Appendix A

Animal Services Special Operating Agency

2023 Business Plan

Service Overview:

Animal Services continues to provide animal control measures under the City of Winnipeg Charter and Responsible Pet Ownership Bylaw (RPO). The Agency's current service consists of four areas:

Sub-Service	Description
Licensing	o Pet licensing o Excess animal permits
Adoption/Education	o Adoption of unclaimed dogs o Public education programs on responsible pet ownership
Kenneling	o Kenneling and care for stray animals running-at-large picked up by the Agency and the public. o Quarantine kenneling for biting dogs
By-Law Enforcement	o Enforcement of the RPO By-law o Neighborhood dispute resolution o Investigation and response o After hours emergency response o Investigation of illegal animal complaints

The Agency works in partnership with the veterinarian community, the Winnipeg Humane Society (WHS), and other stakeholders to ensure the human and animal populations of the City of Winnipeg can co-exist in harmony.

Strategic Direction:

Animal Services remains committed to its goals and strategies, core business operation, and financial stability. These strategies relate to:

- A strengthened commitment to public and animal health and safety through increased public awareness and increased pet ownership education and outreach.
- An enhanced public image.
- Agency sustainability through adequate funding via pet licensing revenues and mill rate support.

Goals and Strategies:

Maintain the enforcement of the Responsible Pet Ownership Bylaw and continue to educate pet owners regarding their responsibilities, including pet licensing.

- Maintain "Zero Tolerance" pet licensing policy coupled with value added educational messaging.
    - Zero tolerance means that if you are a pet owner and your pet is not currently licensed, you will be immediately subject to a $250 fine.
    - Over 47,000 dogs and 28,000 cats are now licensed in Winnipeg. Included in these totals are approximately 3,373 complimentary one-year licenses, which were issued through adoptions and low-income spay/neuter programs.
    - An educational newsletter is mailed or emailed out annually to licensed pet owners. The newsletter is designed as an educational tool to communicate the value of licensing along with the good things being accomplished with licensing dollars.

    - Advertising and media collaboration will continue to be used to educate the public about the zero-tolerance policy and the value and importance of pet licensing.
    - License revenues help protect one's pet while supporting the essential service of animal control.
    - Licensing enforcement will continue with the Agency's complement of Animal Services Officers.
- Continue e-commerce capabilities on Winnipeg.ca:
    - Online pet licensing.
    - Online donations to support animals in the Agency's adoption program.
- Provide ongoing opportunities for public education regarding the RPO.
- Target Parks and Off-Leash areas with both educational and pet license messaging.

Increase customer service and satisfaction through improvement in front-line service delivery.

- Actively engage the community through seven day a week facility business hours.
- Modernized website presence on Winnipeg.ca/animalservices including adoptable animals and educational messaging.
- Open engagement for feedback from the community through an annual newsletter.
- 24/7 reunification of licensed pets through the 311 Service Centre.
- Multiple volunteer run social media platforms including Facebook, Instagram, Twitter, and YouTube.
- Innovative two-way communication with Winnipeg Lost Dog Alert to increase reunification of lost pets.
- Review the Agency's technological needs and upgrade as necessary.
- Next generation Toughbooks used for real-time incident management via 311.
- Support ongoing staff training and development.
- Innovate and green operations including the development of paperless license invoices.

Improve health and safety of neighborhoods.

- Provide active response to community incidents involving animals and people.
- Respond to dog attacks against people and animals.
- Respond to both Winnipeg Police Service and Winnipeg Fire Paramedic Service incidents to assist in the care of animals.
- Enhance prevention and education programs. The Agency attends more than 15 community events annually.
- Provide volunteer opportunities including programming that helps at risk youth.
- Provide presentations to newcomer groups regarding interacting with dogs and cats.
- Provide educational materials for both animals and people including social services messaging. Animal Services has distributed more than 2,000 "211 Manitoba" brochures.
- Develop ongoing creative marketing promotions regarding responsible pet ownership and Animal Services.
- Encourage pet owners to spay/neuter their pets.
- Continue to make funding available for the spay/neuter of pets owned by low income residents.

- Develop “green” strategies to improve facility and fleet operations to reduce environmental impact and save taxpayers money.
- Collaboration with the Winnipeg Fire Paramedic Service where adoptable dogs live in stations helping both first responders and homeless dogs.

Enhance the Agency’s public image.

- Provide opportunities for public engagement including volunteerism through a facility open seven days a week and outreach by Animal Services Officers including attendance at numerous community events.
- Expand relationship with media promoting responsible pet ownership and pet adoption.
- Provide a progressive adoption program of unclaimed pets, including promotion on Winnipeg.ca and through social media.
    - Work to reduce euthanizations as much as possible.
- Provide a Doggie Date program where residents can take adoptable dogs out in the community which improves resident health and wellness while giving homeless dogs a break from the animal shelter.
- Continue 24/7 emergency response to Winnipeg Fire Paramedic Service and Police incidents involving animals.
- Provide caring and compassionate help for both animals and people in the community.
- Actively respond and listen to resident complaints or suggestions regarding the Agency.

Financial Information:

Pro forma financial statements with 2023 and 2024 Projections are attached. These include a Projected Statement of Financial Position, Projected Statement of Operations and Accumulated Deficit, Projected Statement of Cash Flows and a Projected Statement of Net Financial Liabilities.

2021 Audited Financial Statements are attached for reference (Appendix B).

Tax-supported funding for the Agency is reflected as a Mill Rate Support Transfer to Animal Services in the Community Services Department budget and includes two components: (1) funding to in-part support the Service Agreement between the City of Winnipeg and the Winnipeg Humane Society, and (2) funding in-part to support The Animal Services Agency operating expenses.

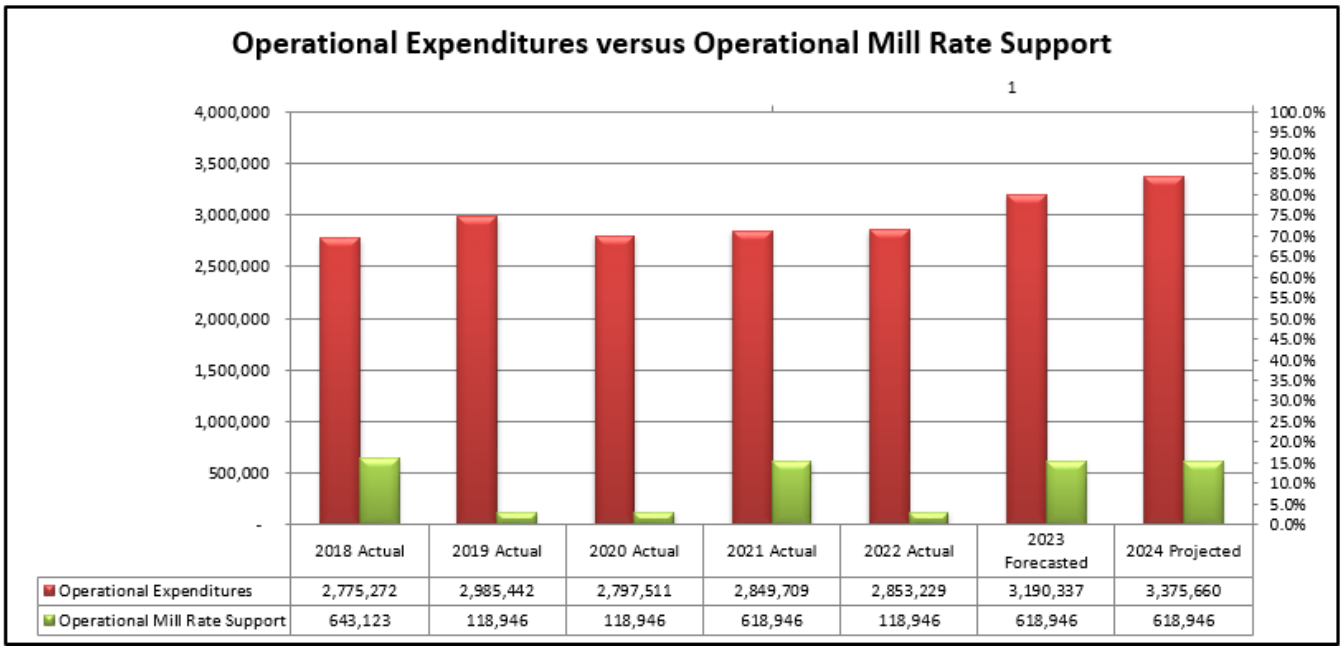
For 2022, actual operational expenditures of $3,675,502, adjusted to exclude the grant to the WHS of $822,273, nets to $2,853,229.

The current agreement with the WHS, expiring December 31, 2024, provides funding by way of an annual grant in the amount of $822,273 to provide general animal services to the City at $582,273, plus the provision of a subsidized spay and neuter program of $240,000.

On October 28, 2021 Council approved increasing support for the subsidized spay and neuter program to $240,000. The total annual funding provided to WHS in the amount of $822,673, of which $652,273 continues to be funded through the tax supported transfer from the City of Winnipeg, and the increase to support the spay and neuter program of $170,000 ($822,273 - $652,273) is funded from the Animal Services accumulated surplus.

The total 2023 expenditure budget for the Agency is $4,012,610. After deducting the $822,273 grant to the WHS, the net remaining expenditure budget is $3,190,337. Further accounting for funding received through operational mill rate support of $618,946 and $170,000 from the Agency's accumulated surplus to cover the October 28, 2021 Council approved funding increase to the WHS grant, the net expenditure budget of $2,401,391 remains needing to be funded. The net expenditure budget of $2,401,391 is offset (financed) by license fees and other service revenues. Animal Services must place significant reliance on license fee revenues and donations in order for the Animal Services Agency to be financially viable to operate.

Table 1 outlines the Agency's growing reliance on license and other service revenues to cover annual operating expenses.



	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Forecasted	2024 Projected
Operational Expenditures	2,775,272	2,985,442	2,797,511	2,849,709	2,853,229	3,190,337	3,375,660
Operational Mill Rate Support	643,123	118,946	118,946	618,946	118,946	618,946	618,946

REVENUE:

Mill Rate Support

Tax-supported funding for the Agency includes two components: (1) funding to in-part support the Service Agreement between the City of Winnipeg and the Winnipeg Humane Society, and (2) funding in-part to support The Animal Services Agency operating expenses.

The current agreement with the WHS, expiring December 31, 2024, provides funding by way of an annual grant in the amount of $822,273 to provide general animal services to the City $582,273, plus the provision of a subsidized spay and neuter program of $240,000.

On October 28, 2021 Council approved increasing support for the subsidized spay and neuter program to $240,000. Total annual funding provided to WHS in the amount of $822,673, which $652,273 continues to be funded through the tax supported transfer from the City of Winnipeg and the increase to support the spay and neuter program of $170,000 ($822,273 - $652,273) is funded from the Agency's accumulated surplus.

The total 2023 tax-support transfer of $1,271,219 is to support two components: (1) the grant to the Winnipeg Humane Society $652,273 and (2) the balance to support Animal Services operating expenses $618,946.

Revenue (Non-Mill Rate Sources)

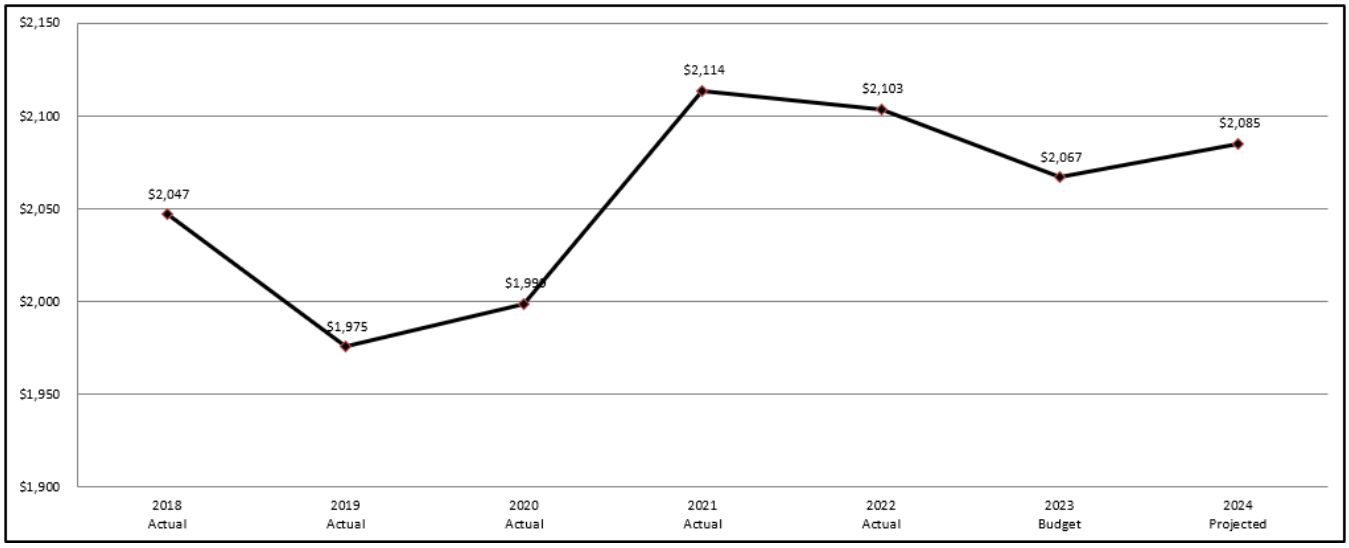
The Agency receives revenue from a number of sources including, pet licenses, adoption/kennel fees, and donations.

Dog Licensing

Annual inflationary increase for dog license fees are projected to be 0.6% for 2023 (sterilized dogs).

Table 2 outlines dog license revenues, recognized and recorded on an accrual basis for 2018 - 2022 with projected revenues for 2023 and 2024. Future year revenue estimates are based on 47,000 licenses being sold of which 92% are expected to be for sterilized dogs.

TABLE 2: Dog License Projected Revenue
($000)



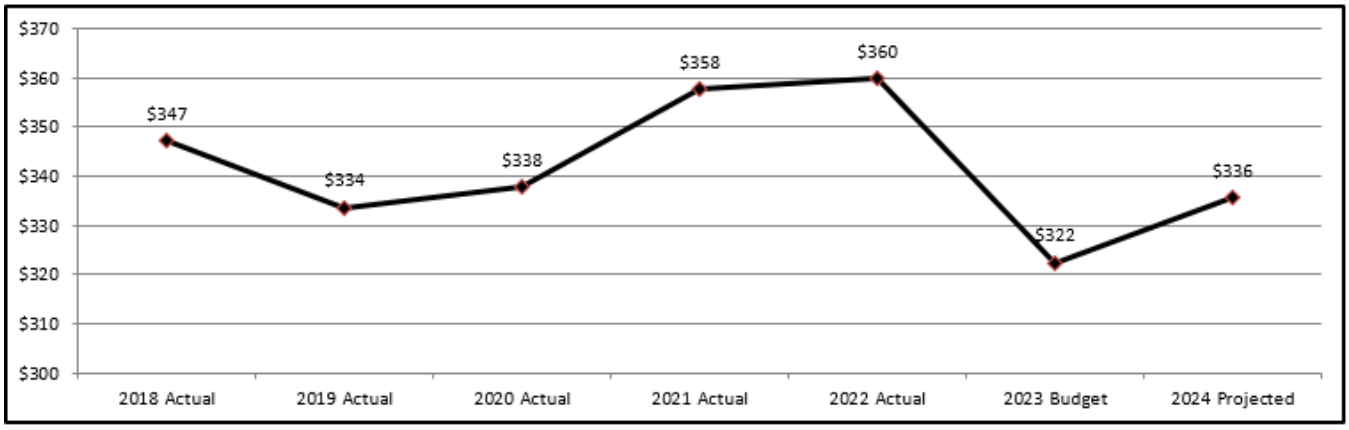
Since license purchases and renewals occur throughout the year, there is unearned revenue on hand at year-end that is deferred to future years. Deferred revenue from previous years is recognized in income at the end of the year.

Cat Licensing

Council approved the implementation of cat licensing effective January 1, 2015. The proposed 2023 annual cat license fees are $15.00 for sterilized cats and $61.00 for intact cats. Approximately 45% of cat licenses fees are set aside for low cost cat spay/neuter programming for low income residents.

Table 3 outlines forecasted revenues for 2023 and 2024. Future year's revenues are based on 21,000 licenses being sold of which 99% are expected to be for sterilized cats.

TABLE 3: Cat License Projected Revenue
($000)



Other Regulation Fees

Other regulation fees are proposed to increase by the rate of inflation in all budget years, as provided by the City's Fees and Charges Policy.

EXPENSES:

Table 4 shows the Agency's actual and projected expenses for the period 2021 through 2024.

TABLE 4: Actual and Projected Expenses

Expense Type	2021 Actual (Audited)	2022 Actual (Unaudited)	2023 Proposed Budget	2024 Projected
Salaries & Benefits	1,781,080	1,807,282	2,129,251	2,213,414
Grants and Transfers	837,544	959,243	997,890	994,720
Services	196,932	241,994	229,767	214,953
Administrative expenses	226,726	227,090	227,456	227,824
Rent	205,167	205,167	195,327	195,327
Materials, Parts, Supplies	124,187	129,145	103,601	133,265
Fleet	62,628	69,295	81,487	111,890
Financing Charges	55,608	41,175	38,602	49,311
Assets & Purchases	12,114	(4,889)	9,229	57,229
Total Expenses	**3,501,986**	**3,675,503**	**4,012,610**	**4,197,933**

Salaries and Benefits *(2023 Proposed = $2,129,251)*

- 2023 proposed salary levels are based on existing grades and levels as per the collective agreements. Staffing levels remain constant over 2022.

- The total staff complement will consist of 27.16 FTE (27.50 FTE net of vacancy management of .34 FTE).
    - The CUPE positions include:
        - Five clerical staff (one Clerk C, one Clerk B, and three Clerk A positions)
        - One Education/Outreach Coordinator
        - Two Animal Services Officer II positions
        - Ten Animal Services Officer I positions
        - One part-time Animal Services Officer I position (total 0.5 FTE)
        - Two Registered Vet Technicians
        - Three Kennel Attendants
    - The WAPSO/WAPSO exempt positions include:
        - One General Manager
        - One Field Operations/Court Coordinator
        - One Operations Coordinator
        - One Financial Analyst

Grants and Transfers *(2023 Proposed = $997,890)*

- Effective January 1, 2022 the City provided annual funding of $822,273 to the Winnipeg Humane Society (WHS) under a service agreement for January 1, 2022 to December 31, 2024. There are two components to the agreement:
    1. The operating portion is for the WHS to provide kenneling and care for all stray cats pursuant to the RPO and to manage other activities, mainly caring for injured dogs and cats (2023 - $582,273).
    2. The second component is a low-cost cat spay/neuter SNAP program (2023 - $240,000).
- On October 28, 2021 Council approved increasing support for the subsidized spay and neuter program to $240,000. Total annual funding is provided to WHS in the amount of $822,673, of which $652,273 continues to be funded through the tax supported transfer from the City of Winnipeg, and the remaining $170,000 to support the increase to the spay and neuter program is funded from the Agency's accumulated surplus.
- The Agency also provides grants under the FIXIT program for the spay/neuter of cats (2022 - $145,057).
- Other transfers include payroll tax ($27,260) and inter-fund transfer for information services ($10,640).

Services *(2023 Proposed = $229,767)*

- Major services used by the Agency include non-professional services ($21,600), veterinary professional services ($60,000), advertising ($32,400), audit fees ($6,000), printing and postage ($64,300), and other various smaller services ($21,460).

Administrative expenses *(2023 Proposed = $227,456)*

- Animal Services purchases administrative services from the City's Community Services Department. Included in these services is assistance with respect to finance, human resources, and information technology.
- Animal Services budget also includes a payment of $80,596 for General Government Charges for support provided by Corporate Finance and Corporate Services (See Table 5 below for Interdepartmental Support).

TABLE 5: Actual and Projected Departmental Services

	2021 Actual (Audited)	2022 Actual (Unaudited)	2023 Proposed Budget	2024 Projected
Financial Services	62,420	62,420	62,420	62,420
Human Resources	58,430	58,430	58,430	58,430
Information Systems	26,010	26,010	26,010	26,010
General Government Charges	79,866	80,230	80,596	80,964
Total	**$ 226,726**	**$ 227,090**	**$ 227,456**	**$ 227,824**

Rent *(2023 Proposed = $195,327)*

- The Agency facility at 1057 Logan Avenue is owned by the City of Winnipeg; however, Animal Services is charged rent of $195,327 per year (2023).
- Municipal Accommodations leases the lower level of 1057 Logan Avenue to the Community Services Department, Community By-Law Enforcement Services for storage of bicycles, and Winnipeg Repair Education and Cycling Hub (WRENCH).

Materials, Parts, Supplies and Assets & Purchases *(2023 Proposed = $112,830)*

- Operating supplies related to caring for animals is budgeted at $38,700.
- Other expenses in this category include uniforms and protective clothing ($12,500), computer software ($35,000) and stationery and office/other supplies ($17,440).
- Assets and purchases include office/other equipment ($4,200) and computer upgrades ($5,000).

Fleet *(2023 Proposed = $81,487)*

- Animal Services Agency is replacing its animal control fleet of six vans in 2024 (current fleet purchased in 2013). Overall, the fleet cost has increased due to fuel costs and maintenance.

Debt and Finance Charges *(2023 Proposed = $38,602)*

- Finance charges include bank service charges ($6,300) and credit card commissions ($32,300).

Projected Statement of Financial Position

CITY OF WINNIPEG ANIMAL SERVICES - SPECIAL OPERATING AGENCY

As At December 31	Audited Actual 2021	Unaudited Actual 2022	Projected 2023	Projected 2024
FINANCIAL ASSETS				
Cash	50,449	40,032	40,032	40,032
Due From the City Of Winnipeg - General Revenue Fund	3,592,507	3,096,875	3,085,044	2,901,263
	3,642,956	3,136,907	3,125,076	2,941,295
LIABILITIES				
Accounts payable and accrued liabilities	247,776	178,689	178,689	178,689
Deferred revenue	1,669,539	1,630,709	1,630,709	1,630,709
Vacation and overtime payable	90,456	106,984	106,984	106,984
Retirement allowance and compensated absences	169,000	160,600	160,600	160,600
	2,176,771	2,076,982	2,076,982	2,076,982
NET FINANCIAL LIABILITIES	1,466,185	1,059,925	1,048,094	864,313
NON-FINANCIAL ASSETS				
Tangible capital assets (Note 6)	-	-	-	-
ACCUMULATED (DEFICIT) / SURPLUS	$ 1,466,186	$ 1,059,925	$ 1,048,094	$ 864,313

See accompanying notes and schedules to the financial projections

Projected Statement of Operations and Accumulated (Deficit)/Surplus

CITY OF WINNIPEG ANIMAL SERVICES - SPECIAL OPERATING AGENCY

For the year ended December 31	Audited Actual 2021	Unaudited Actual 2022	Projected 2023	Projected 2024
REVENUES				
Regulation fees	2,515,614	2,519,330	2,449,058	2,470,671
Transfer (Note 5h)	1,271,219	371,219	1,271,219	1,271,219
Sales of goods and services	52,384	76,947	80,289	71,695
Government grant	27,309	28,432	27,259	27,613
Other revenue	181,345	273,313	172,954	172,954
Total Revenues	4,047,871	3,269,241	4,000,779	4,014,152
EXPENSES				
Salaries and employee benefits	1,781,080	1,807,282	2,129,251	2,213,414
Grants, transfers and other	837,544	959,243	997,890	994,720
Services (Note 6)	234,950	283,562	274,545	288,619
Administrative expenses (Note 6)	226,726	227,090	227,456	227,824
Rent (Note 6)	205,167	205,167	195,327	195,327
Material, parts and supplies	148,794	156,872	140,310	171,489
Debt and finance charges	50,812	41,175	38,602	43,311
Assets and purchases	12,114	(4,889)	9,229	57,229
Amortization	4,795	-	-	6,000
Interest (Note 6)	-	-	-	-
Total Expenses	3,501,982	3,675,502	4,012,610	4,197,933
Excess Revenues Over Expenses	545,889	(406,261)	(11,831)	(183,781)
ACCUMULATED (DEFICIT) / SURPLUS BEGINNING OF YEAR	920,297	1,466,186	1,059,925	1,048,094
ACCUMULATED (DEFICIT) / SURPLUS END OF YEAR	1,466,186	1,059,925	1,048,094	864,313

See accompanying notes and schedules to the financial projections

Projected Statement of Cash Flows

CITY OF WINNIPEG ANIMAL SERVICES - SPECIAL OPERATING AGENCY

For the year ended December 31	Audited Actual 2021	Unaudited Actual 2022	Projected 2023	Projected 2024
Net inflow (outflow) of cash related to the following activities				
OPERATING				
Excess/(Deficiency) of revenue over expenses	545,889	(406,261)	(11,831)	(183,781)
Non-cash charges to operations				
Amortization	4,795	-	-	6,000
Retirement allowance and compensated absences	14,000	(8,400)	-	-
	564,684	(414,661)	(11,831)	(177,781)
Net change in non-cash working capital balances related to operations	104,149	(91,389)	-	-
Cash used in operating activities	668,833	(506,050)	(11,831)	(177,781)
CAPITAL				
Acquisition of tangible capital assets	-	-	-	(6,000)
FINANCING				
Change in due to The City of Winnipeg - General Revenue Fund	(635,565)	495,632	11,831	183,781
Increase (Decrease) in Cash	33,268	(10,418)	-	-
CASH, BEGINNING OF YEAR	17,182	50,450	40,032	40,032
CASH, END OF YEAR	50,450	40,032	40,032	40,032

See accompanying notes and schedules to the financial projections

Projected Statement Of Change In Net Financial Liabilities

CITY OF WINNIPEG ANIMAL SERVICES - SPECIAL OPERATING AGENCY

For the year ended December 31	Audited Actual 2021	Unaudited Actual 2022	Projected 2023	Projected 2024
EXCESS REVENUES OVER EXPENSES	545,889	(406,261)	(11,831)	(183,781)
Amortization of tangible capital assets	4,795	-	-	6,000
Acquisition of tangible capital assets	-	-	-	(6,000)
INCREASE (DECREASE) IN NET FINANCIAL LIABILITIES	550,684	(406,261)	(11,831)	(183,781)
NET FINANCIAL LIABILITIES, BEGINNING OF YEAR	915,502	1,466,186	1,059,925	1,048,094
NET FINANCIAL LIABILITIES, END OF YEAR	1,466,186	1,059,925	1,048,094	864,313

See accompanying notes and schedules to the financial projection

CITY OF WINNIPEG
ANIMAL SERVICES SPECIAL OPERATING AGENCY

NOTES TO THE PROJECTED FINANCIAL STATEMENTS
For the year ending December 31, 2023

1. DESCRIPTION OF BUSINESS

Animal Services, Special Operating Agency commenced operations on January 1, 2000. Animal Services continues to work towards its goals:

- Maintain the enforcement of the Responsible Pet Ownership Bylaw and continue to educate pet owners regarding their responsibilities, as they pertain to including pet licensing
- Increase customer service and satisfaction
- Improve the health and safety of neighborhoods
- Improve the Agency's public image

Since 2000 Animal Services has brought in the following new programs and initiatives:

- Station Doggie Dates;
- Doggie Dates;
- Low income spay/neuter programs;
- Progressive legislative amendments to the Responsible Pet Ownership By-Law;
- Social media pages;
- Monthly media appearances;
- Adoption program to give strays a second chance;
- Volunteer program;
- Work placement for students;
- Enhanced Free Release program;
- Enhanced education programs;
- Increased marketing campaigns;
- On-line pet licensing;
- Zero tolerance pet licensing;
- 311 selling licenses through Winnipeg.ca;
- Chameleon software to provide enhanced and updated support for all operational areas of Animal Services;
- Cat licensing;
- Green facility, fleet, and operational initiatives including paperless licensing invoicing.

2. SIGNIFICANT ACCOUNTING POLICIES

The projected financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards. The projections include the following significant accounting policies:

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue in the period which it is earned provided it is measurable and collection reasonably certain. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the changes in net financial liabilities for the year.

(a) Tangible capital assets

Tangible capital assets are recorded at cost and are amortized on a straight-line basis over their estimated useful lives using the following annual rates:

Computer equipment	25%
Furniture and other equipment	20%
Communication radios	20%
Computer Software	20%

Employee benefit plan

The Winnipeg Civic Employees' Benefits Program is a multi-employer contributory defined benefit program and accordingly contributions are expensed as incurred. The costs of other retirement benefits have been accounted for based on actuarially determined amounts using the projected benefits method prorated on services and management's best estimate of retirement ages of employees, salary escalation and plan investment performance. Actuarial gains and losses are amortized on a straight-line basis over the average remaining service period. The liabilities are discounted using current interest rates on long-term bonds.

Estimates

The preparation of projected financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions are based on the Agency's best information and judgment and may differ from actual results.

3. FINANCIAL PROJECTION

This financial projection is an estimate of the financial position, results of operations and change in cash flow, for the operations of Animal Services Special Operating Agency, using management's assumptions which reflect the Agency's planned course of action for the year ending December 31, 2023. Management's judgment has been used in the assumptions and the most probable set of economic conditions, together with the hypotheses stated in Note 4. The hypotheses are consistent with the purpose of the information. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this projection. Therefore, the actual results achieved during the projected period will vary from the projections.

4. HYPOTHESES

The financial projection has been prepared based on the following hypotheses:

(a) That the City of Winnipeg will agree to provide an annual operating grant of $1,271,219 in 2023.

(b) That the City of Winnipeg will extend a line of credit as detailed in the Financial Statements contained within the Council approved annual Selection Report prepared by the Agency, sufficient for the Agency to carry on operations.

(c) That the Agency will be allowed to purchase any support services required to sustain ongoing operations.

(d) That the Consumer Price Index will be at 3.2% for 2023.

5. ASSUMPTIONS – REVENUE

(a) Fees and Charges

Refer to Appendix C – Fees and Charges Schedule for a complete list of all fees charged by the Agency.

(b) Mill Rate Support from the City of Winnipeg

The Agency is directed to request mill rate support in the amount of $1,271,219 in 2023; the amount includes $652,273 in support of the $822,273 grant for the Winnipeg Humane Society (WHS) service agreement, and the net remaining is to assist with Animal Services operations $618,946.

YEAR	Gross Mill Rate Support	WHS Service Agreement	Operational Mill Rate Support
2005	895,877	125,000	770,877
2006	1,020,121	250,000	770,121
2007	1,018,850	250,000	768,850
2008	1,004,276	250,000	754,276
2009	1,104,276	350,000	754,276
2010	1,154,276	350,000	804,276
2011	1,334,276	530,000	804,276
2012	1,302,504	500,000	802,504
2013 - 2015	1,404,276	500,000	904,276
2016	1,378,836	652,273	726,563
2017	1,319,574	652,273	667,301
2018	1,295,396	652,273	643,123
2019 - 2020	771,219	652,273	118,946
2021	1,271,219	652,273	618,946
2022	771,219	652,273	118,946
2023*	1,271,219	652,273	618,946
2024*	1,271,219	652,273	618,946

* The WHS Agreement is $822,273 for 2023 with $652,273 funded from the mill rate support and $170,000 funded from the Agency's accumulated surplus.

ASSUMPTIONS – EXPENSES

(a) Salaries and Employee Benefits

The Agency expects to operate with the following staff levels over the next three years:

	2023	2024	2025
WAPSO/WAPSO Exempt	4.00	4.00	4.00
CUPE	23.50	23.50	23.50
Total FTEs	27.50	27.50	27.50
Less Vacancy Management	(0.34)	(0.33)	(0.33)
Total FTEs Less Vacancy Management	27.16	27.17	27.17

(b) Grants

The City of Winnipeg will provide annual funding of $822,273 to the Winnipeg Humane Society based upon the agreed upon service agreement approved by Council October 28, 2021 for the term January 1, 2022 to December 31, 2024. There are two components to the Winnipeg Humane Society agreement:

1. The operating portion ($582,273) is for the Winnipeg Humane Society to provide kennelling space for all cats pursuant to the RPO By-law and to manage other animal issues, namely care for injured animals.
2. The second component ($240,000) is a low-cost cat/dog spay and neuter program. Note that $70,000 of this component is funded by tax-support transfer and the remainder of $170,000 is funded from the Agency's accumulated surplus.

The Agency also provides FIXIT grant funding to undertake quality programs to spay/neuter high volumes of cats at a low cost to the community ($145,057).

(c) Audit Fee

The Agency expects to pay approximately $6,000 annually for audit fees.

(d) Advertising

The Agency uses various advertising mediums to help build its revenue base. Methods of advertising include an annual newsletter to licensed pet owners, social media, website, billboards, bus kings, newspaper ads, and brochures.

(e) Municipal Accommodations

The Agency occupies the main floor of the building at 1057 Logan Avenue (12,296 square feet).

(f) Depreciation

Depreciation is based on rates identified in Note 2

(g) Administrative Charges

The Agency expects to purchase administrative services from the City's Community Services Department. These services include assistance with respect to finance, human resources, strategic support and information technology. The Agency's fee is $146,860 annually for 2023.

(h) Corporate Support Services Charges

The City of Winnipeg incurs corporate costs that relate to various shared services such as Legal and PeopleSoft support. The Agency will be charged $80,596 for 2023 by the Corporate Support Services Department.

6. ASSUMPTIONS – CASH RECEIPTS AND DISBURSEMENTS

(a) Cash on hand

$600 is available for the cash register floats.

(b) Equipment

On start-up, the Agency acquired equipment from the City of Winnipeg. The Agency constantly reviews its technology needs and upgrades equipment as needed. The Agency has assumed that all dispositions will be made at net book value and there will be no gain or loss resulting from the disposition of assets.

(c) Accounts Payable and Accrued Liabilities

Accounts payable are paid on the basis of 30-day terms and it has been assumed that accounts payable will be nominal at year-end. Accrued liabilities include such items as unpaid contract fees, salary accruals and other year-end payables.

(d) Deferred Revenue

Animal licenses are renewed throughout the year for a one-year or a two-year term. As a result, there is unearned revenue on hand at year-end that is deferred to future years. Also, deferred revenue from previous years is recognized in income at the end of the year.