



# Animal Services City and Jurisdictional Contract Fee Scenarios

**Public Health Department**

**Animal Services**

**April 19, 2022**

# BOS Direction for FY21-22: 2% Flat Increase on FY20-21 Contract Amounts

- Allowed best practice of external review and full cost recovery analysis by MGT Consultants.
- Provided continuity and stability during the pandemic and during the early implementation of the new Animal Services vision.
- Did not place undue economic burden on contract jurisdictions during the pandemic and allowed time to plan for potential contract increases.

# Tobacco Settlement & General Fund Support

- American Humane Association consultant report (2015) and recommendations included additional staffing.
- BOS approved adding new positions with funding from Tobacco Settlement and additional General Funds to prevent burdening the cities with the increased costs.
- 7 FTEs were approved utilizing Tobacco Settlement and General Funds between FY 2014-15 and FY 2016-17.
- No additional new positions added to Animal Services since FY 2016-17, until ordinance Veterinarian FTE added in January of 2022.
- City and jurisdictional contract fees have included this support as a cost offset through the current FY 2021-2022 contracts.

# MGT ANALYSIS

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- Continued historical per capita methodology.
- Used only operating costs in analysis.
- Calculated Field Services separately from Sheltering Services.
- Included the following adjustments:
  - Net cost increase of \$26,900 of veterinarian to be funded by a release of funds previously granted by your Board.
  - A large allowance for salary savings was made to match historical usage.
  - An average of actual deposits from three previous years was used to better estimate revenues to be used as an offset to costs.
  - Used FY21-22 Animal Services budget.

# MGT ANALYSIS: FULL COST RECOVERY

<i>MGT Analysis - December 2021</i>	FY 21-22 Current Contracts With Support	FY 22-23 Contracts With Full Cost Recovery
<b>Cities and other Jurisdictions</b>		
Buellton	\$ 42,400	\$ 55,100
Guadalupe	\$ 61,900	\$ 84,600
Lompoc	\$ 341,700	\$ 410,700
Santa Barbara	\$ 418,000	\$ 671,600
Santa Maria	\$ 830,800	\$ 1,088,800
Solvang	\$ 47,200	\$ 55,900
Goleta	\$ 264,500	\$ 327,700
Chumash	\$ 2,200	\$ 2,500
Unincorporated	\$ 1,601,000	\$ 1,861,700
<b>Ave % increase for City Contracts</b>		<b>34.3%</b>
<b>Amt of Increase for City Contracts</b>		<b>\$ 688,200</b>
<b>Amt of Increase for Unincorporated</b>		<b>\$ 260,700</b>

*Increases per city vary due to population changes and contract type.*

*Santa Barbara contracts only for Shelter Services.*

# MGT ANALYSIS: ADDITIONAL SCENARIOS

<i>MGT Analysis</i> <i>December 2021</i>	<b>FY 21-22</b> <b>Current</b> <b>Contracts</b> <b>With Support</b>	<b>FY 22-23 Scenarios</b>			
		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
<b>Cities and other</b> <b>Jurisdictions</b>		<b>Total Costs</b> <b>With Support</b>	<b>Total Costs</b> <b>Without TS</b>	<b>Total Costs</b> <b>Without GFC</b>	<b>Total Costs</b> <b>Without TS/GFC</b>
<b>Buellton</b>	\$ 42,400	\$ 43,800	\$ 49,300	\$ 49,500	\$ 55,100
<b>Guadalupe</b>	\$ 61,900	\$ 67,300	\$ 75,800	\$ 76,100	\$ 84,600
<b>Lompoc</b>	\$ 341,700	\$ 326,700	\$ 368,000	\$ 369,500	\$ 410,700
<b>Santa Barbara</b>	\$ 418,000	\$ 541,900	\$ 608,300	\$ 605,300	\$ 671,600
<b>Santa Maria</b>	\$ 830,800	\$ 866,000	\$ 975,400	\$ 979,500	\$ 1,088,800
<b>Solvang</b>	\$ 47,200	\$ 44,400	\$ 50,000	\$ 50,300	\$ 55,900
<b>Goleta</b>	\$ 264,500	\$ 260,700	\$ 293,600	\$ 294,800	\$ 327,700
<b>Chumash</b>	\$ 2,200	\$ 2,000	\$ 2,300	\$ 2,300	\$ 2,500
<b>Unincorporated</b>	\$ 1,601,000	\$ 1,585,300	\$ 1,721,000	\$ 1,726,000	\$ 1,861,700
<b>Ave % increase for City Contracts</b>		<b>7.2%</b>	<b>20.6%</b>	<b>20.8%</b>	<b>34.3%</b>
<b>Amt of Increase for City Contracts</b>		<b>\$ 144,100</b>	<b>\$ 414,000</b>	<b>\$ 418,600</b>	<b>\$ 688,200</b>
<b>Amt of Increase for Unincorporated</b>		<b>\$ (15,700)</b>	<b>\$ 120,000</b>	<b>\$ 125,000</b>	<b>\$ 260,700</b>

*Increases per city vary due to population changes and contract type. Santa Barbara contacts only for Shelter Services.*

# FISCAL ANALYSIS

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- Fiscal analysis is dependent on the direction received.
- The unincorporated area represents 32% of the County's population. Any reduction in Tobacco Settlement will affect the unincorporated allocation and will need to be backfilled with General Fund in order to continue current operations.
- The full Tobacco Settlement allocation to the unincorporated area in the MGT analysis is \$135,700.

# RECOMMENDED ACTIONS

- a) Receive and file a report and presentation on Animal Services City and Jurisdictional Contract Fee Scenarios; and
- b) Provide direction to staff on city and jurisdictional contract fee for Fiscal Year 2022-23 based on one of the four options below, or any other option:
  - Scenario A: Total costs with continued Tobacco Settlement and General Fund Contribution support
  - Scenario B: Total costs without Tobacco Settlement (TS) support
  - Scenario C: Total costs without General Fund Contribution (GFC) support
  - Scenario D: Total costs with the removal of Tobacco Settlement and General Fund funding for the staff positions added by previous Board actions; and
- c) Provide any additional direction to staff; and
- d) Determine that the above recommended actions are not a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to Sections 15378(b)(4) and 15378(b)(5) of the CEQA Guidelines, since they consist of the creation of governmental funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and are organizational or administrative activities of government that will not result in direct or indirect physical changes in the environment.