



WESTEND BIZ
ANNUAL
REPORT
2022



70
NORTH
→
↪

Mickey
Barber shop

LIONS

CDQ
New York

LETTER FROM THE EXECUTIVE DIRECTOR

It's safe to say that this year was one of the most challenging our organization has ever faced. With the total loss of our office and much of our equipment in a building fire on February 2 this year, the West End BIZ faced the daunting challenge of finding a new home, rebuilding our inventories and continuing to be available to our members. Further, we all were deeply saddened by the passing of our office cat, Selena, an important member of our team whom we all continue to miss.

Despite the challenges, the West End BIZ team showed tremendous resilience. Our patrols, ambassadors and maintenance teams were out tidying the neighbourhood, providing assistance and connecting with members within days of the fire. We continued to prepare for our summer events and capital projects without missing a beat. I want to thank everyone who reached out and offered support in the days after the fire and particularly the Downtown and Exchange District BIZs who lent office space to our teams. With critical support from area stakeholders including Forks North Portage, Councillor Cindy Gilroy, Mayor Brian Bowman and Liquor and Lotteries we carried out several key projects including the RENEW mural program, Canada Day and Culture Days events at Central Park and expanded our patrol/ambassador teams.

We are seeing renewed energy and excitement in the neighbourhood. In the coming year we will be making investments to address some of the most persistent challenges: safety and litter. Our patrol and ambassador team will be the largest it has ever been and year-round litter removal is being augmented. I am extremely proud of the work we have been doing and look forward to continuing to show our tremendous value as a nimble and responsive organization that's there quickly and efficiently for our members.



LETTER FROM THE BOARD CHAIR

The West End is a resilient neighbourhood. The last couple years have been tremendously difficult for many of our members. Just as our organization was about to help the neighbourhood take those early steps toward economic recovery, we experienced a debilitating office fire. Despite all these headwinds, the West End business community and the BIZ continue to strive to make the West End the top neighbourhood in Winnipeg.

Whether it's the new developments on Wall Street, the substantial building investments we're seeing on Notre Dame or the experimentation with new ideas on the Ellice and Sargent, more people are doing more things in the West End and it's transforming the neighbourhood into the best place to be in the city. Despite the difficulties brought on by the pandemic, West Enders are making more things happen than ever before.

That doesn't mean there aren't challenges. Similar to the rest of Winnipeg, vandalism, litter and worn-down infrastructure are critical issues our members want addressed in our neighbourhood. That's why, going into 2023, the West End BIZ is redoubling its efforts to tackle these key issues with investments in our patrols, ambassadors and maintenance teams. While you create inviting new businesses, we are committed to being right beside you creating and curating beautiful public spaces right outside your door.

To our members and stakeholders, we are your organization. We are committed to being THE organization you can count on to assist with everything from graffiti to promotion to advocacy. Don't hesitate to be in touch, we are happy to help!





KEY HIGHLIGHTS 2022

- RENEW Mural project + record 15 murals sponsored in the neighborhood
- Culture Days at Central Park
- Safety reporting procedures updated for faster response times.
- Rapid post-fire service recovery
- Second New Business Week
- Return to full tour roster and record-breaking event attendance

2021

Hosted first New Business Week, supported 3 new murals, completed Ellice and Sargent tree lighting project

2020

Provided direct phone assistance for members to access federal, provincial and municipal COVID-19 relief programs

2019

Community Crossing greenspace opened, 150th bike rack installed, mural celebrating 50 years of Folklorama painted in the West End

OUR TEAM..



BOARD OF MANAGEMENT

Carla Anjos [CHAIR]

RBC Portage & Arlington Branch

George Ingram [VICE CHAIR]

Ingram Consulting

Martin Trudeau [TREASURER]

Belgian Alliance Credit Union

Carla De Luca [SECRETARY]

De Luca's Specialty Foods

Jeremy Epp

Independent Jewellers

Linda Peters

Goodies Bakeshop

Dr. Gord Partridge

Spectrum Health

Rick Shone

Wilderness Supply

Emerito Guevarra

JEM Insurance

Presley Bordian

Capital Commercial Real Estate

Cindy Gilroy [APPOINTED]

City of Winnipeg , City Councillor

Martin Pasiczka [APPOINTED NV]

City of Winnipeg BIZ Liaison

John Unger [MEMBER AT LARGE NV]

Johns the Hair Designer

Chris Molinsky [MEMBER AT LARGE]

Quest Metals

Rennie Zegalski [PAST CHAIR]

Capital Commercial Real Estate

STAFF

Joe Kornelsen

Executive Director

Prashanta Kumar Deb

Economic Development Coordinator

Aurora Dubreuil

Communication & Marketing Coordinator

Anna Jones

Planning & Project Coordinator

Ryan Malec

Maintenance & Safety Coordinator

Susana Decebal-Cuza

Finance & Administration Coordinator

Erin Mahaffy

Finance & Administration Assistant

Ed Gegwetch

Image Enhancement Technician

Jose Biscocho

Street Neat Team Member

Dave Persaud

Community Patrol Supervisor

Devin Sharpe

BIZ Patrol

Tea Kornelsen

BIZ Patrol

John Ginter

BIZ Patrol

Steve Nuttall

BIZ Ambassador

COMMUNICATIONS & MARKETING

This year the Communications and Marketing team brought back many of our classic programs that had been put on the shelf over the last two years while trying out some brand new ideas as well.

The biggest draw to the neighborhood this year were our events series. Nearly 2000 people attended over 20 events this summer in the West End. Big events like Culture Days and Canada Day in Central Park each drew hundreds of participants while smaller events like the lunchtime concert series in Saigon Park and dance classes in Vimy Ridge kept our green spaces active.

Our tours program was going full steam ahead with attendee numbers nearly reaching pre-pandemic levels. We also added a brand new Architecture Tour to our roster to show off the area history and the unique design behind our neighbourhood's built environment. Total tour attendance was 304 for the year and we expect to continue to build on these numbers in the coming years.

Our communications team works closely with our economic development team to generate results for our members. Throughout the pandemic we have prioritized reaching out to new businesses to help them get

established as quickly as possible. Our economic development team makes the early connections and our communications team ensures we're building their visibility on social media. We continued our very popular New Business week series to show off how popular the West End continues to be for start up businesses.

In addition to all the new stuff, we continue to optimize our ad buys focusing on radio, newspaper and bus ads. Earned media continues to be a major source of attention for the West End BIZ as well with stories about our tours, neighbourhood sweep offs and more making headlines this year.

SOCIAL MEDIA...



▲ **271** from 2021



+2990

▲ **531** from 2021



+2598

▲ **79** from 2021

EVENTS & SUCH...

Outdoor Concerts **14**

Tour attendees **304**

Event attendees **1829**



ECONOMIC DEVELOPMENT

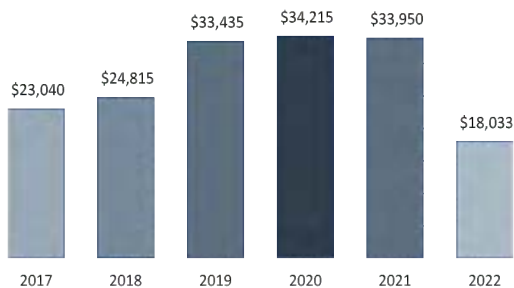
Economic Development has become a key part of the advocacy carried out by the West End BIZ. Our team in conjunction with the ambassador team has streamlined the process of finding and connecting with new members, ensuring those members are aware of the services available to them and providing follow up check ins. The ambassadors continue to perform check ins and communicate information about our services.

The key direct services offered by our Economic Development team includes grants to members, documenting and processing area concerns and overseeing direct assistance programs like COVID-19 support grants. In addition to these services, the department actively seeks grants to ensure the West End BIZ's levy is among the lowest in Winnipeg, tracks indicator data like business turnover, lease rates, private investment and crime.

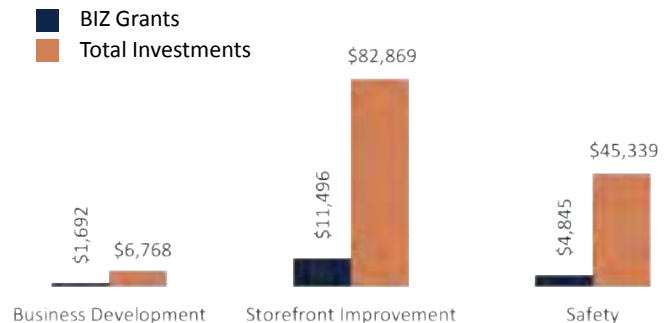
Through the data tracking done by the team, The West End BIZ has built a reputation for thorough and accurate data which in turn builds confidence from funders and ensures continued and increased non-levy financial support. We have seen funding support from our stakeholders grow over 12% from 2019 to over 587 thousand dollars in 2022 and we have immense

gratitude to our funders. Next year our team will be contracting our services to other BIZs. By doing this, the West End BIZ will gain additional resources to run our other services while building our brand as leaders in local data.

TOTAL GRANTS AND REBATES BY YEAR



BIZ GRANTS & SUPPORTED INVESTMENT





Ria

712



**SELAM
GROCERY**

- TRADITIONAL FOOD & SPICE
- FRESH VEGETABLES & FRUIT
- FRESH / SPECIAL COFFEE
- FAX & COPIER
- VIDEO/DVD RENTALS



IMAGE

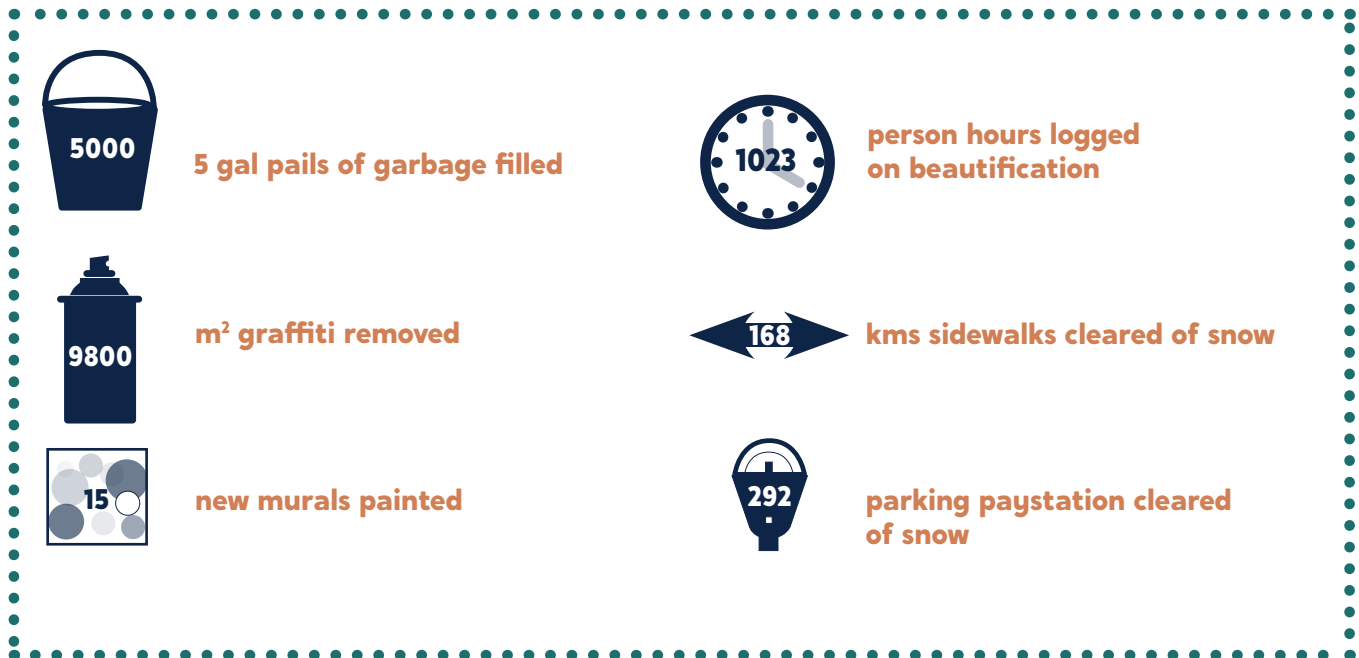
The West End BIZ's image specialists are among the best in Winnipeg. From graffiti and litter to murals and public space transformations, the image team both maintains and improves all the public space that makes up the neighbourhood.

This year the West End BIZ broke all records for new murals in the neighbourhood. We supported the creation of 15 new murals! With the support of Councillor Cindy Gilroy, the RENEW mural project brought together 12 artists each painting their own mural. What made this project stand out was that all murals were painted at the same location on Portage Avenue where folks could watch the murals being painted in real time. We were pleased to hold a big launch party on a warm September evening once all the painting was done and then distribute the murals to places around the West End.

Our graffiti and Street Neat teams continued to fight against all those things that make the neighbourhood look worse. Graffiti is one of the most

persistent challenges we deal with. This year we removed 3700 graffiti tags! Our litter removal teams were busy as well removing about 5000 five-gallon buckets-worth of litter from West End sidewalks.

One special program we added last year is windrow cut-throughs. This service is designed to help your customers get from the street to the sidewalk and to your front door. It was extremely popular and we are excited to continue to offer the service in 2023.





SAFETY

Our safety team continued to provide critical assistance to members throughout the year. Despite operational challenges caused by our office fire, the team delivered regular patrolling, even returning to the sidewalks of the neighbourhood just two business days after the loss of the building. The patrols have been developing areas of special attention and increased their issues reporting. New procedures are being created and deployed to push for faster action on critical issues impacting neighbourhood safety.

It's no secret that across Winnipeg safety has become a top-of-mind issue. In the West End we are aware of the increased concerns from members and we are delivering a multi-pronged approach that includes increased visible presence, building relationships with emergency services including police and neighbourhood stakeholders and by escalating our advocacy efforts. We are augmenting our patrol and ambassador team to include six positions total. These positions will be out in the neighbourhood every day. In the summer we will have evening patrols. Our patrols are there to assist and report issues as they happen.

In addition to these positions, we are building relationships with the police, the fire department and city bylaw enforcement to generate timely response to litter and bulky waste. We will also be confronting the issues such as fires and working toward permanent solutions.





AUDITOR'S REPORT



INDEPENDENT AUDITORS' REPORT

To the Members of West End Business Improvement Zone

Qualified Opinion

We have audited the financial statements of West End Business Improvement Zone (the Organization), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In February 2022, a major fire occurred at the Organization's premises and the majority of the accounting records were destroyed. As a result, we are unable to verify the classification of all revenue and expenses, with the exception of Business Improvement Zone Levy revenue.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the financial information included in the annual report, including the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Independent Auditors' Report to the Members of West End Business Improvement Zone *(continued)*

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Exchange

Chartered Professional Accountants LLP
Winnipeg, Manitoba
November 15, 2022

WEST END BUSINESS IMPROVEMENT ZONE

Statement of Financial Position

December 31, 2021

| | 2021 | 2020 |
|--|-------------------|-------------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 274,503 | \$ 1,876 |
| Term deposits | 1,000 | 1,000 |
| Accounts receivable | 25,018 | 44,106 |
| Goods and services tax recoverable | 15,498 | 13,487 |
| Prepaid expenses | 11,695 | 7,239 |
| | <u>327,714</u> | 67,708 |
| CAPITAL ASSETS (Notes 2, 4) | 83,271 | 113,732 |
| RESTRICTED CASH (Note 5) | 282,976 | 573,504 |
| | <u>\$ 693,961</u> | <u>\$ 754,944</u> |
| LIABILITIES | | |
| CURRENT | | |
| Accounts payable and accrued liabilities | \$ 8,300 | \$ 9,176 |
| Business levy payable (Note 6) | 16,918 | 24,953 |
| Vacation payable | 13,578 | 13,098 |
| Deferred income | 2,235 | 3,750 |
| | <u>41,031</u> | 50,977 |
| NET ASSETS | | |
| Unrestricted | 286,683 | 16,731 |
| Invested in capital assets | 83,271 | 113,732 |
| Internally restricted (Note 5) | 282,976 | 573,504 |
| | <u>652,930</u> | 703,967 |
| | <u>\$ 693,961</u> | <u>\$ 754,944</u> |
| CONTINGENT LIABILITY (Note 12) | | |
| LEASE COMMITMENTS (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, 2021

| | 2021 | 2020 |
|---|--------------------|-------------------|
| REVENUE | | |
| Business Improvement Zone Levy <i>(Note 6)</i> | \$ 672,382 | \$ 659,007 |
| Grants | | |
| Graffiti removal | 54,250 | 70,500 |
| Urban Green Team | 14,167 | 20,723 |
| City of Winnipeg street maintenance | 8,000 | 8,000 |
| Employment and Social Development Canada | 8,845 | 10,944 |
| Other contributions <i>(Note 7)</i> | 282,730 | 326,869 |
| | <u>1,040,374</u> | <u>1,096,043</u> |
| EXPENSES <i>(Schedule 1)</i> | | |
| Administration | 214,537 | 204,679 |
| Image and Safety | 668,558 | 577,293 |
| Promotion and Development | 165,045 | 175,316 |
| | <u>1,048,140</u> | <u>957,288</u> |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS | <u>(7,766)</u> | <u>138,755</u> |
| AMORTIZATION | | |
| Loss on disposal of capital assets <i>(Note 13)</i> | (31,375) | - |
| Amortization | (11,896) | (14,437) |
| | <u>(43,271)</u> | <u>(14,437)</u> |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES | <u>\$ (51,037)</u> | <u>\$ 124,318</u> |

See notes to financial statements

WEST END BUSINESS IMPROVEMENT ZONE

Statement of Changes in Net Assets

Year Ended December 31, 2021

| | Unrestricted | Invested in Capital Assets | Internally Restricted | 2021 | 2020 |
|--|-------------------|-------------------------------|--------------------------|-------------------|------------|
| NET ASSETS - BEGINNING OF YEAR | \$ 16,731 | \$ 113,732 | \$ 573,504 | \$ 703,967 | \$ 579,649 |
| Excess (Deficiency) of revenue over expenses | (39,141) | (11,896) | - | (51,037) | 124,318 |
| Investment in capital assets | 18,565 | (18,565) | - | - | - |
| Transfer of net assets (<i>Note 5</i>) | 290,528 | - | (290,528) | - | - |
| NET ASSETS - END OF YEAR | \$ 286,683 | \$ 83,271 | \$ 282,976 | \$ 652,930 | \$ 703,967 |

WEST END BUSINESS IMPROVEMENT ZONE

Statement of Cash Flows

Year Ended December 31, 2021

| | 2021 | 2020 |
|--|--------------|--------------|
| OPERATING ACTIVITIES | | |
| Cash received from funders and other resources | \$ 1,055,936 | \$ 1,086,166 |
| Cash paid to suppliers and employees | (1,060,343) | (933,194) |
| Interest paid | (685) | (770) |
| Cash flow from (used by) operating activities | (5,092) | 152,202 |
| INVESTING ACTIVITIES | | |
| Purchase of capital assets | (12,809) | (21,108) |
| Purchase of term deposits | - | - |
| Cash flow used by investing activities | (12,809) | (21,108) |
| INCREASE (DECREASE) IN CASH | (17,901) | 131,094 |
| CASH - BEGINNING OF YEAR | 575,380 | 444,286 |
| CASH - END OF YEAR | \$ 557,479 | \$ 575,380 |
| CASH CONSISTS OF: | | |
| Cash | \$ 274,503 | \$ 1,876 |
| Restricted cash | 282,976 | 573,504 |
| | \$ 557,479 | \$ 575,380 |

WEST END BUSINESS IMPROVEMENT ZONE

Notes to Financial Statements

Year Ended December 31, 2021

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 | 10 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.

WEST END BUSINESS IMPROVEMENT ZONE

Notes to Financial Statements

Year Ended December 31, 2021

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, 2021:

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 funders. The organization is primarily funded by the City of Winnipeg which minimizes credit risk.

4. CAPITAL ASSETS

| | 2021 | | 2020 | |
|------------------------|-------------------|-----------------------------|------------|-----------------------------|
| | Cost | Accumulated amortization | Cost | Accumulated amortization |
| Motor vehicles | \$ 139,823 | \$ 56,552 | \$ 139,823 | \$ 44,657 |
| Computer equipment | - | - | 8,919 | 8,919 |
| Office equipment | - | - | 50,401 | 46,909 |
| Leasehold improvements | - | - | 57,293 | 42,219 |
| | \$ 139,823 | \$ 56,552 | \$ 256,436 | \$ 142,704 |
| Net book value | \$ 83,271 | | \$ 113,732 | |

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 2022 programming fund will be used for operating programs that are expected to be incurred for the year ended December 31, 2022.

| | 2021 | 2020 |
|--|-------------------|------------|
| General reserve | \$ 125,786 | \$ 258,979 |
| 2022 Programming (2020 - 2021 Programming) | 140,272 | 314,525 |
| Uncollected levy reserve | 16,918 | - |
| | \$ 282,976 | \$ 573,504 |

During the year, \$290,528 was transferred from internally restricted net assets to unrestricted net assets.

WEST END BUSINESS IMPROVEMENT ZONE

Notes to Financial Statements

Year Ended December 31, 2021

6. BUSINESS IMPROVEMENT ZONE LEVY

| | 2021 | 2020 |
|--|-------------------|-------------------|
| Council approved BIZ budget | \$ 689,300 | \$ 683,960 |
| Adjustment - current year reconciliation to actual zone levy | <u>(16,918)</u> | <u>(24,953)</u> |
| | <u>\$ 672,382</u> | <u>\$ 659,007</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 COMMITMENTS

The organization has entered into a lease agreement with respect to its premises commencing in May 2022. The lease expires in October 2024.

The minimum annual lease amount, per the agreement, is \$57,652 per annum.

Annual commitments are as follows:

| | |
|------|-------------------|
| 2022 | \$ 41,298 |
| 2023 | 57,652 |
| 2024 | <u>48,044</u> |
| | <u>\$ 146,994</u> |

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 5.15%. As at December 31, 2021, the full amount remained available for use.

WEST END BUSINESS IMPROVEMENT ZONE

Notes to Financial Statements

Year Ended December 31, 2021

11. RELATED PARTY TRANSACTIONS

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

| | 2021 | 2020 |
|--|----------|----------|
| Deluca's Specialty Foods | | |
| <i>(Company owned by board member)</i> | | |
| <u>Expenses:</u> | | |
| Promotion and Development - Program implementation | \$ 687 | \$ - |
| Faveri's Wood Furniture | | |
| <i>(Company owned by member at large)</i> | | |
| <u>Expenses:</u> | | |
| Promotion and Development - Grants for BIZ members | \$ 1,000 | \$ - |
| Promotion and Development - Program implementation | 257 | - |
| | \$ 1,257 | \$ - |
| Goodies Bake Shop Ltd. | | |
| <i>(Company owned by board member)</i> | | |
| <u>Expenses:</u> | | |
| Promotion and Development - Grants for BIZ members | \$ 3,000 | \$ 1,000 |
| Promotion and Development - Program implementation | 50 | - |
| | \$ 3,050 | \$ 1,000 |
| Spectrum Health Centre | | |
| <i>(Company owned by board member)</i> | | |
| <u>Expenses:</u> | | |
| Promotion and Development - Grants for BIZ members | \$ 257 | \$ - |
| Jem Insurance Group Inc. | | |
| <i>(Company owned by board member)</i> | | |
| <u>Expenses:</u> | | |
| Image and Safety - Beautification programs | \$ - | \$ 3,111 |

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.

WEST END BUSINESS IMPROVEMENT ZONE**Notes to Financial Statements****Year Ended December 31, 2021**

12. CONTINGENT LIABILITY

As of December 31, 2021 the organization has a contingent liability of \$3,740 (2020 - \$6,454) due to grants awarded to BIZ members. The grants can be claimed in the 2022 fiscal year and are contingent on the members submitting the necessary documentation for proof of payment for storefront improvement, safety or business development.

The BIZ also has a claim that has been filed with the Manitoba Human Rights Commission against the organization. At this time no estimate of the settlement, if any, can be made. Therefore, no accrual is reflected in the financial statements with respect to the claim.

13. SUBSEQUENT EVENTS

The following events occurred subsequent to the fiscal year end:

Fire damage to facilities

The organization's premises were destroyed by fire on February 2, 2022. In May 2022, the organization took possession of their leased new premises.

The organization is working with their insurer (the City of Winnipeg) to process any related insurance claims. All recoveries will be recorded in the 2022 fiscal year.

WEST END BUSINESS IMPROVEMENT ZONE

Schedule of Expenses

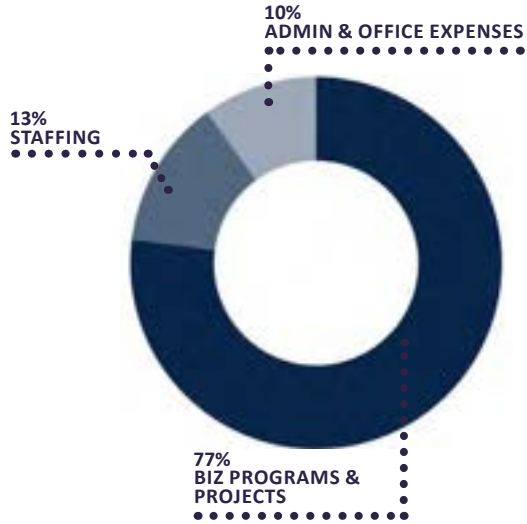
(Schedule 1)

Year Ended December 31, 2021

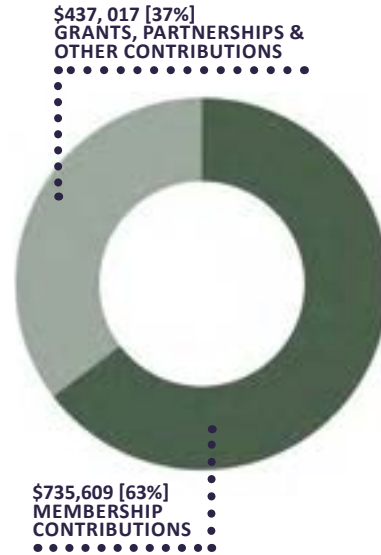
| | 2021 | 2020 |
|---|---------------------|-------------------|
| ADMINISTRATION | | |
| Office expenses | \$ 73,007 | \$ 70,062 |
| Other expenses | 11,611 | 19,340 |
| Staffing | 129,919 | 115,277 |
| | <u>214,537</u> | <u>204,679</u> |
| IMAGE AND SAFETY | | |
| Beautification programs <i>(Note 11)</i> | 107,004 | 98,837 |
| Murals | 38,391 | 8,306 |
| Program implementation | 234,707 | 240,594 |
| Street elements and capital projects | 98,419 | 73,766 |
| West End BIZ patrol | 190,037 | 155,790 |
| | <u>668,558</u> | <u>577,293</u> |
| PROMOTION AND DEVELOPMENT | | |
| Grants for BIZ members <i>(Note 11)</i> | 30,837 | 37,428 |
| Marketing and promotion | 24,652 | 44,324 |
| Other initiatives and miscellaneous expense | 52,808 | 34,715 |
| Program implementation <i>(Note 11)</i> | 43,889 | 42,207 |
| Website and publications | 12,859 | 16,642 |
| | <u>165,045</u> | <u>175,316</u> |
| | <u>\$ 1,048,140</u> | <u>\$ 957,288</u> |

BUDGET BREAKDOWN

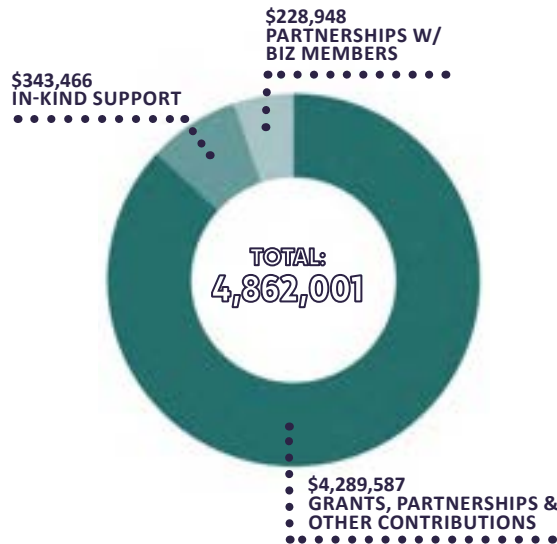
2023 BUDGET DISTRIBUTION



2023 FUNDING



2007-2022 NON-LEVY CONTRIBUTIONS



PARTNERS & SPONSORS

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

Special thanks to our major sponsors!

City of Winnipeg

City of Winnipeg - Graffiti Control Services

Councillor Cindy Gilroy

Manitoba Liquor & Lotteries

Capital Commercial Real Estate Services Inc.

City of Winnipeg - Parking Authority

City of Winnipeg - Parks and Open Space

Downtown Winnipeg BIZ

ESDC - Government of Canada

Exchange District BIZ

Government of Canada

Government of Manitoba

Jem Insurance Group Inc.

John's Hair Designers

Manitoba Chambers of Commerce

Manitoba Housing

Out-front Media Canada LP

The Forks Renewal Corp.

The Forks North Portage Partnership

The Mayor's Office - Brian Bowman

Parking Plus

PayWorks

Rosales Alterations

Spence Neighbourhood Association

Take Pride Winnipeg

The University of Winnipeg

Urban Green Team

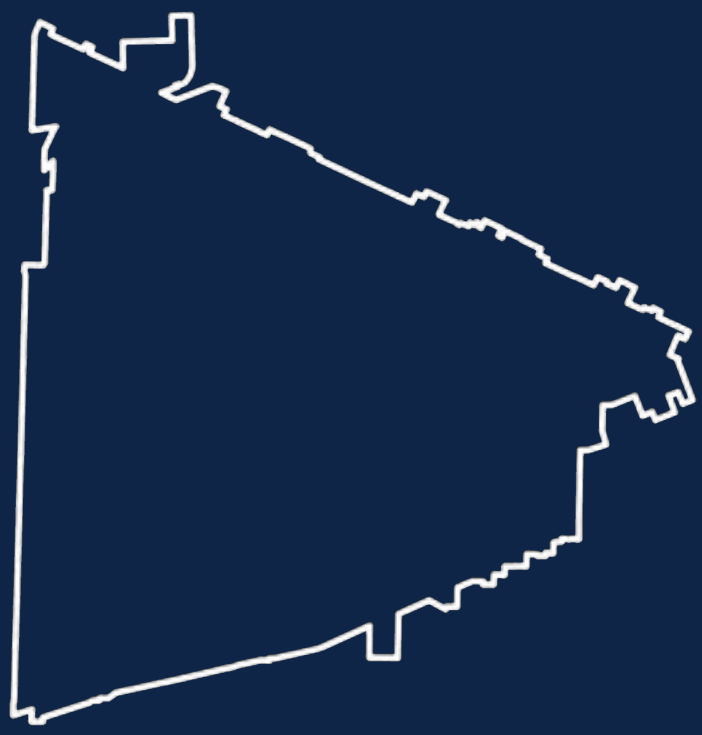
Winnipeg Parking Authority

Winnipeg Transit

Y-Not Food

Young Canada Works





WESTEND BIZ

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