



**SUBJECT: BIA Amendment to Change Payment Frequency**

**Report Number:** FIN 22-16

**Department:** Finance Department

**Submitted by:** Renato Pullia, Interim Director of Finance/Treasurer

**Meeting Type:** Council Meeting

**Meeting Date:** Monday, June 27, 2022

**RECOMMENDATION**

THAT the amendment to the 2022 Downtown Tillsonburg Business Improvement Area Memorandum of Understanding to change the payment frequency from quarterly to monthly, effective July 1, 2022, be approved.

**BACKGROUND**

The Tillsonburg Business Improvement Association (BIA) has requested that the Town consider changing the frequency of the quarterly payments related to the signed 2022 Memorandum of Understanding (MOU). The request is being made to improve the cash flow by receiving more periodic payments.

**DISCUSSION**

The 2022 MOU currently allows for the BIA to receive \$30,534.36 in four quarterly payments of \$7,633.59 each. The BIA has noted that monthly payments would assist with their financial cash flow, and allow them to better meet their financial obligations on a timely basis.

To enact such a change, Section 5 of the 2022 MOU requires that both the BIA Board of Management and Town Council must approve all proposed amendments. Appendix A is a redline version of the MOU showing the respective amendment.

## FINANCIAL IMPACT

Attached as Appendix B is a summary of the annual BIA related financials. The Town provides funding through the MOU, through the Façade Improvement program, and through the levy. From those payments, the Town retains the BIA's allocation for insurance, cell phone expenses, and the principal and interest repayment on the LED Street Lights debt.

The BIA's annual amount through the MOU of \$30,534.36 would be \$2,544.53 monthly instead of \$7,633.59 quarterly. As the Town's levy payments are collected in four installments – February, May, August and October – the difference in the impact from quarterly to monthly payments would be minimal to the Town's own cash flow needs.

## CORPORATE GOALS

How does this report support the corporate goals identified in the Community Strategic Plan?

- ☐ Lifestyle and amenities
- ☒ Customer service, communication and engagement
- ☐ Business attraction, retention and expansion
- ☐ Community growth
- ☐ Connectivity and transportation

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

**Goal** - The Town of Tillsonburg will strive for excellence and accountability in government, providing effective and efficient services, information, and opportunities to shape municipal initiatives.

**Strategic Direction** – N/A

**Priority Projects** – N/A

## ATTACHMENTS

1. Amended 2022 BIA MOU, Redline version
2. 2022 BIA Financial Remittances