

**Town of Tecumseh  
Business Improvement Area (TOTBIA)**

**Major Accomplishments**

**2020**



**TECUMSEH TOWN**  
*Life in motion!*

## Introduction

The Town of Tecumseh Business Improvement Area (TOTBIA) is a not-for-profit organization that allows local businesses, property owners and tenants along with the support of the municipality, to organize, finance, and carry out physical improvements and promote the area as a dynamic business and shopping area. The BIA is also committed to the community. Each year the BIA implements special community events and works closely with local organizations and partners to celebrate the area and to organize additional special events. 2019 was a busy and worthwhile year for the Town of Tecumseh BIA with the enhancement of beautification projects, the implementation of promotions and special events and moving the BIA office to a new location. This annual report serves to outline and present these to the Municipality of The Corporation of the Town of Tecumseh et al, our member businesses and to the community.

## BIA Board of Management

### 2019-2022:

Vice Chair: Linda Proctor, Kim Deane, Lawyer  
Treasurer: Paul Bistany, Paul Bistany Real Estate Brokerage  
Director: Joseph Fratangeli, Winelogy – Tecumseh  
Director: Jules Champoux, Armando's Pizzeria  
Director: Jessica Fowler, Fowler Plumbing  
Director: Leo Demarce, Sage Salon + Spa  
Council: Andrew Dowie, Councilor, Town of Tecumseh Ward 1  
Council: Brian Houston - Council Representative, Town of Tecumseh Ward 3

**Staff:** Denise Pelaccia, BIA Coordinator

## OBIAA

**OBIAA:** The Town of Tecumseh BIA is a member of the Ontario Business Improvement Areas Association (OBIAA). TOTBIA has been a member of OBIAA since 2001 which there are now over 300 BIAs that represents over 55,000 businesses and In April 2019 Coordinator Paula Rorai attended the OBIAA Provincial Conference in London.

## TOTBIA Social Media

**TOTBIA Website:** The Town of Tecumseh BIA maintains a website [www.tecumsehbia.com](http://www.tecumsehbia.com). The website underwent an update and various improvements in 2020.

- Average Monthly Pageviews: 1,000 - 2,000
- Average Monthly Unique Pageviews: 1,000 – 3,000
- Common Sectors Viewed: Health & Wellness, Restaurants, Financial, Retail

**TOTBIA Facebook:** The Town of Tecumseh BIA maintains a Facebook business page (@townoftecumsehbia)

- Total Likes to Date: **1,592**

# TOTBIA Programs:

## Eyes on Tecumseh

- Completed 9 articles to date
- Featured 38 businesses
- The BIA subsidized \$50 of the cost, resulting in businesses only owing \$25 for the \$75 feature

## Tecumseh Dollars

The BIA issued Tecumseh Dollars throughout 2020 as door prizes for various community events, Members' Grand Openings, and our BIA sponsored event, 14<sup>th</sup> Annual Gallery Without Walls Banner Contest.

## Grand Openings

- 5 New Members in 2020

## Marketing

- **14<sup>th</sup> Annual Christmas Tecumseh Dollar Contest**
  - "Your Favourite Book Character"
  - \$1,000 Tecumseh Dollar – 3 Names Drawn: \$500, \$300 & \$200
  - 24 Original Drawings Selected out of 54 Submissions
- **Social Media Tecumseh Dollar Giveaways**
  - International Women's Day
  - St. Patrick's Day Pot of Gold Scavenger Hunt
  - Easter Egg Hunt
  - March Break Munchies
  - Mother's Day
  - Father's Day
  - Spin-The-Wheel for Beauty Services
  - Summer Shopping Splurge
  - Back 2 School
  - Fall for Fitness
  - Halloween Costume Contest
  - Remembrance Day
  - Holiday Draw
- **Tecumseh Dollar Donations**
  - Kidney for Carson

2022 BIA BUDGET

	Budget	Actuals	Budget	Budget	Budget
	2021	2021	2022	2023	2024
REVENUE					
Levy	\$132,000	\$99,000	\$132,000	\$132,000	\$132,000
Levy Adjustments	\$1,500		\$1,500	\$1,500	\$1,500
Supplementary	\$2,000		\$2,000	\$2,000	\$2,000
(Writer-Offs)	\$(500)		\$(500)	\$(500)	\$(500)
BIA Associate Memberships	\$500	\$250	\$500	\$500	\$500
Transfer from Reserve	\$24,050	\$16,950	\$30,000	\$15,000	\$10,000
Events & Sponsor Revenue	\$7,600		\$7,600	\$7,600	\$7,600
Misc. Revenue					
Interest Revenue	\$1,900	\$1,240	\$1,500	\$1,500	\$1,500
TOTAL REVENUE	\$167,550	\$117,440	\$173,100	\$158,100	\$153,100
EXPENSES					
Permits/Licenses	\$100		\$100	\$100	\$100
Accounting & Legal Fees	\$10,900	\$5,400	\$10,900	\$10,900	\$10,900
Bank Charges	\$3,250	\$1,850	\$2,050	\$2,050	\$2,050
Insurance	\$200		\$200	\$200	\$200
Insurance Claims					
Clothing Expense	\$300			\$300	\$300
Meals & Entertainment	\$1,000	\$19	\$1,000	\$1,000	\$1,000
Seminars/Conferences	\$1,700		\$1,700	\$1,700	\$1,700
Memberships/Associations	\$250	\$238	\$250	\$250	\$250
Office Rent	\$12,000	\$10,626	\$13,200	\$13,200	\$13,200
Office & Misc Expense	\$1,800	\$1,536	\$1,750	\$1,450	\$1,450
Freight & Courier Fees	\$200	\$94	\$200	\$200	\$200
Software & Computer Expense	\$2,000	\$1,914	\$2,000	\$2,000	\$2,000
Repairs & Maintenance	\$1,350	\$1,476	\$1,350	\$1,350	\$1,350
Telephone & Internet Expense	\$1,700	\$1,451	\$1,700	\$1,700	\$1,700
Website & Storage Expense	\$300	\$317	\$500	\$500	\$500
Travel	\$1,800		\$1,800	\$1,800	\$1,800
Mileage Expense	\$300	\$286	\$500	\$500	\$500
Wages & Salaries	\$40,000	\$30,769	\$41,000	\$42,000	\$42,000

El Expense	\$800	\$681	\$900	\$950	\$950
CPP Expense	\$1,700	\$1,605	\$1,800	\$1,900	\$1,900
Advertising & Marketing	\$12,800	\$12,429	\$10,600	\$13,600	\$13,600
Sponsorships & Donations	\$3,500	\$350	\$3,500	\$3,500	\$3,500
Promotional Photography	\$100		\$100	\$100	\$100
Tecumseh Dollar Expense	\$35,000	\$25,554	\$35,000	\$35,000	\$35,000
Beautification & Events	\$50,950	\$16,950	\$44,200	\$24,250	\$19,250
EXPENDITURES TOTAL	\$184,500	\$108,269	\$173,100	\$157,300	\$152,300
YEAR END SURPLUS /(DEFICIT)	\$(16,950)	\$9,171	\$0.00	\$800	\$800

Financial Statements of

**TECUMSEH B.I.A.**

Year ended December 31, 2019

# **TECUMSEH B.I.A.**

## Financial Statements

Year ended December 31, 2019

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KPMG LLP  
618 Greenwood Centre  
3200 Deziel Drive  
Windsor ON N8W 5K8  
Canada  
Telephone (519) 251-3500  
Fax (519) 251-3530

## INDEPENDENT AUDITORS' REPORT

To the Members of Council and Ratepayers of the Tecumseh B.I.A.

### *Opinion*

We have audited the financial statements of Tecumseh B.I.A. (the B.I.A.), which comprise:

- the statement of financial position as at end of December 31, 2019
- the statement of operations and accumulated surplus for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the B.I.A. as at end of December 31, 2019, and its results of operations and accumulated surplus and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "*Auditors' Responsibilities for the Audit of the Financial Statements*" section of our auditors' report.

We are independent of the B.I.A. 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 B.I.A.'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 B.I.A. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the B.I.A.'s financial reporting process.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

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

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 B.I.A.'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 B.I.A.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the B.I.A. 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.

Chartered Professional Accountants, Licensed Public Accountants

Windsor, Canada

DATE

# TECUMSEH B.I.A.

## Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
<b>Financial assets</b>		
Cash	\$ 101,284	\$ 71,356
Accounts receivable	3,128	1,474
Prepaid expenses	1,441	-
	<u>\$ 105,853</u>	<u>\$ 72,830</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 25,817	\$ 3,616
Net financial assets	80,036	69,214
Subsequent event (note 4)		
Accumulated surplus (note 2)	<u>\$ 80,036</u>	<u>\$ 69,214</u>

See accompanying notes to financial statements.

# TECUMSEH B.I.A.

## Statement of Operations and Accumulated Surplus

Year ended December 31, 2019, with comparative information for 2018

	2019 Budget	2019 Actual	2018 Actual
<b>Revenue:</b>			
Sponsors and special events	\$ 14,500	\$ 7,323	\$ 14,772
Annual levy	119,000	121,893	106,687
Bank interest	1,900	2,143	1,956
Other	4,000	33	2,726
	<u>139,400</u>	<u>131,392</u>	<u>126,141</u>
<b>Expenses:</b>			
Special events	6,700	18,531	20,099
Wages and benefits	51,580	42,317	51,787
Advertising and promotion	21,400	20,821	21,600
Administration and office	4,500	11,658	9,488
Beautification projects	22,300	5,809	5,710
Conferences/travel	1,500	779	1,446
Tecumseh bucks	5,000	13,566	4,180
Professional fees	830	4,371	793
Memberships	500	270	485
Travel deliveries and mileage	1,900	680	619
Dinner meetings	500	1,768	1,720
Election reserve account	500	-	-
	<u>117,210</u>	<u>120,570</u>	<u>117,927</u>
Annual surplus	22,190	10,822	8,214
Accumulated surplus, beginning of year	69,214	69,214	61,000
Accumulated surplus, end of year	<u>\$ 91,404</u>	<u>\$ 80,036</u>	<u>\$ 69,214</u>

See accompanying notes to financial statements.

# TECUMSEH B.I.A.

## Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 10,822	\$ 8,214
Items not involving cash:		
(Increase) decrease in accounts receivable	(1,654)	1,119
(Increase) decrease in prepaid expenses	(1,441)	74
Increase in accounts payable and accrued liabilities	22,201	2,117
Increase in cash	29,928	11,524
Cash, beginning of year	71,356	59,832
Cash, end of year	\$ 101,284	\$ 71,356

See accompanying notes to financial statements.

# TECUMSEH B.I.A.

Notes to Financial Statements

Year ended December 31, 2019

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Tecumseh B.I.A. was designated by the Corporation of the Town of Tecumseh in order to ensure the improvement and beautification of Municipality owned lands, buildings, structures in the Tecumseh Improvement Area beyond such improvement and beautification as is provided at the expense of the Municipality at large and the promotion of the Tecumseh Improvement Area as a business or shopping area.

## 1. Significant accounting policies:

### (a) Use of estimates:

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

### (b) Revenue recognition and accrual basis of accounting:

Revenue and expenditures are reported on the accrual basis of accounting for both annual tax levies and other revenues. The accrual basis of accounting recognizes revenues as they are available and measurable; expenditures 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.

## 2. Accumulated surplus:

	2019	2018
Surplus:		
BIA reserve fund	\$ 80,036	\$ 69,214
	<u>\$ 80,036</u>	<u>\$ 69,214</u>

## 3. Comparative information:

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

# TECUMSEH B.I.A.

Notes to Financial Statements

Year ended December 31, 2019

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#### 4. Subsequent event:

Subsequent to December 31, 2019, financial markets have been negatively impacted by the novel Coronavirus or COVID-19, which was declared a pandemic by the World Health Organization on March 12, 2020. This has resulted in significant economic uncertainty and consequently, it is difficult to reliably measure the potential impact of this uncertainty on the B.I.A.'s future financial results.



**Town of Tecumseh**  
Business Improvement Area (TOTBIA)

TECUMSEH TOWN  
*Life in motion!*

KPMG LLP  
618 Greenwood Centre  
3200 Deziel Drive  
Windsor, Ontario N8W 5K8  
Canada

November 24, 2020

Ladies and Gentlemen:

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as "financial statements") of Tecumseh B.I.A. ("the Entity") as at and for the period ended December 31, 2019.

**GENERAL:**

We confirm that the representations we make in this letter are in accordance with the definitions as set out in **Attachment I** to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

**RESPONSIBILITIES:**

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated April 29, 2019, including for:
  - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
  - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements, such as all financial records and documentation and other matters, including:
    - (i) the names of all related parties and information regarding all relationships and transactions with related parties; and
    - (ii) the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in summaries.
  - c) providing you with unrestricted access to such relevant information
  - d) providing you with complete responses to all enquiries made by you during the engagement
  - e) providing you with additional information that you may request from us for the purpose of the engagement.

IMPROVE | PROMOTE | DEVELOP | PLAN



## Attachment I – Definitions

### MATERIALITY

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Judgments about materiality are made in light of surrounding circumstances and are affected by the size or nature of a misstatement, or a combination of both.

### FRAUD & ERROR

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

### RELATED PARTIES

In accordance with Canadian public sector accounting standards *related party* is defined as:

- Related parties exist when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Two not-for-profit organizations are related parties if one has an economic interest in the other. Related parties also include management and immediate family members.

In accordance with Canadian public sector accounting standards a *related party transaction* is defined as:

- A related party transaction is a transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party, regardless of whether any consideration is exchanged. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.