DTBIA Annual General Meeting

Thursday, November 5th, 2026

5:15 pm to 6:00 pm reception / 6:00 pm dinner / 7 pm business meeting + awards

Tillsonburg Senior's Centre Auditorium – 45 Hardy Avenue, Tillsonburg

Eligibility to vote at the AGM is subject to final determination by the Secretary/Administration pursuant to the requirements of the Municipal Act.

AGM to be live-streamed

1. **CALL TO ORDER**: Time: _____ p.m.

   QUORUM: To be determined.

   Staff present: To be noted.

   Members present: To be noted.

2. **ADOPTION OF THE AGENDA**:

   MOTION

   Moved by: _____ Seconded by: _____

   THAT the agenda, as prepared for the DTBIA Annual General Meeting of November 5th, 2026, hereby be adopted.

3. **DISCLOSURE OF PECUNIARY INTEREST**

4. **ADOPTION OF THE MINUTES FROM THE AGM OF October 29TH, 2025**

   MOTION

   Moved by: _____ Seconded by: _____

   THAT the minutes, as prepared for the DTBIA Annual General Meeting of October 29th, 2025, hereby be adopted.

5. CHAIR'S ADDRESS TO THE MEMBERSHIP – CHAIR MICHAEL BOSSY

MOTION

Moved by: _____ Seconded by: _____

THAT the Chair's Report to the membership be received as information.

6. STAFF REPORT – 2027 BUDGET + BUSINESS PLANS

The Board of Management reviewed, amended and approved the 2027 budget + business plans at the Special Board meeting of July 22nd, 2026. Staff will review the highlights, areas of focus and initiatives for 2027.

MOTION

Moved by: _____ Seconded by: _____

THAT the 2027 budget and business plan summary be received as information.

7. 2025 AUDITED FINANCIAL STATEMENTS

Chair Bossy to invite Whitney Deane, CPA of Millards Chartered Professional Accountants to review the 2025 audited financial statements.

MOTION

Moved by: _____ Seconded by: _____

THAT the 2025 audited financial statements hereby be received as information and hereby be adopted.

8. APPOINTMENT OF AUDITOR

MOTION

Moved by: _____ Seconded by: _____

THAT Millards Chartered Professional Accountants be appointed as the auditor of record for the DTBIA for the 2027 fiscal year as per the Municipal Act.

9. CONSTITUTION – REVIEW AND UPDATE

To ensure full compliance with evolving provincial governance frameworks, the Downtown Tillsonburg Business Improvement Area (BIA) is updating its internal governance policies and Constitution.

As a designated local board of the Town of Tillsonburg established pursuant to **Section 204(2.1) of the *Municipal Act, 2001*, S.O. 2001, c. 25**, the Downtown Tillsonburg BIA must ensure its operational framework reflects current statutory requirements and municipal oversight standards.

To maintain organizational compliance, enhanced accountability, and administrative clarity, the BIA Board of Management and staff team are prioritizing a comprehensive review of the current BIA Constitution and operational policies.

This review is necessitated by significant provincial legislative shifts, including:

- **Section 238 & Section 270 of the *Municipal Act, 2001*:** Statutory requirements mandating local boards to adopt robust Procedure By-laws, public notice rules, open meeting standards, and accountability/transparency policies.

- **Bill 3 (*Strong Mayors, Building Homes Act, 2022*) & Bill 39 (*Better Municipal Governance Act, 2022*):** Provincial enactments modifying local governance authority, committee operations, delegation powers, and administrative oversight.

- **The *Municipal Conflict of Interest Act* (MCIA):** Mandatory ethical, disclosure, and recusal frameworks governing local board members.

Updating our governing documents resolves historic ambiguities, aligns BIA proceedings with Town of Tillsonburg municipal procedure by-laws, and ensures seamless administrative alignment across all levels of government.

Openness, Transparency, and Member Consultation Process

In alignment with the core principles of public accessibility and transparency codified under **Section 270 of the *Municipal Act, 2001***, the review and adoption of the revised Constitution will follow a rigorous, open-consultation process:

1. **Prior Public Notice & Publication:** The preliminary draft of the updated BIA Constitution will be posted publicly on downtowntillsonburg.com well in advance of any formal voting meeting.

2. **Member Feedback Period:** All BIA members, including commercial property owners and registered business tenants, will have the opportunity to submit written comments, questions, and feedback directly to the Board of Management during a designated review period.

3. **Formal Presentation & Membership Ratification:** Following the integration of feedback and formal review by legal/municipal advisors, the revised draft Constitution will be presented to the membership for discussion and formal ratification at an upcoming General Meeting of the BIA.

Through this prioritized governance update, the Downtown Tillsonburg BIA ensures its operational policies remain legally sound, transparent, and fully responsive to the evolving regulatory environment.

10. DOWNTOWN MASTER PLAN

A Downtown Master Plan is an essential strategic blueprint for the Downtown Tillsonburg Business Improvement Area (BIA), establishing a unified, long-term vision to guide economic growth, urban design, infrastructure improvements, and placemaking.

Commencing this planning process in 2027 will bring together key stakeholders including local business owners, commercial property owners, municipal leaders, residents, and community partners; to collaborate on shaping the core of Tillsonburg. Without a formalized master plan, downtown initiatives risk becoming fragmented; a dedicated planning framework ensures that capital investments, streetscape enhancements, and economic policies align with the evolving needs of the region.

Key Reasons and Practical Examples

- **Business Retention and Economic Resilience:** A master plan provides target strategies for commercial vibrancy, ensuring local startups and legacy businesses thrive by identifying key retail gaps, attracting complementary investments, and driving foot traffic.
- **Transportation, Parking, and Connectivity:** Aligning with broader municipal frameworks like the town's Transportation Master Plan, a downtown master plan optimizes traffic flow, pedestrian safety, active transportation links, and parking availability so visiting the core remains seamless.
- **Placemaking, Beautification, and Public Realm:** It sets clear guidelines for streetscape design, green space integration, public art, signage, and accessibility, reinforcing Tillsonburg's small-town charm and historic character as a vibrant community hub.
- **Coordinated Stakeholder Alignment & Funding:** Commencing the process with robust stakeholder engagement builds consensus among property owners, tenants, and Town Council. Furthermore, having a Council-endorsed Downtown Master Plan unlocks grant opportunities (such as Community Improvement Plan incentives) and provides a prioritized roadmap for capital budgeting in conjunction with the Oxford County Planning Department.

11. 2026-2030 BOARD NOMINATION PROCESS

A) Statutory Authority and Governance Continuity

In accordance with **Section 204(10) of the *Municipal Act, 2001*, S.O. 2001, c. 25**, the term of office for directors of a Business Improvement Area Board of Management corresponds to the term of the municipal council appointing them.

Following the inaugural meeting of the incoming Town Council on **November 16, 2026**, the incumbent Board of Management shall remain in office until successor directors are formally appointed by Council by-law. In prior years, this occurred in January or February following municipal elections.

B) Nomination Guidelines and Eligibility Verification

Pursuant to **Section 204(3)(b)** of the *Municipal Act, 2001*, remaining board directors are selected by a vote of the BIA membership for recommendation to Council.

Candidates seeking election must meet all eligibility requirements established under **Section 204(4)** of the Act (assessed business property owners or registered commercial tenants within the designated BIA boundaries) and adhere to the governing provisions of the Downtown Tillsonburg BIA Constitution in addition to provincial and/or municipal legislation.

- **Nomination Deadline:** Completed nomination packages must be received no later than **4:00 p.m. EDT on November 30, 2026** (the official close of the nomination period).

- **Submission Methods:** Submissions may be delivered in person to the BIA Office or via electronic mail to info@tillsonburgbia.ca. Forms are reviewed by the Nomination Committee.

- **Accessing Forms:** Nomination forms are accessible online at downtowntillsonburg.com, at the BIA administrative offices, or during the Annual General Meeting (AGM).

C) Legislative Alignment, Openness, and Transparency Standards

In commitment to enhanced public accountability, open governance, and corporate transparency across all levels of government; including principles reinforced by recent legislative revisions such as **Bill 3 (*Strong Mayors, Building Homes Act, 2022*)**, **Bill 39 (*Better Municipal Governance Act, 2022*)**, and the **Municipal Conflict of Interest Act (MCIA)**:

- **Pre-Verification Requirement:** To guarantee complete due diligence, verify commercial ratepayer status, and audit candidate eligibility in compliance with municipal oversight rules prior to vote tabulation, **nominations from the floor will not be accepted** at the general membership meeting.

- **Corporate Nominees:** In accordance with **Section 204(7)** of the *Municipal Act, 2001*, corporate members must designate a single individual in writing to act and vote on behalf of the corporation prior to the close of nominations.

Notice of General Meeting

Pursuant to **Section 206 of the *Municipal Act, 2001***, formal notice detailing the date, time, venue, and voting procedures for a General Meeting of the membership; where directors will be elected for council recommendation; will be communicated to all registered members within the statutory notice timeframe.

Notices will be posted on the BIA's website, social media accounts, at the BIA offices and other means as required under applicable legislation.

12. DOWNTOWN ACHIEVEMENT AWARDS

Honoring Excellence: Celebrating Our Downtown Champions

The heartbeat of Downtown Tillsonburg is driven by the passion, resilience, and vision of our business owners, entrepreneurs, and community leaders. Over the past year, our members have demonstrated extraordinary dedication; transforming our downtown corridor through innovative ventures, outstanding customer service, vibrant storefronts, and unyielding community support. Celebrating these remarkable achievements is vital: it reinforces our shared pride, elevates local economic success, and inspires future growth across our district.

To honor these outstanding contributions, the Downtown Tillsonburg BIA Executive Director and team will present awards tonight to officially announce the **2026 Downtown Tillsonburg BIA Excellence Award Winners**!

To spotlight our champions, each award recipient will join the BIA leadership team for an exclusive commemorative photo session. These photos will be featured across our official media channels, marketing campaigns, and regional publications to champion our business community and showcase the extraordinary individuals driving Tillsonburg's downtown renaissance.

13. NEW BUSINESS

14. NEXT ANNUAL GENERAL MEETING

The 2027 AGM will be held on Wednesday, September 29th, 2027, at the Tillsonburg Legion, Main Hall, upstairs. Time TBD.

15. CONFIRMATION OF PROCEEDINGS

MOTION

Moved by: _____ Seconded by: _____

THAT resolution 2026-010-0 to Confirm the Proceedings of the Annual General Meeting held on 05 November 2026, be read for a first, second, third and final reading and the Chair and Secretary, hereby be authorized to sign the same, and place the corporate seal thereunto.

16. ADJOURNMENT: Time of adjournment: _____

MOTION

Moved by: _____ Seconded by: _____

THAT the DTBIA 2026 Annual General Meeting hereby be adjourned.

DTBIA Annual General Meeting

Wednesday, October 29, 2025 – 12 NOON

MINUTES

164 Broadway, Unit 10, Tillsonburg, ON + VIA Zoom

HYBRID MEETING WITH ZOOM LINK:

https://us02web.zoom.us/j/4147170612?omn=81130672359

1. **CALL TO ORDER**: Time: 12:00 p.m. by Chair A. Biggar

   QUORUM: Yes – 6 of 9

   Members present: A. Biggar, B. Parsons, M. Tedesco, B. Thompson, E. Odorjan, H. Vallee

   Staff present:

   M. Renaud, V. Fortner

   BIA members present:

   S. Renken, S. Winter, M. Chaisson, K. Miggens, L. Cameron, R. Salinas, K. Sage, M. Rosehart, M. Christiaens.

   Auditor present: W. Deane – Millards

   Town Staff present: C. Panschow

2. **ADOPTION OF THE AGENDA**:

   MOTION

   Moved by: B. Parsons Seconded by: H. Vallee

   THAT the agenda, as prepared for the DTBIA Annual General Meeting of October 29th, 2025; hereby be adopted.

   CARRIED

3. DISCLOSURE OF PECUNIARY INTEREST

NONE DECLARED

4. ADOPTION OF THE MINUTES FROM THE AGM OF DECEMBER 4TH, 2024

MOTION

Moved by: M. Tedesco Seconded by: B. Thompson

THAT the minutes, as prepared for the DTBIA Annual General Meeting of December 4th, 2024; hereby be adopted.

CARRIED

5. CHAIR'S ADDRESS TO THE MEMBERSHIP – CHAIR ALLISON BIGGAR

There were no questions or comments from the membership or board members present.

6. STAFF REPORT – 2026 BUDGET + BUSINESS PLANS

The Board of Management reviewed, amended and approved the 2026 budget + business plans at the Special Board meeting of October 9th, 2025.

The Executive Director will review the highlights, areas of focus and initiatives for 2026. The Executive Director also reviewed the changes to the Municipal Act as of May 1st, 2025; whereas the process and timelines associated with the budget had been changed. The "strong mayor" powers result in a different approval process.

There were no questions or comments from the membership or board members.

MOTION

Moved by: B. Parsons Seconded by: H. Vallee

THAT the 2026 budget and business plan documents be received as information.

CARRIED

7. 2024 AUDITED FINANCIAL STATEMENTS

Chair Biggar to invite Whitney Deane, CPA of Millards Chartered Professional Accountants to review the 2024 audited financial statements.

MOTION

Moved by: E. Odorjan Seconded by: B. Thompson

THAT the 2024 audited financial statements hereby be received as information and hereby be adopted.

CARRIED

There were no questions or comments by the membership or board members.

8. APPOINTMENT OF AUDITOR

MOTION

Moved by: E. Odorjan Seconded by: H. Vallee

THAT Millards Chartered Professional Accountants be appointed as the auditor of record for the DTBIA for the 2026 fiscal year pursuant to the Municipal Act.

CARRIED

9. NEW BUSINESS

There were no items brought to the floor by either the membership or board members present.

10. NEXT ANNUAL GENERAL MEETING

The 2026 AGM will be held on Wednesday, October 28th, 2026, at the Tillsonburg Legion, Main Hall, upstairs. Time TBD.

There were no questions or comments.

11. CONFIRMATION OF PROCEEDINGS

MOTION

Moved by: B. Parsons Seconded by: H. Vallee

THAT resolution 2025-010-0 to Confirm the Proceedings of the Annual General Meeting held on 29 October 2025, be read for a first, second, third and final reading and the Chair and Executive Director, hereby be authorized to sign the same, and place the corporate seal thereunto.

12. ADJOURNMENT: Time of adjournment: 12:23 p.m.

MOTION

Moved by: M. Tedesco Seconded by: B. Thompson

THAT the DTBIA 2026 Annual General Meeting be adjourned at 12:23 p.m.

CARRIED

2027 PROPOSED OPERATING & CAPITAL BUDGET

DOWNTOWN TILLSONBURG BUSINESS IMPROVEMENT AREA

2027 LEVY GROWTH
+2.90%
$247,040 vs. $240,080 (2026 Budget)

INFLATION BENCHMARK
Below Inflation
2.90% Levy vs. **3.4% BoC EOY 2026**

2025 ADJUSTED OPERATIONAL SURPLUS
+$58,128
Audited (Adj. for FIP & Depreciation)

EXECUTIVE FINANCIAL OVERVIEW

The 2027 Proposed Operating & Capital Budget delivers a balanced, strategically aligned financial plan tailored to support business retention, expand downtown marketing, and implement enhanced public safety measures. The proposed BIA General Levy increase is held strictly to **2.90%** ($247,040 vs. $240,080 in FY2026 Budget), representing real cost-containment relative to the **3.4% Bank of Canada year-end 2026 inflation benchmark**.

This budget excludes all municipal capital contributions ($30,000 in 2027) from levy growth metrics to isolate true property-tax levy impact. Through disciplined fiscal oversight, debt reduction strategies, and aggressive grant matching, the BIA maintains total budget neutrality with balanced revenues and expenditures of **$728,743**.

Fiscal Discipline Chart: BIA Levy Growth vs. BoC Inflation Benchmark



COMPREHENSIVE FINANCIAL OVERVIEW

FINANCIAL CATEGORY ($)	2025 ACTUAL	2026 BUDGET	2027 PROPOSED	YOY CHANGE (%)
BIA General Levy	**$226,133**	**$240,080**	**$247,040**	**+2.90% *(Below Inflation)***
Town MOU Revenue	$39,230	$58,959	$60,138	+2.00%
Town Capital Contribution *(Excluded from Levy)*	$20,000	$20,000	$30,000	+50.00%
Grants, Sponsorships & External Revenue	$187,935	$349,895	$391,565	+11.91%
Total Revenues	**$473,298**	**$668,934**	**$728,743**	**+8.94%**
Capital & Beautification Projects	$30,610	$53,660	$44,175	-17.68%
Core Operations, Safety & HR	$385,659	$573,285	$638,579	+11.39%
Transfers to Non-Restricted Reserves	$0	$26,000	$30,000	+15.38%
Total Base Operating Expenses	**$416,269**	**$652,945**	**$712,754**	**+9.16%**
Façade Improvement Program (FIP) Outlay	$72,079	$15,989	$15,989	0.00%
Net Operational Surplus / (Deficit)	**+$58,128 *(Adjusted)***	**$0**	**$0**	**Balanced**

2027 PROPOSED REVENUE BREAKDOWN MIX ($728,743 TOTAL)



BIA General Levy ($247,040) | Town MOU & Capital ($90,138) | Grants, Sponsorships & External ($391,565)

AUDITED PERFORMANCE & DEBT REDUCTION STRATEGY

2025 AUDITED RESULTS & SURPLUS RECONCILIATION

In FY2025, the BIA achieved an **adjusted net operational surplus of $58,128**. This reconciles core operational revenues of **$473,298** against total core operational expenditures after adjusting for non-cash **depreciation of $13,182** and restricted **Façade Improvement Program (FIP) expenses of $72,079** (funded via restricted reserves, non-operational). FIP investments directly targeted commercial storefront enhancements across the downtown core.

DEBT REDUCTION & SUSTAINABLE INVESTMENTS

A core pillar of the 2027 budget framework is strategic **debt reduction** and long-term liability management. By systematically lowering debt service obligations, the BIA ensures financial sustainability while continuing to invest heavily in downtown maintenance, cleanliness, and public realm enhancements—such as ongoing improvements to the **Tillson Family Parkette**. Operational savings are redirected into non-restricted reserves (**$30,000 in 2027** vs. $26,000 in 2026 Budget).

DETAILED KEY STRATEGIC DRIVERS & 2027 IMPERATIVES

- **Signature Event Operations (TurtleFest):** Ensuring the highly successful and profitable execution of TurtleFest—the Town's premier signature event. TurtleFest operations are supported by **$95,000** in direct event revenue generation, $20,000 in municipal service MOU recovery, and robust community partnerships.
- **High-Traffic Seasonal & Retail Activation Events:** Driving sustained consumer foot traffic into downtown businesses through targeted multi-season events:
  - *October & Halloween Programming:* Expanded fall activations featuring the popular Downtown Haunted House attraction.
  - *Late Night Thursdays:* Coordinated late-night shopping initiatives paired with themed street entertainment.
  - *Tillsonburg Town Centre Activations:* Hosting multiple indoor community events in the center court of the mall to support retail synergy across all commercial sectors.
- **Downtown Safety & Security Ranger Pilot ($50,000 Total / $33,260 External Grant Offset):** Introducing a dedicated Downtown Security and Safety Ranger pilot project to improve public safety, deter vandalism, and provide business assistance. Program costs ($50,000) are heavily offset by **$16,660** in Town funding and **$16,600** from Oxford County.
- **Vandalism Response & Rising Labour Costs:** Addressing heightened operational pressures resulting from social challenges in the downtown core, including increased hourly labour costs required for regular cleanup/maintenance and higher asset replacement costs to repair vandalized BIA property.
- **Public Realm, Maintenance & Parkette Improvements ($44,175):** Dedicated investments targeting downtown cleanliness, routine streetscape maintenance, directional signage, administrative IT upgrades, and capital improvements to public assets like the **Tillson Family Parkette**.
- **Façade Improvement Program (FIP) Allocations ($15,989):** Maintaining a steady **$15,989 outlay** in both 2026 Budget and 2027 Proposed to provide matching grants for local business owners modernizing building exteriors.
- **Reserve Fund Allocations ($30,000):** Direct annual contributions to non-restricted reserve funds ($30,000 in 2027), ensuring emergency liquidity, financial sustainability, and providing capital for future strategic public realm initiatives.

STRATEGIC ALIGNMENT & FISCAL GOVERNANCE

The 2027 Budget represents a balanced approach to municipal economic development. By leveraging external grants and sponsorship funding (comprising 53.7% of total revenues), the BIA minimizes the property tax levy burden while maximizing direct business services, marketing activations, and capital investments in downtown Tillsonburg.

DOWNTOWN TILLSONBURG
Business Improvement Area

DECISION LETTER

APPROVAL OF DTBIA 2027 BUDGET + WORKPLAN

DTBIA Board Meeting

Wednesday, July 22nd, 2026

Moved by: K. Englander Seconded by: B. Parsons

THAT the 2027 budget and workplan hereby be approved as follows:

1. Levy requirement of $247,040 representing a budget-to-budget increase of 2.9%;
2. An MOU increase to $60,138 as previously approved in the 3-year MOU agreement from January 2026;
3. An increase in the town capital contribution to $30,000 to facilitate the 2028 50th anniversary capital project implementation which will require a debenture of $175,000 by the DTBIA in FY2028;
4. Funding of a new “Safety Ranger Program” to be paid for in a tripartite manner between the DTBIA, Town of Tillsonburg and Oxford County Human Services as illustrated in the 2027 Workplan – total of $50,000; (County portion $16,660, BIA portion $16,660 and Town of Tillsonburg portion $16,660);
5. A minor increase in FTE allocations as follows:
    i. Operations: +0.1 FTE
    ii. Marketing: +0.2 FTE, (funded by TurtleFest)
    iii. Special Projects: +0.1 FTE

Carried: ✓ Approved by: M. Bossy

DTBIA Board Meeting – 07/22/2026

ENCL. (2)

DOWNTOWN TILLSONBURG
BUSINESS IMPROVEMENT AREA

FINANCIAL STATEMENTS
For the year ended December 31, 2025

Millards
Chartered Professional Accountants

DOWNTOWN TILLSONBURG
BUSINESS IMPROVEMENT AREA

For the year ended December 31, 2025

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Chartered Professional Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Downtown Tillsonburg Business Improvement Area

Qualified Opinion
We have audited the financial statements of Downtown Tillsonburg Business Improvement Area (the 'BIA' or 'local board'), which comprise the statement of financial position as at December 31, 2025, the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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 local board as at December 31, 2025, and the results of its 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
In common with many organizations, the local board derives revenue from donations and other contributions the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the local board and we were not able to determine whether any adjustments might be necessary to revenues for the years ended December 31, 2025 and 2024 and, annual surplus, accumulated surplus and net financial assets as at January 1 and December 31 for both the 2025 and 2024 years. Our audit opinion on the financial statements for the year ended December 31, 2024 was also modified accordingly because of the possible effects of this limitation in scope.

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 Financial Statements* section of our report. We are independent of the BIA 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 qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of these 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 BIA's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the BIA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the BIA'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 these 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.

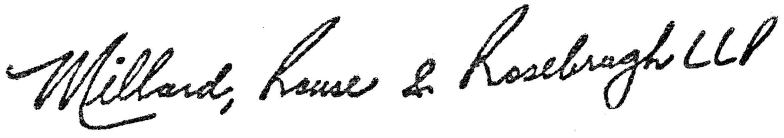
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the BIA's internal control.

- 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 BIA'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 BIA 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.

We 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.



July 22, 2026
Brantford, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

DOWNTOWN TILLSONBURG BUSINESS IMPROVEMENT AREA

STATEMENT OF FINANCIAL POSITION

As at December 31	2025	2024
Financial Assets		
Cash	26,900	61,642
Accounts receivable	29,447	15,113
Harmonized sales tax recoverable	10,395	12,496
	66,742	89,251
Liabilities		
Accounts payable and accrued liabilities	43,401	39,226
Employee deductions payable	8,662	4,912
Due to the Town of Tillsonburg (Note 12)	116	116
Deferred income	2,257	4,657
Loan payable (Note 8)	5,328	15,579
	59,764	64,490
Net Financial Assets	6,978	24,761
Non-Financial Assets		
Tangible capital assets (Note 3)	26,533	33,299
Intangible assets (Note 4)	7,872	10,496
Prepaid expenses	706	666
	35,111	44,461
Net Assets	42,089	69,222
Accumulated Surplus (Note 6)	42,089	69,222

APPROVED ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

DOWNTOWN TILLSONBURG BUSINESS IMPROVEMENT AREA

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended December 31	Budget	2025	2024
Revenues			
Tax levy - Town of Tillsonburg	239,059	226,133	221,036
Capital contribution - Town of Tillsonburg	20,000	20,000	20,000
Memorandum of understanding	39,233	39,230	37,119
Grants and wages subsidies	313,000	37,148	38,351
Other income (Note 7)	31,620	68,707	36,157
Turtlefest income	103,000	79,742	-
Interest	2,400	66	80
Donations	65,000	2,272	8,656
Debt forgiveness	-	-	20,384
	813,312	473,298	381,783
Expenses			
Maintenance and beautification	66,485	16,271	10,981
Operational	536,770	326,559	283,362
AGM	-	29	2,985
Debt payments	23,847	13,595	14,492
Special projects - Facade improvement program	45,000	72,079	-
Marketing and events	17,690	9,285	23,330
Bad debt (recovery)	-	(1,000)	4,281
Amortization	-	13,182	15,542
Turtlefest expenditures	103,000	50,431	-
	792,792	500,431	354,973
Excess (Deficiency) of Revenues over Expenses	20,520	(27,133)	26,810
Accumulated Surplus - Beginning of Year	-	69,222	42,412
Accumulated Surplus - End of Year	-	42,089	69,222

DOWNTOWN TILLSONBURG BUSINESS IMPROVEMENT AREA

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended December 31	2025	2024
Annual Surplus (Deficit)	(27,133)	26,810
Change in prepaid expenses	(40)	54
Change in inventory	-	496
Purchase of capital assets and intangibles	(3,792)	(6,316)
Amortization of capital assets	13,182	15,542
Increase (Decrease) in Net Financial Assets	(17,783)	36,586
Net Financial Assets - Beginning of Year	24,761	(11,825)
Net Financial Assets - End of Year	6,978	24,761

DOWNTOWN TILLSONBURG BUSINESS IMPROVEMENT AREA

STATEMENT OF CASH FLOWS

For the year ended December 31	2025	2024
Cash Flows from Operating Activities		
Excess (Deficiency) of Revenues over Expenses	(27,133)	26,810
Charges (credits) to income not involving cash		
Amortization	13,182	15,542
	(13,951)	42,352
Change in non-cash working capital balances		
Accounts receivable	(14,334)	9,991
Inventory	-	496
Prepaid expenses	(40)	54
Accounts payable	4,176	(36,467)
Harmonized sales tax receivable	2,101	2,968
Employee deductions payable	3,750	3,072
Deferred income	(2,400)	-
	(20,698)	22,466
Cash Flows from Financing Activities		
Advances of loans	-	-
Repayment of loans	(10,252)	(14,421)
Due to the Town of Tillsonburg	-	(21,167)
	(10,252)	(35,588)
Cash Flows from Capital Activities		
Purchase of tangible capital assets and intangibles	(3,792)	(6,316)
Net Decrease in Cash	(34,742)	(19,438)
Opening Cash	61,642	81,080
Closing Cash	26,900	61,642

1. DESCRIPTION OF BUSINESS

The Downtown Tillsonburg Business Improvement Area is a non-profit, local board as created under the Municipal Act, RSO Ontario. The board oversees the improvement, beautification, and maintenance of municipally-owned land, buildings, and structures in the designated area beyond that provided at the expense of the municipality generally and to promote the area as a business and shopping area.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Downtown Tillsonburg Business Improvement Area are prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of CPA Canada.

(a) Basis of Accounting

Revenues and expenses are recorded on the accrual basis, whereby they are reflected in account in the period in which they have been earned and incurred respectively, whether or not such transactions have been settled by the receipt or payment of money.

(b) Fund Accounting

The Downtown Tillsonburg Business Improvement Area follows the principles of fund accounting. The Downtown Tillsonburg Business Improvement Area operates with one general fund. The general fund records amount used for the day to day operations. The Restricted fund records contributions restricted for the facade improvement plan. See Note 5.

(c) Revenue Recognition

Restricted contributions related to the facade improvement plan operations are recognized as revenue of the restricted fund in the year in which the contributions are received.

Unrestricted contributions are recognized as revenue of the general fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

(d) Financial Instruments

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value.

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 statement of operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Financial Instruments (continued)

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method (or effective interest rate method).

All financial assets are assessed for impairment on an annual basis at the end of the fiscal year. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and adjusted through the statement of remeasurement gains and losses.

When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations.

The Standards require an organization to classify the fair value measurements using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;

Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in active markets or market data for substantially the full term of the assets or liabilities; and

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of assets and liabilities.

The local board's financial instruments consist of cash, accounts receivable and accounts payable. The amortized cost of these financial instruments approximate their carrying values, unless otherwise noted.

(e) Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(f) Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

(g) Gifts in Kind

Donated goods, services and facilities are not reported in these financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Tangible Capital Assets

Tangible capital assets are stated at cost. Amortization is provided for in the accounts as follows:

Computer Equipment	30% declining balance
Fixtures and Equipment	30% declining balance

In the year of acquisition, amortization is provided for at one-half of the above rates. No amortization is provided for in the year of disposal.

(i) Intangible Assets

Intangible assets are stated at cost. Amortization is provided for on a 5 year straight line basis.

In the year of acquisition, amortization is provided for at one-half of the above rate. No amortization is provided for in the year of disposal.

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	2025	2024
Computer equipment	5,472	1,388	4,084	1,229
Fixtures and equipment	51,578	29,129	22,449	32,070
	57,050	30,517	26,533	33,299

4. INTANGIBLE ASSETS

	Cost	Accumulated Amortization	2025	2024
Software	13,120	5,248	7,872	10,496

5. RESTRICTED FUNDS	2025	2024
During the year the following activity occurred within the restricted fund:		
Facade Improvement Plan (FIP)		
Opening balance	136,033	182,130
Contributions received during the year	-	-
Qualified expenditures during the year	(72,079)	-
Transfer from general fund	-	-
Approved reallocation of prior year expenditures from the general fund	-	(46,097)
Restricted funds - closing balance	63,954	136,033

6. ACCUMULATED SURPLUS	2025	2024
Accumulated surplus consists of the following:		
Accumulated deficit from operations	(51,175)	(66,811)
Turtlefest	29,310	-
Restricted fund - Facade Improvement Plan (Note 5)	63,954	136,033
	42,089	69,222

7. OTHER INCOME	2025	2024
Sponsorship/donation	39,240	13,636
Rental income	22,688	16,603
Event ticket sales and miscellaneous income	6,779	5,918
	68,707	36,157

8. LOAN PAYABLE

The loan payable balance consists of a loan taken out by the Town of Tillsonburg on behalf of the BIA. The loan is due in blended semi annual installments of $5,467, bearing interest at the rate of 5.22% per annum. Required principal and interest payments over the next year are:

2026 - $ 5,328

9. COMPARATIVE FIGURES

Certain of the prior year's figures, provided for purposes of comparison, have been reclassified to conform with the current year's presentation.

10. FINANCIAL INSTRUMENTS

The BIA has identified the following financial risks:

Credit Risk
Credit risk is the risk that one party to a financial asset will cause a financial loss for the BIA by failing to discharge an obligation. The BIA's credit risk is mainly related to accounts receivable. The BIA provides credit to its clients in the normal course of operations. The risk of loss is considered remote.

Liquidity Risk
Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. Trade payable and accrued liabilities are generally paid within 30 days. This risk has increased from the prior year due to an increased deficit in the operating fund.

11. COMMITMENT

The Town of Tillsonburg incurred debt on behalf of the Downtown Tillsonburg Business Improvement Area related to the acquisition of LED streetlights. The Downtown Tillsonburg Business Improvement Areas has committed to reimburse the Town of Tillsonburg for the principal and interest payments on this debt. The outstanding commitment as at December 31, 2025 was $34,500 (2024 - $46,000). The commitment will be complete in December of 2028 and blended payments over the next three years are as follows:

2026 - $12,537
2027 - $12,162
2028 - $11,784

Office
The Downtown Tillsonburg Business Improvement Area has a rental agreement with the Tillsonburg Town Centre for office space at the rate of $1,000 per month for the offices located at 164 Broadway, Unit 10, Tillsonburg, ON. The amounts are expensed as incurred and the lease is renewed annually under similar terms.

Other
The Downtown Tillsonburg Business Improvement Area has a vehicle lease agreement with monthly charges of $655 plus HST, expiring in March 2026.

Facade Improvement Program
At year end there were no open applications related to the facade improvement program.

12. RELATED PARTY TRANSACTIONS

All related party transactions are considered to be in the normal course of operations and are recorded at the exchange amount agreed to by the related parties. Amounts owing are non interest bearing with no set terms of repayment.

13. SUBSEQUENT EVENTS

Subsequent to year end, a new vehicle lease agreement was signed. The new lease agreement was signed for 27 months. The lease included monthly payments of $750.78 plus HST with the final payment scheduled to occur on May 13, 2028.

Subsequent to year end the Organization has agreed to incorporate the annual Turtlefest event into their operations.