

2017

# Annual Report



West  
End **biz**  
BUSINESS IMPROVEMENT ZONE

# Letter from the Executive Director

L.A Reid, CEO of Epic Records said: *"Find your passion, and it's no longer work."* That pretty much describes our team here at the West End BIZ. Serving you, our business members and stakeholders in the best possible way to build and support a vibrant west end is what we love to do!

There are so many reasons why 2017 has been an incredible year for the BIZ... the success of co-hosting the International Downtown Association (IDA) conference, our being recognized with an IDA Pinnacle Award, the numbers and quality of programs and projects delivered and so much more. We invite you to review our annual report and see how your hardworking & talented BIZ team is making a difference in the West End. We are constantly reviewing our programs, projects and initiatives to stay relevant with the times and ever changing needs of the business environment, and we have some exciting new projects lined up for 2018!

I want to especially thank our dedicated volunteer board of directors working on your behalf. Their direction, ideas, support and contributions of time to the work of the BIZ help to ensure we are the best we can be in meeting your needs. If you have some thoughts you want to share with us, or you need assistance, please connect with us anytime. Because your business...is *our* business!

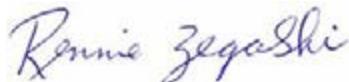


Gloria Cardwell-Hoepfner  
Executive Director



# Letter from the Board Chair

Welcome to our 26th Annual General Meeting. The West End Business Improvement Zone (BIZ) was established in 1991 and is geographically the largest BIZ zone in Winnipeg. We are proud to have grown over the years to provide even better programming and services to our members. This past year was a special one for the BIZ community in Winnipeg. By hosting the International Downtown Association (IDA) in Winnipeg this past September, our BIZ community can be proud to have organized an incredibly successful conference, attended by over 600 delegates from across North American and the world! We can be especially proud at the West End BIZ for being recognized for one of five Pinnacle Awards – the industry's highest honour – in the economic development category for our "Open For Business Project". Please join me in congratulating the team at the West End BIZ for this accomplishment, as well as all the hard work they did in co-hosting IDA – along with all the various programming and special events that happen throughout the year. Thank you to the staff, our board, and our members for your continued support!



Rennie Zegalski  
Chairman of the Board



# Key Highlights

## 2017

Co-hosted the International Downtown Association (IDA) conference with the Downtown Winnipeg BIZ & Exchange District BIZ

Coordinated 20 tours & mobile workshops throughout the West End, Exchange District and Downtown for the IDA conference

Won a "Pinnacle Award" from IDA for the Open For Business Project

3<sup>rd</sup> edition of the Restaurant Guide published

Released the 5<sup>th</sup> edition of the Safety Guide

New banners were installed throughout the West End area

Three new murals added to our gallery, including the O Kanata mural created with funding from Canada 150

Completed the Community Corner project at Sargent Ave. & Maryland St.

## 2014

Released the 2nd edition of the Safety Guide

Inaugural West End Food tours launched

"A Man Called Intrepid"  
(Sir William Stephenson)  
mural unveiled in October

Search For Gems Contest  
Concierge Tour hosted by  
Ace Burpee and Cindy Klassen

Gateway feature Ellice &  
Spence at Saigon park  
Flag project launched  
Community Corner project  
launched, completed in  
2017.

## 2015

Broker's package launched  
Three new murals unveiled  
Mural tours and restaurant  
tours draw record-breaking  
attendance

Hobbies and Antiques Tour  
launched

New commercial released  
Updated Restaurant Guide  
released

Erin and Wall Strategy Report  
completed

Street Element Audit  
completed

New strategy to assist  
property/business owners  
with further incentives to  
improving aging properties

## 2016

Won the BIA Best in the  
West Award for our  
Open for Business  
Broker's Package

Unveiled three new murals  
Completed the West End  
Trends Report

Musical Notes and Lunch  
Totes lunchtime concert  
series launched

Assisted a record number of  
businesses through our  
grants program  
Launched Brush Up BIZ



*"As one of Winnipeg's earliest neighbourhoods, the West End is home to a business community that is full of life and nostalgic charm. The strength of the West End Biz is directly correlated with the diversity of businesses in the area. Thank you to the West End Biz and your members, your contribution to the community helps make Winnipeg such a great place to live and do business!"*

-Mayor Brian Bowman

*The Downtown BIZ was proud to work with The West End BIZ in hosting the IDA conference. It was an incredible opportunity to highlight some of the achievements each of our areas have made and to showcase our city and its potential. The West End BIZ's efforts were invaluable and we value the partnerships we have with them.*

-Sachit Mehra, Past Chair Downtown Winnipeg BIZ and IDA Conference Committee member

# Introducing our team

## BOARD OF MANAGEMENT

Rennie Zegalski, (Chair) <i>Capital Commercial Real Estate</i>	Jon Hunsberger <i>Old House Revival Company</i>	Carla De Luca <i>De Luca's Specialty Foods</i>
George Ingram (Vice Chair) <i>Ingram Consulting</i>	Matthew Tombs <i>Best Price Railing</i>	Michelle Scott Bahadoosingh <i>Tropikis Restaurant</i>
Carla Anjos, (Treasuer) <i>RBC Royal Bank</i>	Martin Trudeau <i>Belgian-Alliance Credit Union</i>	Councilor Cindy Gilroy <i>City of Winnipeg – appointed</i>
John Unger, Secretary <i>Johns, the Hair Designers</i>	Manny Singh <i>Sovereign Construction</i>	Martin Pasieczka <i>City of Winnipeg BIZ Liaison</i>
Emerito Guevarra <i>JEM Insurance</i>	Dieter Scheffer <i>Frank Motors</i>	Jeremy Epp (member at large, non-voting) <i>Independent Jewellers</i>

## STAFF

Gloria Cardwell Hoepfner <i>Executive Director</i>	Aaron Wall <i>Special Assistant: Development Initiatives &amp; Program Support</i>	Jordan Pearson <i>BIZ Patrol</i>
Gera Oviedo Pacheco <i>Finance &amp; Administration Manager</i>	Ryan Malec <i>Maintenance &amp; Safety Coordinator</i>	Sarah Campbell <i>BIZ Patrol</i>
Joe Kornelsen <i>Promotion &amp; Development Coordinator, Executive Assistant</i>	Ed Gegwetch <i>Maintenance Technician</i>	Crisanto Landicho <i>BIZ Patrol (Volunteer)</i>
Jenna Atkinson <i>Planning &amp; Project Coordinator</i>	Tom Grandy <i>Graffiti &amp; Maintenance Tech</i>	Sherisse Loiselle & Norma Way <i>Administrative Assistants (part-time)</i>

West End BIZ staff ▼



# Promotion & Development



Musical Notes & Lunch Totes lunchtime concerts ran weekly at Saigon Park during the summer ▲

*What I love most about being part of the West End BIZ restaurant tours is that I get to see Winnipeggers discover the beauty and diversity of our neighbourhood through a culinary experience. The tour allows me the opportunity to experiment with new dishes and get feedback from the community. I find it a welcoming challenge to create new flavours in my signature dishes which represent the many culinary traditions of the Philippines itself!*

- Harry Mogatas, Rice Bowl

Since May 2015, 157 new businesses chose to locate in the West End area and we believe our multi-faceted approach in business attraction and retention efforts have helped bring them here. The “Open for Business” project has helped get us on the radar for any entrepreneurs looking for the ideal place to locate as well as those looking to expand. The comprehensive project included the initial brokers and buyers information package, trends report, video, website page for available space, grants for businesses, business tracking, marketing and promotion, personal assistance by our staff and more. The International Downtown Association (IDA), who works with BIDs/BIA’s/BIZ’s across the globe, recognized us with their highest honour during the 64th Annual Conference that took place in Winnipeg in September. The Pinnacle Award is presented to organizations whose projects are the most creative and inspiring in the industry. Our team continues to build on the initial project, staying on top of changes in the business, property and demographic make-up of the West End as well as monitoring trends and providing space availability as information becomes available.



Summer tour guide Tessa leading a restaurant tour through Central Park ▲

## SOCIAL MEDIA

Facebook likes: 920

Instagram followers: 887

Twitter followers: 2003

Tour participants: 456

Summer concert attendance: 406



▲ BIA Pinnacle Award for Open for Business

The promotion and development team is responsible for drawing both customers and business owners to the West End and we had some major success in both areas this year! Our tours are steadily growing in popularity. This year was our second best year for our mural and restaurant tours. Our tours are a major draw to the neighbourhood and its diverse range of businesses. We also moved our Artisan tours, previously run on a trial basis, to a full summer schedule. We are now visiting a total of 40 West End businesses through the tours program. We expanded our tour promotion this year by hosting tours for international travel writers. Building off the popularity of our restaurant tours, we updated our Restaurant Guide with all-new imagery and the current restaurant list. With Canada Summer Games taking place in Winnipeg, we used the opportunity to continually keep hotels well-stocked with guides.

On the development end, we released our first West End Trends Report. The report digs deep into the data to communicate how we’re doing as a neighbourhood. By taking a zoomed-in approach to neighbourhood information we are able to understand better the challenges we continue to face and which issues we have overcome. We are also able to provide information-backed knowledge to entrepreneurs interested in locating in the West End and to help existing business owners make decisions about how to invest in the West End.



▲ West End BIZ worked with property owner Redeemed Christian Church of God and SRS Signs to restore the Zoohky mural after building renovations were completed



▲ BIZ staff helping at the Ellice Street Festival

# Image & Safety



▲ BIZ staff completing planter maintenance

## MAINTENANCE

1222 patrol jobs logged

8501 m<sup>2</sup> of graffiti removed

23 bike racks installed

359 flower planters provided /  
283 flower planters maintained

3558 bags of litter removed

Our maintenance staff continued to work on the removal of graffiti, weeds and litter, as well as flower planter maintenance, bike rack installations and other beautification projects. They also completed a number of new projects including the painting of all of the tree grates on Sargent and Ellice Avenues. This gave unkempt and dirty tree grates a tidy and dynamic new look. Another new project this year involved giving much-needed attention to the boulevards on Erin Street. Maintenance staff filled low spots and holes with soil and grass seed with a total of 12 yards of soil spread along the whole street!

There was a noticeable increase in the amount of discarded needles found during the summer, an issue that is not restricted to the West End but experienced by other BIZs throughout the city. Due to this increase, we have begun to keep track of needle statistics as a way to monitor the situation and aid in further refining our safety strategies.

This year the Brush Up BIZ program entered its second year, assisting more businesses with small storefront improvements. The program utilizes some of the extra time BIZ maintenance staff have toward the end of the summer to make quick but dramatic transformations to some of our storefronts that need a little help.

Newly completed this summer, the Community Corner project at the corner of Sargent Avenue and Maryland Street is a capital street enhancement project that builds off of the vibrant and diverse neighbourhood surrounding Sargent and Ellice Avenues. New amenities include decorative fencing, seating, a community notice board, new planters, a waste and recycling receptacle, trees and vines and an interactive sundial etched into the concrete.

▼ While walking the beat, BIZ patrols note & report bulky waste.



Tree wells on Sargent Ave & Ellice Ave were tidied up and painted ▼



Adding to the internationally recognized & award-winning West End BIZ mural gallery, our 2017 mural mentors were assisted by dozens of local children to create the *Woven Together* mural at the corner of Spence Street and Sargent Avenue and the *O Kanata* mural at the corner of Ellice Avenue and Spence Street. These murals depict the traditional fabrics that originate from a diverse range of cultures that all call the West End home and a celebrate the iconic, identity-shaping, landscapes of Canada respectively. Mentors Annie Beach and Brianna Wentz provided local youth the opportunity to learn new skills while building neighbourhood pride through public art.

For the *O Kanata* mural reveal, approximately 100+ attendees of this Canada 150-funded event enjoyed live music, hoop dancing and a drum performance. The mural program attracts hundreds of visitors each year to the West End, introducing them to our community and businesses.

The BIZ was able to sponsor a third mural in the West End area. The *In the Zone* mural, undertaken by Take Pride Winnipeg and created by artist Charlie Johnston, is located at 966 Portage Avenue. This mural depicts athletes and the exceptional performances they display to the world.

▼ One of four Brush Up BIZ transformations



▼ Final touches to the Community Corner project were completed this summer!



▼ *O Kanata* mural was unveiled on August 24<sup>th</sup>

*It is an absolute pleasure to work the Biz. They have amazing employees who are hardworking and committed to doing a fantastic job every single time. CTR appreciates their support and dedication in preparing for our annual Children's Hospital fundraiser.*

-Trish Seens, CTR Auto Parts



# Grants & Rebates

All grants and rebates are available to West End BIZ members and continue to be very popular! Grants are for upcoming projects while rebates cover finished projects. We offer three different types of grants covering 50% of the improvement costs, up to a max of \$1,000. Rebates cover 25% of the improvement costs, also up to a max of \$1,000. Grants and rebates are offered in three categories for projects, including but not limited to:

## STOREFRONT IMPROVEMENT

Painting exterior walls, signage, façade improvements, entryway improvements, and landscaping.

## SAFETY

Lighting, surveillance cameras, security systems and alarms, improved windows and doors, and entryway improvements.

## BUSINESS DEVELOPMENT

Professional services, marketing, expansion & start-up costs, new equipment, staff training, and IT improvements.

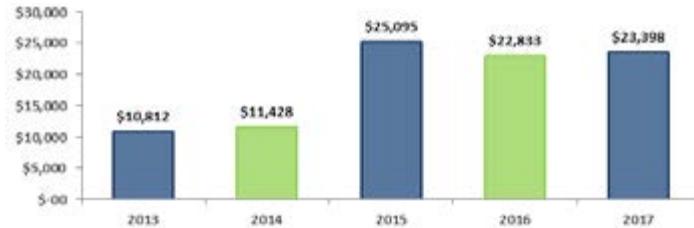
## STATS TO DATE

Total Grants Approved: 27  
 Total BIZ grant dollars dispensed: \$23,398  
 Total amount spent by businesses for improvements: \$107,728



▲ A Business Improvement Grant was used for interior renovations at Ayoko Design

### Total Grant & Rebate Amounts Per Year



### 2017 BIZ Grants & Private Investment



*"The application process for the West End Biz's Grant-Rebate Program was a really positive experience for us. We are a small business and moving into a new office space takes a lot of time and resources. We received an email shortly after sending the application confirming that someone would be coming to take a look at our renovations the next day! The day after the visit, we were sent a letter approving our grant. We could not believe how fast and simple it was to apply and receive a cheque for \$1000! Thank you West End Biz!"*

-Yoko Chapman, Ayoko Designs

# IDA Conference

The West End BIZ strives to be an important resource for information, assistance, solutions and advocacy on a wide range of municipal and business issues, working with all levels of government as needed.

We conduct area research directed toward street enhancement and stewardship, economic development and safety and we engage with our members and stakeholders to identify issues and develop solutions.

This year was a special year for the BIZ: we worked together with the Downtown BIZ & Exchange District BIZ to bring the International Downtown Association conference to Winnipeg, the largest BIZ/BIA/BID conference in North America. The conference hosted 600 delegates from around the world from Sept 13-15th.

As a planning partner and lead responsible for tour organization, the BIZ was proud of the many sold out tours, including three in the West End. Both long-term business owners and new arrivals to the neighbourhood spoke about their

experiences. We provided all the delegates with our updated restaurant guide to ensure they had the absolute best culinary experience while staying in Winnipeg.



IDA Pinnacle Award ceremony during the Winnipeg conference From left: Martin Trudeau, Joe Kornelsen, Gloria Cardwell-Hoepfner, Carla De Luca, & Rennie Zegalski



▲ Over 600 delegates from around the world attended the conference



▲ Three sold out West End tours engaged delegates and introduced them to the area's history and development



▲ A diverse range of tours, mobile workshops and master talks made the conference an educational experience

# Auditor's Report



## WEST END BUSINESS IMPROVEMENT ZONE

### Index to Financial Statements

Year Ended December 31, 2016

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## INDEPENDENT AUDITORS' REPORT

To the Members of West End Business Improvement Zone

We have audited the accompanying financial statements of West End Business Improvement Zone, which comprise the statement of financial position as at December 31, 2016 and the statements of operations, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of West End Business Improvement Zone as at December 31, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Exchange*

chartered professional accountants, LLP  
Winnipeg, Manitoba  
April 11, 2017

## WEST END BUSINESS IMPROVEMENT ZONE

## Statement of Financial Position

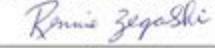
December 31, 2016

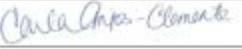
	2016	2015
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 20,396	\$ 4,662
Accounts receivable	27,810	38,081
Goods and services tax recoverable	9,063	9,263
Prepaid expenses	4,969	5,229
	<u>62,238</u>	<u>57,235</u>
CAPITAL ASSETS (Notes 2, 4)	25,899	40,056
RESTRICTED CASH (Note 5)	<u>277,087</u>	<u>243,488</u>
	<u>\$ 365,224</u>	<u>\$ 340,779</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 7,806	\$ 14,068
Vacation payable	7,878	7,362
	<u>15,684</u>	<u>21,430</u>
<b>NET ASSETS</b>		
Unrestricted	46,554	35,805
Invested in capital assets	25,899	40,056
Internally restricted (Note 5)	<u>277,087</u>	<u>243,488</u>
	<u>349,540</u>	<u>319,349</u>
	<u>\$ 365,224</u>	<u>\$ 340,779</u>

CONTINGENT LIABILITY (Note 12)

LEASE COMMITMENT (Note 8)

## ON BEHALF OF THE BOARD

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

See notes to financial statements

## WEST END BUSINESS IMPROVEMENT ZONE

## Statement of Operations

Year Ended December 31, 2016

	2016	2015
<b>REVENUE</b>		
Business Improvement Zone Levy (Note 6)	\$ 522,142	\$ 501,285
Grants		
Graffiti removal	70,000	102,500
Urban Green Team	17,931	17,458
City of Winnipeg street maintenance	8,000	8,000
Employment and Social Development Canada	5,894	5,880
International Village	52,554	2,280
Other contributions (Note 7)	65,171	77,884
	<u>741,692</u>	<u>715,287</u>
<b>EXPENSES (Schedule 1)</b>		
Administration	212,660	214,253
Image and Safety	393,114	374,091
Promotion and Development	91,570	100,883
	<u>697,344</u>	<u>689,227</u>
<b>EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	<u>44,348</u>	<u>26,060</u>
AMORTIZATION	<u>(14,157)</u>	<u>(11,865)</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>\$ 30,191</u>	<u>\$ 14,195</u>

See notes to financial statements

## WEST END BUSINESS IMPROVEMENT ZONE

## Statement of Changes in Net Assets

Year Ended December 31, 2016

	Unrestricted	Invested in Capital Assets	Internally Restricted	2016	2015
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 35,805	\$ 40,056	\$ 243,488	\$ 319,349	\$ 305,154
Excess of revenue over expenses	58,523	(14,157)	(14,175)	30,191	14,195
Transfer of net assets (Note 5)	(47,774)	-	47,774	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 46,554	\$ 25,899	\$ 277,087	\$ 349,540	\$ 319,349

## WEST END BUSINESS IMPROVEMENT ZONE

## Statement of Cash Flow

Year Ended December 31, 2016

	2016	2015
<b>OPERATING ACTIVITIES</b>		
Cash received from funders and other resources	\$ 752,163	\$ 682,841
Cash paid to suppliers and employees	(702,830)	(681,082)
Cash flow from operating activities	49,333	1,759
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	-	(17,189)
<b>INCREASE (DECREASE) IN CASH</b>	49,333	(15,430)
<b>CASH - BEGINNING OF YEAR</b>	248,150	263,580
<b>CASH - END OF YEAR</b>	\$ 297,483	\$ 248,150
<b>CASH CONSISTS OF:</b>		
Cash	\$ 20,396	\$ 4,662
Restricted cash	277,087	243,488
	\$ 297,483	\$ 248,150

## WEST END BUSINESS IMPROVEMENT ZONE

## Notes to Financial Statements

Year Ended December 31, 2016

## 1. DESCRIPTION OF OPERATIONS

The organization was established under a by-law of the City of Winnipeg and has no authorized share capital. The objectives of the organization are to beautify, improve and maintain real property of the City and to promote improvements and economic development in the Zone. The organization is exempt from income tax under Section 149(1).

If the City by-law is repealed, the board shall cease to exist and its undertakings, assets and liabilities shall be assumed and taken over by the City.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. The financial statements have, in management's opinion, been properly prepared within the reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Motor vehicles	5 years	straight-line method
Computer equipment	3 years	straight-line method
Office equipment	5 years	straight-line method
Leasehold improvements	10 years	straight-line method

In the year of acquisition, half of the above rates are taken as amortization.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Revenue recognition

All funds are accounted for using the deferred contribution method of fund accounting.

Levies, grants, partnerships/sponsorships and advertising revenue are recognized in the year in which it is earned. Fundraising revenue is recognized when received.

Notes to Financial Statements  
Year Ended December 31, 2016

## 3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2016:

## Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from clients and funding agencies. Due to the nature and past history of its clients and funding agencies, management assesses this risk as low. Additionally, the organization has a significant number of funders which minimizes concentration of credit risk.

## 4. CAPITAL ASSETS

	2016		2015	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Motor vehicles	\$ 47,865	\$ 32,279	\$ 47,865	\$ 22,706
Computer equipment	8,919	7,196	8,919	6,047
Office equipment	46,521	46,521	46,521	46,521
Leasehold improvements	40,066	31,476	40,066	28,041
	<u>\$ 143,371</u>	<u>\$ 117,472</u>	<u>\$ 143,371</u>	<u>\$ 103,315</u>
Net book value	<u>\$ 25,899</u>		<u>\$ 40,056</u>	

## 5. INTERNALLY RESTRICTED - RESERVE

The Board of Directors have allocated general surplus funds to a reserve. The purpose for the reserve is to maintain the organization's vehicles and other equipment and to assist in unexpected or extraordinary costs resulting from damage or destruction to signs, planters, murals and other street and storefront enhancement items. This reserve also covers the cost of any unforeseen expenses related to but not limited to major office and equipment improvements.

The uncollected levy reserve is used for the purpose of restricting funds to be used to pay back any overpayments provided by the City of Winnipeg. Each year, the City provides the levy prior to collecting from the businesses. If the City does not collect as much levies as they contributed, this is considered an overpayment, and must be paid back by the organization.

The 2017 programming fund will be used for operating programs that are expected to be incurred for the year ended December 31, 2017.

	2016	2015
General reserve	\$ 185,462	\$ 170,824
2017 Programming (2015 - 2016 Programming)	56,342	37,380
Uncollected levy reserve	35,283	35,284
	<u>\$ 277,087</u>	<u>\$ 243,488</u>

During the year, \$47,774 was transferred from unrestricted net assets to internally restricted net assets.

In addition, \$NIL of the internally restricted net assets were used to fund capital assets purchases.

Notes to Financial Statements  
Year Ended December 31, 2016

## 6. BUSINESS IMPROVEMENT ZONE LEVY

	2016	2015
Council approved BIZ budget	\$ 536,317	\$ 535,298
Adjustment - prior years reconciliation to actual zone levy	(14,175)	(34,013)
	<u>\$ 522,142</u>	<u>\$ 501,285</u>

## 7. OTHER CONTRIBUTIONS

Other contributions are monies coming from West End BIZ members, City of Winnipeg, sponsorships, sales, advertising, donations, and partnerships with stakeholders and other related parties. Funds are used for programs such as Image and Safety Projects and Promotion and Development.

## 8. LEASE COMMITMENT

The organization has entered into a lease agreement with respect to its premises. The lease expires April 30, 2019. However, should the organization cease to exist, the lease becomes null and void after three months.

The annual lease amount, per the agreement, is \$34,362 per annum.

## 9. ECONOMIC DEPENDENCE

The organization's primary source of revenue is from the City of Winnipeg. Every business within the organization's boundaries is a member of the organization and is assessed a BIZ levy on their annual rental value which The City of Winnipeg then remits to the organization. The majority of members must approve the organization's proposed annual budget in order to receive this funding. The organization's ability to continue as a viable operation is dependent upon this funding.

Other significant sources of revenue for the organization are grants and sponsorships from a variety of other organizations and government sources. Should the organization's dealings with these entities change, the organization's ability to perform various operations would be impacted.

## 10. BANK INDEBTEDNESS

The organization has arranged for a revolving line of credit up to a maximum of \$50,000, which bears interest at 4.2%. As at December 31, 2016, the full amount remained available for use.

## 11. RELATED PARTY TRANSACTIONS

The following is a summary of the organization's related party transactions:

	2016	2015
<b>Deluca's Specialty Foods</b> <i>(Company owned by board member)</i>		
Administration - Other expenses	\$ 312	\$ -
Promotion and Development - Other initiatives and miscellaneous	-	415
	<u>\$ 312</u>	<u>\$ 415</u>
<b>Frank Motors</b> <i>(Company owned by board member)</i>		
Promotion and Development - Other initiatives and miscellaneous expense	\$ 150	\$ -
Promotion and Development - Business development grant	1,000	-
Image and Safety - Improvement and safety grants	-	1,000
Image and Safety - Beautification programs	997	1,898
	<u>\$ 2,147</u>	<u>\$ 2,898</u>
<b>Independent Jewellers</b> <i>(Company owned by board chair)</i>		
Administration - Staffing	\$ -	\$ 67
Promotion and Development - Other initiatives and miscellaneous expense	207	-
	<u>\$ 207</u>	<u>\$ 67</u>
<b>JEM Insurance</b> <i>(Company owned by board member)</i>		
Image and Safety - Beautification programs	\$ 3,517	\$ 3,410
<b>Morden's of Winnipeg Candy Mfg. Ltd</b> <i>(Company owned by board member)</i>		
Promotion and Development - Marketing and promotion	\$ -	\$ 514

(continues)

## 11. RELATED PARTY TRANSACTIONS (continued)

	2016	2015
<b>Take Pride Winnipeg</b> <i>(Executive Director on board of directors)</i>		
Green Wave community partnership and murals - Included in:		
Administration - Staffing	\$ -	\$ 1,000
Image and Safety - Beautification programs	500	1,250
Image and Safety - Murals	2,500	-
	<u>\$ 3,000</u>	<u>\$ 2,250</u>
<b>Cindy Gilroy</b> <i>(Councilor is a Board Member and sit on City of Winnipeg Executive Committee)</i>		
Image and Safety - Murals	\$ 500	\$ -
Promotion and Development - Marketing and promotion	250	-
	<u>750</u>	<u>-</u>
<b>Capital Commercial Real State Services</b> <i>(Board member is a Principal of this company)</i>		
Image and Safety - Improvement and safety grants	\$ 1,600	\$ -
Promotion and Development - Business development grants	1,000	-
	<u>2,600</u>	<u>-</u>
	<u>\$ 12,533</u>	<u>\$ 9,554</u>

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

## 12. CONTINGENT LIABILITY

The organization has a contingent liability of \$3,765 as at December 31, 2016 due to grants awarded to BIZ members but not yet claimed by the recipients, which are claimable in 2017.

WEST END BUSINESS IMPROVEMENT ZONE

Schedule of Expenses

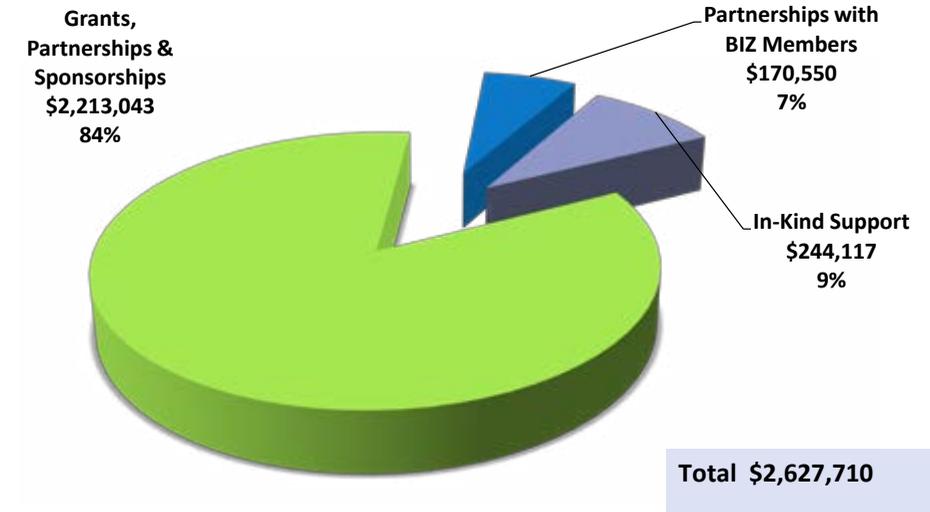
(Schedule 1)

Year Ended December 31, 2016

	2016	2015
<b>ADMINISTRATION</b>		
Office expenses	\$ 65,833	\$ 64,828
Other expenses (Note 11)	7,792	8,313
Staffing (Note 11)	139,035	141,112
	<b>212,660</b>	<b>214,253</b>
<b>IMAGE AND SAFETY</b>		
Beautification programs (Note 11)	88,006	120,026
Improvement and safety grants (Note 11)	17,346	15,599
International village area projects	51,212	8,325
Murals (Note 11)	36,441	11,494
Other initiatives and miscellaneous expense (Note 11)	5,190	2,375
Program implementation	168,865	142,865
Street elements	1,432	22,286
West End BIZ patrol	24,622	51,121
	<b>393,114</b>	<b>374,091</b>
<b>PROMOTION AND DEVELOPMENT</b>		
Business development grants (Note 11)	7,993	6,912
Marketing and promotion (Note 11)	27,627	45,167
Other initiatives and miscellaneous expense (Note 11)	5,380	5,044
Program implementation	44,781	35,794
Website and publications	5,789	7,966
	<b>91,570</b>	<b>100,883</b>
	<b>\$ 697,344</b>	<b>\$ 689,227</b>

# Partners & Sponsors

## 2007-2017 NON-LEVY-CONTRIBUTIONS



Our partnerships ensure our levy dollars go farther in providing quality programming, projects and services to benefit the West End communities. Thank you to those sponsors, partners and members who provided additional support to work of the BIZ this past year!

Andrew Swan MLA  
 Belgian Allianance Credit Union  
 La Bodega  
 Canada Summer Games  
 Canada 150 Fund  
 Centre Venture Development Corporation  
 Closet Chick  
 City of Winnipeg  
 Cobra Collectibles  
 Councilor Cindy Gilroy  
 Culligan Water  
 De Luca's  
 Diane Kingma Coldwell Banker  
 Divinity Hair Designs  
 Downtown Winnipeg BIZ  
 Dulux Paint  
 The Escape Hatch  
 ESDC  
 Exchange District BIZ  
 Feast Café Bistro  
 Flowers in Bloom

Frank Motors  
 General Wolfe School  
 Goodies Bakeshop  
 Hertz  
 Homer's Restaurant  
 India Palace Restaurant  
 Ingram Consulting  
 Iqmetrix  
 Jem Insurance  
 Johns the Hair Designers  
 Kohinoor Jewellers  
 Manitoba Housing  
 Manitoba Hydro  
 Manitoba Public Insurance  
 McDonalds Restaurant  
 Mordens of Winnipeg  
 National Trust for Canada  
 Old House Revival  
 Oxygen Technical Services  
 Prairie Studio Glass  
 Province of Manitoba  
 Rice Bowl Restaurant

Safeway on Sargent  
 Selam Grocery  
 Shawarma Time  
 Sherbrook Animal Hospital  
 Sorrento's Restaurant  
 Spence Neighborhood Association  
 Strong Badger Coffeehouse  
 Superstore on Sargent  
 Take Pride Winnipeg  
 The Forks North Portage Partnership  
 The Good Will  
 Thrive Community Support Circle  
 Tophers No Frills  
 University of Winnipeg  
 Village Diner  
 Waste Connections Canada  
 Winnipeg Parking Authority  
 Winnipeg Police Service  
 Winnipeg Transit  
 X-Cues Café

## WHAT IS A BIZ ANYWAY?

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A business improvement zone is a non-profit association of businesses established in a particular area of the city. There are currently 16 operating in Winnipeg with the West End covering the largest area. For-profit businesses within the zone are members and pay

a levy based on their annual rental value (ARV). The levy varies based on the number of businesses in the zone. Each year the BIZ determines its programming needs and sets its budget accordingly. The City then applies the percentage required to generate the funds

and collects and remits those funds to the BIZ. These funds allow the BIZ to develop programs and initiatives in street enhancement, safety, marketing and member support. All programming is developed to help create a healthy and thriving business environment.

