

**Westboro Village Business
Improvement Area
Special Members Meeting
October 25th, 8:30 AM
ZOOM
Meeting ID: 859 0659 8502**



MINUTES

In attendance: Alan Whitten (Treasurer of the Board/Huntington Properties), Molly van der Schee (Chair of the Board/Village Quire), Judy Lincoln (Executive Director/Secretary), Rick Eisert (Vice Chair/Royal LePage), Jessica Oliver (Member, MUST Boutique), Kandas Miller, (Board Member, Colonnade Bridgeport), Tara Beechey (Westboro Village BIA Staff)

Meeting was called by Molly van der Schee at 8:36AM

Board Treasurer Mr. Alan Whitten presented the 2021 Audited Financial Statements.

Treasurer's Report – Alan Whitten October 2022

Westboro Village Business Improvement Area

Communication by the Auditor

We have received the audited statements from the accounting firm of EY for the period ending December 31, 2021. The auditor is required to consider and comment on certain issues relating to audit standards in Canada and provide assurances as to whether the statements are free of material misstatements, or, in other words, correct. They perform several tests to determine whether the statements are accurate. The auditors have reported that there are no comments, changes, omissions or misstatements in a material way that members should be concerned about, other than the following qualification from the auditors, EY, shown in bold italics:

Qualified opinion

..... In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the BIA as at December 31, 2021, and its results of operations, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for qualified opinion

During the years ended December 31, 2020 and December 31, 2021, the BIA applied for and received \$7,768 and \$15,421 respectively, in government assistance from the Canada Emergency Wage Subsidy ["CEWS"] program under the COVID-19 Economic Response Plan in Canada, which has been recognized as grant revenue in the statement of operations in each respective year. We were unable to obtain sufficient appropriate audit evidence about the BIA's

eligibility for the CEWS program in order to recognize the amount in grant revenue in the years ended December 31, 2020 or December 31, 2021. As a result, we were unable to determine whether any adjustments might be necessary to accounts payable and accrued liabilities, net financial assets, and accumulated surplus as at December 31, 2021, and grant revenue and annual surplus for the year then ended.

This qualification means that the WVBIA could be liable to re-pay the government assistance amounts indicated above, in the total sum of \$23,189, for 2020 and 2021. The Board and Management believe that these amounts can be absorbed from the BIA Reserve Funds without any significant impact on operations, service to its members, or programs that are intended to increase visitors and foot traffic that benefit members.

Financial Results

During the 2021 year, revenues were down significantly due to the following factors:

1. A decision by the Board to reduce levies by approximately 11%, to reduce the tax burden on members during these uncertain times.
2. Remissions, explained in detail in last years report, were exceptionally high, at \$118,000, resulting from tax rebates and lower assessments resulting from successful tax appeals in our area. This amount represented approximately 32% of the budgeted 2021 revenues.

The resulting deficit of \$47,890 for 2021 has been funded by way of a budgeted contribution from reserves of \$40,000 with the remainder in the amount of \$7,890 also funded from reserves. In addition, cuts to planned expenditures during the year were implemented to meet lower revenues that resulted from remissions decreasing revenues. The WVBIA continues to be well-positioned to serve its membership with stable operations and programs in the future, with strong financial reserves to withstand future challenges that may lie ahead.

Outlook for end of FY2022

The BIA realized unexpected grants for a new summer activation, and income from OCOBIA to support the BIAs work in engaging with members for the downtown recovery fund.

There is the risk this year of significant remissions again. We expect remissions to be a challenge for number of years to come. There are some expenditures that have been cut or delayed to next fiscal year to accommodate the potential remissions, currently estimated to be over \$60,000.

Building on the budget for 2023, we will continue to use the five-year rolling average for remissions, and monitoring the reserve fund for unexpected costs and longer term planning. We have learned it can take 2-3 years for a newly built property to show on the levy list, but that a supplementary assessment will be back dated. Due to the amount of new development in the BIA we expect remissions and supplementary assessments to continue to provide a budget challenge.

Judy L. provided some additional comments: Remissions are a challenge and will continue to be a challenge. The remission line will continue to be monitored in the year ahead. The wage subsidy should be in the past after this year, and we can move forward from it.

Alan W. was in favor of continuing to use the 5-year rolling average as it is not possible to know with certainty what the remissions will be each year.

No questions were asked from the members.

Motion to approve the 2021 Financial Statements presented for the Westboro Village Business Improvement Area audited by Ernst & Young and presented at the Special Meeting of BIA Members.

Motion was moved by Alan Whitten / Motion seconded Rick Eisert / All in favour.

Fiscal Year 2022 Update provided by Judy Lincoln

There is another large remission coming in this year so the BIA office is delaying some spending until 2023. We are trying to come in under in some other areas. There was some unexpected revenue from the City of Ottawa, the Downtown Recovery Grant which fund the majority of the Kite Nights, a six week event. We also received funding from OCOBIAA for the work the office did to inform members of the Downtown Recovery grant information. We are excited about the working coming from KarmaDharma regarding the 3-year strategic marketing plan. We anticipate next year will be a series of small events moving away from the large one weekend street festival. This will also us to provide services to all of the members through the geography of the BIA and all the different industries.

The budget for next year is being built conservatory knowing we are dealing with high inflationary rate at 7%. There are a number of contracts up for renewal this year. We will be looking at how do we hold the line of these, such as street maintenance, holiday lights and still receive the services we need.

Molly van der Schee moved for an adjournment, Rick Eisert seconded, no one contested.

Meeting adjourned 8:48AM