interest and penalties on taxes	787,333	0	0	0
Development charges	0	192,266	75,356	229,603
Donations	0	0	0	0
Ontario Lottery and Gaming Corporation	3,520,437	0	0	0
Other	0	0	0	0
Subtotal	26,050,582	41,707,464	22,290,163	37,289,763

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 2: Segment Disclosure Statement of Operations (continued)

Year ended December 31, 2024

2023	General Government	Protection to Persons and Property	Transportation Services	Environmental Services
Expenses				
Salaries, wages and employee benefits	8,113,698	34,743,209	10,137,812	5,662,196
Interest on long-term debt	0	186,753	1,264,002	529,340
Materials and supplies	2,366,104	4,553,210	7,609,386	4,289,309
Contracted services and general services	1,152,431	924,496	1,099,408	9,366,473
Rents and financial expenses	8,793,848	140,703	165,131	12,633,726
External transfers	921,734	1,052,783	0	0
Interfunctional adjustments	(312,600)	65,000	(70,500)	293,100
Amortization	503,146	3,438,854	10,367,599	8,467,422
	21,538,361	45,105,008	30,572,838	41,241,566
Annual operating surplus (deficit)	\$4,512,221	\$(3,397,544)	\$(8,282,675)	\$(3,951,803)

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 2: Segment Disclosure Statement of Operations (continued)

Year ended December 31, 2024

2023	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	Social Housing	Total
Revenue						
Municipal taxation	\$6,106,329	\$5,836,598	\$17,254,399	\$3,522,667	\$6,515,241	\$115,376,340
Taxation from other governments	144,844	138,446	410,627	76,353	154,543	2,718,537
User charges	0	0	3,565,083	1,830,299	0	44,267,924
Grants - Government of Canada	0	0	7,806	0	0	63,424
Grants - Province of Ontario	0	0	187,768	287,585	0	2,690,262
Grants - other municipalities	0	0	0	0	0	300,763
Fines	0	0	0	0	0	363,317
Investment income	0	0	32,792	0	0	2,823,790
Interest and penalties on taxes	0	0	0	0	0	787,333
Development charges	0	0	460,992	204,201	0	1,162,418
Donations	10,000	0	127,788	0	0	137,788
Ontario Lottery and Gaming Corporation	0	0	0	0	0	3,520,437
Other	0	0	0	354,217	0	354,217
Subtotal	6,261,173	5,975,044	22,047,255	6,275,322	6,669,784	174,566,550

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 2: Segment Disclosure Statement of Operations (continued)

Year ended December 31, 2024

2023	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	Social Housing	Total
Expenses						
Salaries, wages and employee benefits	165,779	0	10,865,790	1,627,095	0	71,315,579
Interest on long-term debt	0	0	890,931	336,677	0	3,207,703
Materials and supplies	48,481	0	5,898,855	816,303	0	25,581,648
Contracted services and general services	1,450	0	613,710	389,527	0	13,547,495
Rents and financial expenses	0	0	94,772	37,018	0	21,865,198
External transfers	6,280,930	7,173,102	0	1,284,752	6,263,339	22,976,640
Interfunctional adjustments	0	0	25,000	0	0	0
Amortization	0	0	5,008,461	34,306	0	27,819,788
Subtotal	6,496,640	7,173,102	23,397,519	4,525,678	6,263,339	186,314,051
Annual operating surplus (deficit)	\$(235,467)	\$(1,198,058)	\$(1,350,264)	\$1,749,644	\$406,445	\$(11,747,501)

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 3: Reconciliation of Financial Plan to Budget

Year ended December 31, 2024

2024	Operating Budget	Capital Budget	Reserves and Reserve Funds	TCA Adjustments	Belleville Library Board
REVENUES					
Municipal taxation	\$125,632,100	\$0	\$0	\$0	\$0
Taxation from other governments	2,870,600	0	0	0	0
User fees and sale of goods and services	47,090,300	0	0	0	109,000
Grants - Government of Canada	4,660,500	0	0	0	0
Grants - Province of Ontario	3,477,100	0	0	0	96,000
Grants - Other Municipalities	12,000	0	0	0	2,655,000
Fines	722,200	0	0	0	0
Investment income	5,203,300	0	0	0	20,000
Penalty and Interest on taxes	800,000	0	0	0	0
Development charges	2,177,800	0	0	0	0
Ontario Lottery and Gaming Corporation	3,500,000	0	0	0	0
Donations	74,500	0	0	0	7,000
Subtotal	196,220,400	0	0	0	2,887,000

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 3: Reconciliation of Financial Plan to Budget (Continued)

Year ended December 31, 2024

Description	Operating Budget	Capital Budget	Reserves and Reserve Funds	TCA Adjustments	Belleville Library Board
EXPENSES					
General government	14,752,500	0	0	672,000	0
Protection services	46,299,900	0	0	3,741,000	0
Transportation services	22,359,200	0	0	10,886,000	0
Environmental services	24,854,400	0	0	8,821,000	0
Health services	7,636,400	0	0	0	0
Recreation and cultural services	21,089,700	0	0	5,355,000	2,927,500
Planning and development	11,006,400	0	0	3,000	0
Social and family services	9,038,800	0	0	0	0
Social housing	6,701,700	0	0	0	0
	163,739,000	0	0	29,478,000	2,927,500

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 3: Reconciliation of Financial Plan to Budget (Continued)

Year ended December 31, 2024

Description	Operating Budget	Capital Budget	Reserves and Reserve Funds	TCA Adjustments	Belleville Library Board
CAPITAL					
General government	0	905,000	0	(905,000)	0
Protection services	0	2,693,600	0	(2,693,600)	0
Transportation services	0	63,434,600	0	(63,434,600)	0
Environmental services	0	3,031,000	0	(3,031,000)	0
Recreation and cultural services	0	3,898,000	0	(3,898,000)	0
Subtotal	0	73,962,200	0	(73,962,200)	0
NET REVENUES/(EXPENDITURES)	32,481,400	(73,962,200)	0	44,484,200	(40,500)
OTHER INCOME AND EXPENSES RELATED TO CAPITAL					
Canada	0	3,975,000	0	0	0
Ontario	0	10,196,600	0	0	0
Development charges	0	8,540,700	0	0	30,000
Subtotal	0	22,712,300	0	0	30,000
Interest earned on reserve funds	2,366,700	0	0	0	0

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 3: Reconciliation of Financial Plan to Budget (Continued)

Year ended December 31, 2024

Description	Operating Budget	Capital Budget	Reserves and Reserve Funds	TCA Adjustments	Belleville Library Board
FINANCING AND TRANSFERS					
Debenture and other long-term borrowing	0	28,870,900	0	(28,870,900)	0
Debt repayment	(7,495,700)	0	0	7,495,700	0
Transfers from (to) other funds	(27,352,400)	22,379,000	4,973,400	0	0
Subtotal	(34,848,100)	51,249,900	4,973,400	(21,375,200)	0
ANNUAL SURPLUS (DEFICIT)	\$0	\$0	\$4,973,400	\$23,109,000	\$(10,500)

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 3: Reconciliation of Financial Plan to Budget (Continued)

Year ended December 31, 2024

2023	Belleville Downtown Improvement Area	Centre & South Hastings Waste Services	Eliminations	PSAB Budget
Description				
REVENUES				
Municipal taxation	\$322,800	\$0	\$(1,253,600)	\$124,701,300
Taxation from other governments	0	0	0	2,870,600
User fees and sale of goods and services	0	721,700	(364,500)	47,556,500
Grants - Government of Canada	0	0	0	4,660,500
Grants - Province of Ontario	0	0	0	3,573,100
Grants - Other Municipalities	0	2,078,000	(4,383,900)	361,100
Fines	0	0	0	722,200
Investment income	0	9,100	0	5,232,400
Penalty and Interest on taxes	0	0	0	800,000
Development charges	0	0	0	2,177,800
Ontario Lottery and Gaming Corporation	0	0	0	3,500,000
Donations	0	0	0	81,500
Subtotal	322,800	2,808,800	(6,002,000)	196,237,000

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 3: Reconciliation of Financial Plan to Budget (Continued)

Year ended December 31, 2024

Description	Belleville Downtown Improvement Area	Centre & South Hastings Waste Services	Eliminations	PSAB Budget
EXPENSES				
General government	0	0	(90,000)	15,334,500
Protection services	0	0	(23,100)	50,017,800
Transportation services	0	0	(161,400)	33,083,800
Environmental services	0	2,808,800	(2,395,800)	34,088,400
Health services	0	0	0	7,636,400
Recreation and cultural services	0	0	(3,001,500)	26,370,700
Planning and development	322,800	0	(330,200)	11,002,000
Social and family services	0	0	0	9,038,800
Social housing	0	0	0	6,701,700
Subtotal	\$322,800	\$2,808,800	\$(6,002,000)	\$193,274,100

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 3: Reconciliation of Financial Plan to Budget (Continued)

Year ended December 31, 2024

Description	Belleville Downtown Improvement Area	Centre & South Hastings Waste Services	Eliminations	PSAB Budget
CAPITAL				
General government	0	0	0	0
Protection services	0	0	0	0
Transportation services	0	0	0	0
Environmental services	0	0	0	0
Recreation and cultural services	0	0	0	0
Subtotal	0	0	0	0
NET REVENUES/(EXPENDITURES)	\$0	\$0	\$0	\$2,962,900

CORPORATION OF THE CITY OF BELLEVILLE

Schedule 3: Reconciliation of Financial Plan to Budget (Continued)

Year ended December 31, 2024

Description	Belleville Downtown Improvement Area	Centre & South Hastings Waste Services	Eliminations	PSAB Budget
OTHER INCOME AND EXPENSES RELATED TO CAPITAL				
Canada	0	0	0	3,975,000
Ontario	0	0	0	10,196,600
Development charges	0	0	0	8,570,700
Subtotal	0	0	0	22,742,300
Interest earned on reserve funds	0	0	0	2,366,700
FINANCING AND TRANSFERS				
Debenture and other long-term borrowing	0	0	0	0
Debt repayment	0	0	0	0
Transfers from (to) other funds	0	0	0	0
Subtotal	0	0	0	0
ANNUAL SURPLUS (DEFICIT)	\$0	\$0	\$0	\$28,071,900