Appendix A

Animal Services Special Operating Agency

2024 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	○ Pet licensing ○ Excess animal permits
Adoption/Education	○ Adoption of unclaimed dogs ○ Public education programs on responsible pet ownership
Kenneling	○ Kenneling and care for stray animals running-at-large picked up by the Agency and the public. ○ Quarantine kenneling for biting dogs
By-Law Enforcement	○ Enforcement of the RPO By-law ○ Neighborhood dispute resolution ○ Investigation and response ○ After hours emergency response ○ 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 30,000 cats are now licensed in Winnipeg.
    - 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, X, and YouTube.
- Innovative two-way communication with Winnipeg Lost Dog Alert to increase reunification of lost pets.
- Next generation Toughbooks used for real-time incident management via 311.
- Support ongoing staff training and development.
- Innovate and green operations including 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 residents living on low income.
- Develop "green" strategies to improve facility and fleet operations to reduce environmental impact and save taxpayers money.

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 2024 and 2025 Projections are attached. These include a Projected Statement of Financial Position, Projected Statement of Operations and Accumulated Surplus, Projected Statement of Cash Flows and a Projected Statement of Net Financial Liabilities.

2022 Audited Financial Statements are attached for reference (Appendix B).

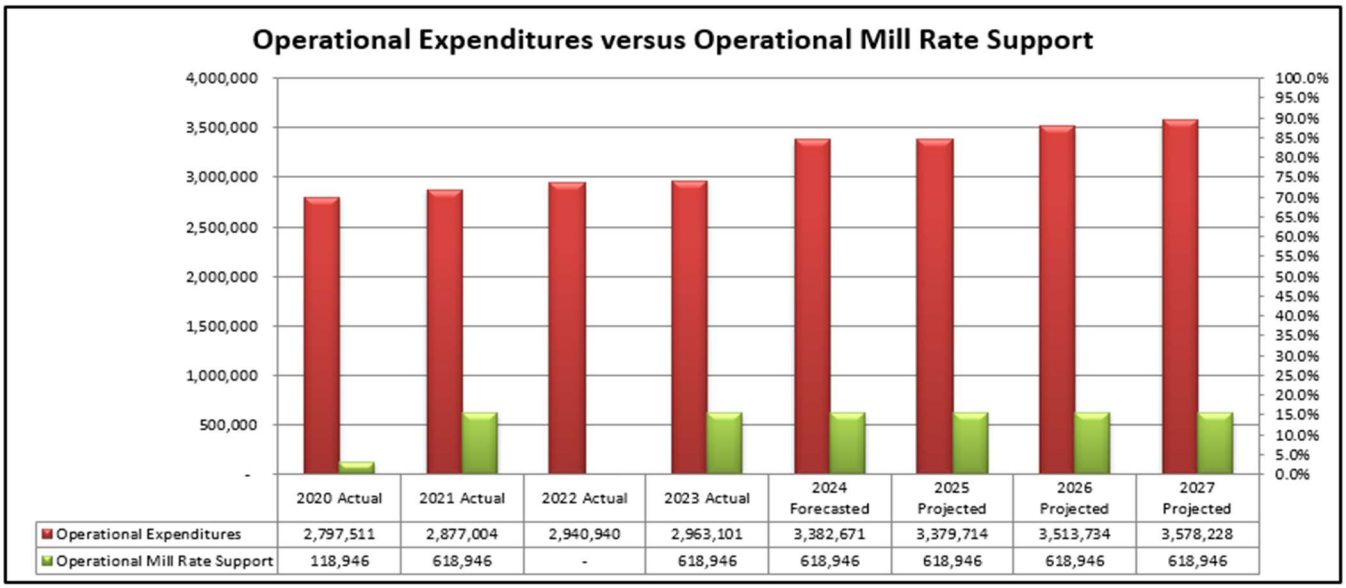
Tax-supported funding for the Agency is reflected as a Mill Rate Support Transfer to Animal Services in the Community Services Department budget and includes two components: (1) funding to in-part support the Service Agreement between the City of Winnipeg and the Winnipeg Humane Society, and (2) funding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

The current agreement with the WHS, expiring December 31, 2024, provides funding by way of an annual grant in the amount of $822,273 for two components: (1) to provide general animal services to the City at $582,273, plus (2) the provision of a subsidized spay and neuter program up to a maximum 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 ($582,273 + $70,000) 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 2024 expenditure budget for the Agency is $4,204,944. After deducting the $822,273 grant to the WHS, the net remaining expenditure budget is $3,382,671. Further accounting for funding received through the mill rate support transfer of $618,946 which is directed towards supporting the Agency operations, the net expenditure budget of $2,763,725 remains needing to be funded. The net expenditure budget of $2,763,725 is offset (financed) by pet license fees and other service revenues 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.



	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Forecasted	2025 Projected	2026 Projected	2027 Projected
Operational Expenditures	2,797,511	2,877,004	2,940,940	2,963,101	3,382,671	3,379,714	3,513,734	3,578,228
Operational Mill Rate Support	118,946	618,946	-	618,946	618,946	618,946	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 in the amount of $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 2024 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.

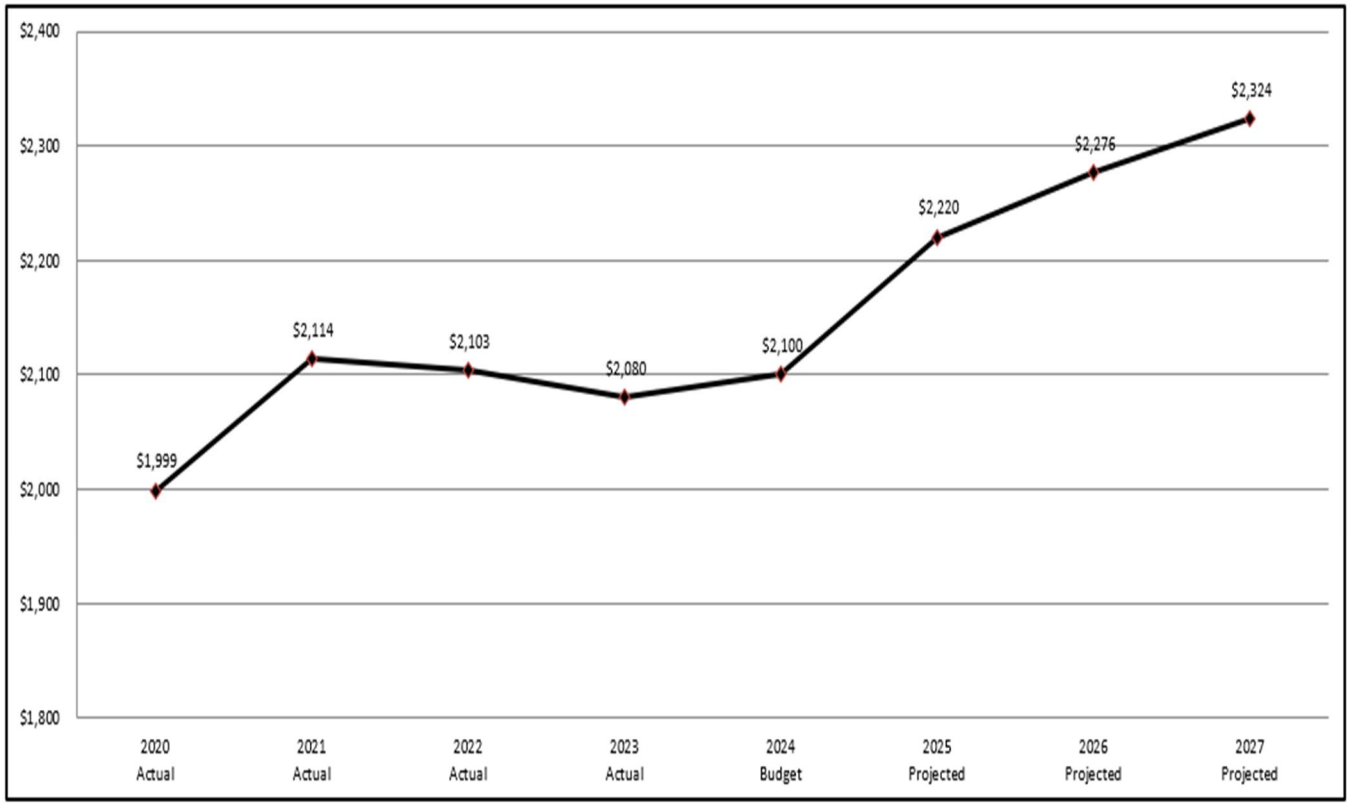
Revenue (Non-Mill Rate Sources)

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

Dog Licensing

Table 2 outlines dog license revenues, recognized and recorded on an accrual basis for 2019 - 2023 with projected revenues for 2024 to 2027. Future year revenue estimates are based on 47,000 licenses being sold of which the majority are expected to be for sterilized dogs.

TABLE 2: Dog License Projected Revenue ($000)



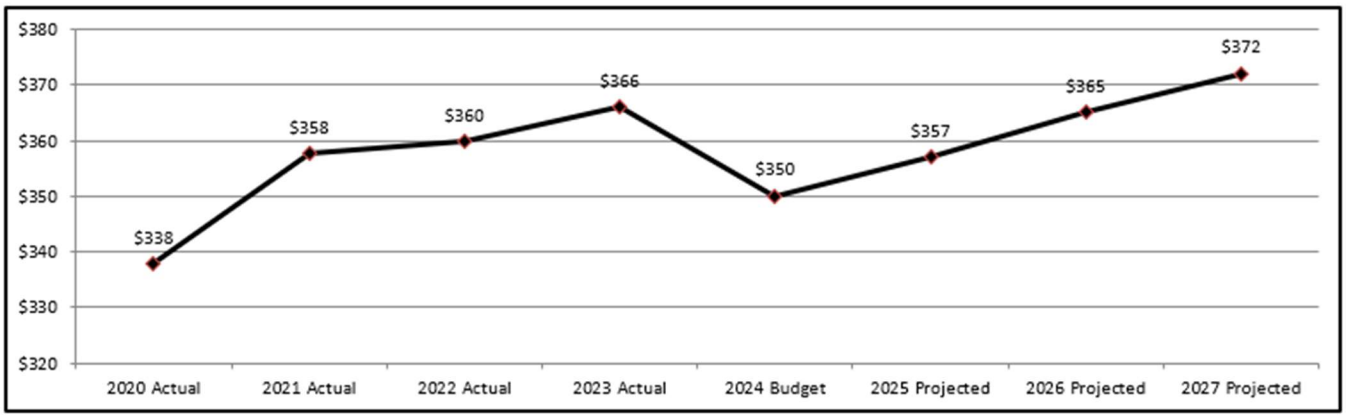
Since license purchases and renewals occur throughout the year, there is unearned revenue on hand at year-end that is deferred to future years. Deferred revenue from previous years is recognized in income at the end of the year.

Cat Licensing

The proposed 2024 annual cat license fees are $15.00 for sterilized cats and $64.00 for intact cats. Approximately 40% of cat pet licenses fees are set aside for low cost cat spay/neuter programming (Fix-It grant) for low income residents.

Table 3 outlines forecasted revenues for 2024 and 2025. Future year's revenues are based on 23,000 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 2022 through 2027.

TABLE 4: Actual and Projected Expenses

Expense Type	2022 Actual (Audited)	2023 Actual (Unaudited)	2024 Proposed Budget	2025 Projected	2026 Projected	2027 Projected
Salaries & Benefits	1,844,977	1,937,680	2,231,868	2,305,316	2,378,876	2,441,218
Grants	913,314	800,104	962,273	752,273	752,273	752,273
Operating Expenses	446,383	527,696	508,198	514,367	514,540	515,563
Administrative Expenses	227,090	227,456	227,824	228,193	228,564	228,937
Rent	205,167	195,327	199,731	199,731	199,731	199,731
Fleet	76,267	74,943	75,050	132,107	192,023	192,779
Total Expenses	**3,713,197**	**3,763,206**	**4,204,944**	**4,131,987**	**4,266,007**	**4,330,501**

Salaries and Benefits *(2024 Proposed = $2,231,868)*

- 2024 proposed salary levels are based on existing grades and levels as per the collective agreements. Staffing levels remain constant over 2023.
- The total staff complement will consist of 27.17 FTE (27.50 FTE net of vacancy management of .33 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 *(2024 Proposed = $962,273)*

- 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 (2024 - $582,273).
    2. The second component is a low-cost cat spay/neuter SNAP program (2024 - $240,000) – funded by Mill Rate support $70,000 and the Agency's accumulated surplus $170,000.
- 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 (2024 - $140,000).

Operating Expenses *(2024 Proposed = $508,504)*

- Major operating expenditures used by the Agency include non-professional services ($30,000), veterinary professional services ($90,000), animal food and medical supplies ($80,000), advertising ($35,000), printing and postage ($57,000).
- Innovation and Technology related expenses ($47,804).
- Other expenses in this category include uniforms and protective clothing ($10,500)
- Finally, other various smaller service expenditures such as telephones, training, office supplies, professional audit fees, credit card commissions, bank services charges, and payroll taxes ($134,200).

Administrative Expenses *(2024 Proposed = $227,824)*

- Animal Services purchases administrative services from the City's Community Services and Innovation & Technology Departments. Included in these services is assistance with respect to financial services, human resources, and innovation & technology.

- Animal Services budget also includes a payment of $80,964 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

	2022 Actual (Audited)	2023 Actual (Unaudited)	2024 Proposed Budget	2025 Projected	2026 Projected	2027 Projected
Financial Services	62,420	62,420	62,420	62,420	62,420	62,420
Human Resources	58,430	58,430	58,430	58,430	58,430	58,430
Innovation and Technology	26,010	26,010	26,010	26,010	26,010	26,010
General Government Charges	80,230	80,596	80,964	81,333	81,704	82,077
Total	**$227,090**	**$227,456**	**$227,824**	**$228,193**	**$228,564**	**$228,937**

Rent *(2024 Proposed = $199,731)*

- The Agency facility at 1057 Logan Avenue is owned by the City of Winnipeg; however, Animal Services is charged rent of $199,731 per year (2024).
- 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).

Fleet *(2024 Proposed = $74,744)*

- The current fleet of vehicles was purchased in 2013. The Agency is planning to replace its fleet of six vans through a phased approach beginning with three in 2025, and the remaining three in 2026.

2024 Financial Projections and Notes

Projected Statement of Financial Position

CITY OF WINNIPEG ANIMAL SERVICES - SPECIAL OPERATING AGENCY

As At December 31	Audited Actual 2022	Unaudited Actual 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
FINANCIAL ASSETS						
Cash	40,032	37,104	37,104	37,104	37,104	37,104
Due From the City Of Winnipeg - General Revenue Fund	3,069,576	3,473,891	3,330,166	3,390,112	3,383,074	3,368,823
Accounts receivable	-	-	-	-	-	-
	3,109,608	3,510,995	3,367,270	3,427,216	3,420,178	3,405,927
LIABILITIES						
Accounts payable and accrued liabilities	178,689	34,076	34,076	34,076	34,076	34,076
Deferred revenue	1,630,709	1,674,835	1,674,835	1,674,835	1,674,835	1,674,835
Vacation and overtime payable	106,984	91,824	91,824	91,824	91,824	91,824
Retirement allowance and compensated absences	171,000	171,000	171,000	171,000	171,000	171,000
	2,087,382	1,971,735	1,971,735	1,971,735	1,971,735	1,971,735
NET FINANCIAL LIABILITIES	1,022,226	1,539,260	1,395,535	1,455,481	1,448,443	1,434,192
NON-FINANCIAL ASSETS						
Prepaid expenses	3	-	-	-	-	-
ACCUMULATED (DEFICIT) / SURPLUS	$ 1,022,230	$ 1,539,262	$ 1,395,537	$ 1,455,483	$ 1,448,445	$ 1,434,194

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 2022	Unaudited Actual 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
REVENUES						
Regulation fees	2,519,330	2,618,153	2,587,500	2,716,214	2,781,750	2,837,531
Transfer (Note 5h)	371,219	1,271,219	1,271,219	1,271,219	1,271,219	1,271,219
Sales of goods and services	76,947	115,735	87,500	89,500	91,000	92,500
Interest & Debt Charges	65,077	174,120	20,000	20,000	20,000	20,000
Government grant	28,432	28,156	30,000	30,000	30,000	30,000
Other revenue	208,237	72,854	65,000	65,000	65,000	65,000
Total Revenues	**3,269,242**	**4,280,238**	**4,061,219**	**4,191,933**	**4,258,969**	**4,316,250**
EXPENSES						
Salaries and employee benefits	1,844,977	1,937,680	2,231,868	2,305,316	2,378,876	2,441,218
Grants, transfers and other	959,243	845,581	1,040,077	830,246	830,419	830,642
Services (Note 6)	283,562	317,196	308,310	362,398	422,314	423,870
Administrative expenses (Note 6)	227,090	227,456	227,824	228,193	228,564	228,937
Rent (Note 6)	205,167	195,327	199,731	199,731	199,731	199,731
Material, parts and supplies	156,872	188,395	135,134	138,103	138,103	138,103
Debt and finance charges	41,175	48,631	50,000	50,000	50,000	50,000
Assets and purchases	(4,889)	2,939	6,000	6,000	6,000	6,000
Amortization	-	-	6,000	12,000	12,000	12,000
Total Expenses	**3,713,197**	**3,763,205**	**4,204,944**	**4,131,987**	**4,266,007**	**4,330,501**
Annual (Deficit)/Surplus	(443,955)	517,032	(143,725)	59,946	(7,038)	(14,251)
ACCUMULATED (DEFICIT) / SURPLUS BEGINNING OF YEAR	1,466,185	1,022,230	1,539,262	1,395,537	1,455,483	1,448,445
ACCUMULATED (DEFICIT) / SURPLUS END OF YEAR	1,022,230	1,539,262	1,395,537	1,455,483	1,448,445	1,434,194

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 2022	Unaudited Actual 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Net inflow (outflow) of cash related to the following activities						
OPERATING						
Excess/(Deficiency) of revenue over expenses	(443,955)	517,032	(143,725)	59,946	(7,038)	(14,251)
Non-cash charges to operations						
Amortization	-	-	6,000	12,000	12,000	12,000
Retirement allowance and compensated absences	2,000	-	-	-	-	-
	(441,955)	517,032	(137,725)	71,946	4,962	(2,251)
Net change in non-cash working capital balances related to operations	(91,392)	(115,647)	-	-	-	-
Cash used in operating activities	(533,347)	401,385	(137,725)	71,946	4,962	(2,251)
CAPITAL						
Acquisition of tangible capital assets	-	-	(6,000)	(12,000)	(12,000)	(12,000)
FINANCING						
Change in due to The City of Winnipeg - General Revenue Fund	522,931	(404,315)	143,725	(59,946)	7,038	14,251
Increase (Decrease) in Cash	(10,416)	(2,930)	-	-	-	-
CASH, BEGINNING OF YEAR	50,449	40,033	37,103	37,103	37,103	37,103
CASH, END OF YEAR	40,033	37,103	37,103	37,103	37,103	37,103

See accompanying notes and schedules to the financial projections

Projected Statement Of Change In Net Financial Assets

CITY OF WINNIPEG ANIMAL SERVICES - SPECIAL OPERATING AGENCY

For the year ended December 31	Audited Actual 2022	Unaudited Actual 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
ANNUAL (DEFICIT)/SURPLUS	(443,955)	517,032	(143,725)	59,946	(7,038)	(14,251)
Amortization of tangible capital assets	-	-	6,000	12,000	12,000	12,000
Acquisition of tangible capital assets	-	-	(6,000)	(12,000)	(12,000)	(12,000)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(443,955)	517,032	(143,725)	59,946	(7,038)	(14,251)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	1,466,185	1,022,230	1,539,262	1,395,537	1,455,483	1,448,445
NET FINANCIAL ASSETS, END OF YEAR	1,022,230	1,539,262	1,395,537	1,455,483	1,448,445	1,434,194

See accompanying notes and schedules to the financial projections

CITY OF WINNIPEG
ANIMAL SERVICES SPECIAL OPERATING AGENCY

NOTES TO THE PROJECTED FINANCIAL STATEMENTS
For the year ending December 31, 2024

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, 2024. 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 2024.

(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 5.0% for 2024.

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 2024; 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 2024 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 four years:

	2024	2025	2026	2027
Out of Scope	1.00	1.00	1.00	1.00
WAPSO	3.00	3.00	3.00	3.00
CUPE	23.50	23.50	23.50	23.50
Total FTEs	**27.50**	**27.50**	**27.50**	**27.50**
Less Vacancy Management	(0.33)	(0.33)	(0.33)	(0.33)
Total FTEs Less Vacancy Management	**27.17**	**27.17**	**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 ($140,000). This grant is currently funded by 40% of cat license revenue.

(c) Audit Fee

The Agency expects to pay approximately $7,500 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 financial services, human resources, and innovation technology. The Agency's fees for such services is $146,860 in 2024.

(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 $80,964 for 2024 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.