Animal Services - Special Operating Agency
Proposed Cat Licensing Program
Revenue and Expense Projection

Appendix B

	Year One	Year Two	Year Three	Year Four
Projected # of Licenses - New	10,000	500	525	551
Projected # of Licenses - Renewed		10,000	10,500	11,025
	10,000	10,500	11,025	11,576

Assumes 95% Sterilized; 5% Intact

	2015	2016	2017	2018
Revenue (Note 1):				
Sterilized Cat Licenses ($15)	142,500	149,625	157,106	164,962
Intact Cat Licenses ($50)	25,000	26,250	27,563	28,941
Projected Revenue	**167,500**	**175,875**	**184,669**	**193,902**
Expenses:				
50% of gross sales to expand Cat Spay/Neuter Programs (Note 2)	83,750	87,938	92,334	96,951
License tags ($0.50/tag)	5,000	5,250	5,513	5,788
Processing costs (Note 3)	6,750	7,088	7,442	7,814
Vet commissions ($5.00 per license) (Note 3)	25,000	26,250	27,563	28,941
Staffing costs (Note 4)	38,896	40,102	41,341	42,614
One-time, First Year costs (Note 5)	5,000	-	-	-
Projected Expenses	**164,396**	**166,627**	**174,193**	**182,108**
Net Surplus (to reduce Accumulated Deficit of SOA)	**3,104**	**9,248**	**10,476**	**11,794**
Total Amount to be Provided for Spay/Neuter Operations:				
Current contract with Winnipeg Humane Society (Note 6)	75,000	75,000	75,000	75,001
50% of gross Cat License sales to expand Cat Spay/Neuter Programs	83,750	87,938	92,334	96,951
Projected Funding for Spay/Neuter Operations	**158,750**	**162,938**	**167,334**	**171,952**

Notes:

1. Revenue assumption is that 95% of all cat licenses sold will be for sterilized cats; 5% sold for intact cats. First year of projected license sales is 10,000 licenses, increasing by 5% annually thereafter. Cost of Sterilized Cat License is $15; Intact Cat License $50 - assumes no increases to these license rates the first few years of implementation.

2. Proposal is that 50% of gross sales from the Cat Licensing Program be provided to the Winnipeg Humane Society (WHS) to either expand WHS spay/neuter programs for owned, stray, and feral cat populations, and/or for the WHS to provide to their key partner organizations such as Winnipeg Pet Rescue and D'Arcy's A.R.C for expansion of cat spay/neuter programs.

3. Processing costs include payment transaction fees, postage, and stationery costs. Assumes that half of all cat licenses sold would be sold online or through 311 with other half sold through veterinarians (at $5.00 per license). Half of all licenses sold/renewed would be subject to a processing fee that includes the cost of postage and envelopes.

4. Assumes that one full time Clerk A would be required (Step 3 = $1,254.11 at Dec. 29, 2013 = 18% benefits); annual phone line for clerk.

5. One-time, first year costs include work station, chair, computer for Clerk A; payment website upgrade.

6. The current contract with the Winnipeg Humane Society (WHS) expires in December 2013. In addition to the operating grant of $425,000 provided to the WHS, the current contract between the City and WHS provides $20 per cat spay and neuter up to a maximum of $75,000 for a low-cost Cat Spay and Neuter Program. To date, the maximum requested/earned by the WHS per the contract for the Cat Spay and Neuter Program was $51,220 in 2012.