



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Health
Department No.: 041
For Agenda Of: May 18, 2021
Placement: Departmental
Estimated Time: 40 Minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Van Do-Reynoso, MPH, PhD, Director
Director(s) Public Health Department
Contact Info: Angela Yates, Animal Services Director, Public Health
Department 805-319-8646
SUBJECT: New Vision for Animal Services and Jurisdictional Contract Fee Options
Presentation

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors consider the following recommendations:

- a) Receive and file a presentation on new vision for Animal Services and receive Board direction on proposed new model of service delivery undertaken during COVID-19 and proposed for future innovations.
- b) Approve a flat 2% jurisdictional contract increase for FY 2021-22 for one year for the six participating full-service cities (Buellton, Goleta, Guadalupe, Lompoc, Santa Maria and Solvang), one shelter-only city (Santa Barbara), and the other jurisdiction of the Santa Ynez Band of Chumash Indians and direct staff to return to the Board in Open Session for approval of the service agreements.
- c) Determine that the above recommended actions are not a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to Section 15378(b)(4) 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.

Summary Text: This item is on the Agenda to present and discuss the emerging new vision of Animal Services, review jurisdictional contract fee calculation options, and recommend approval of a flat 2%

New Vision for Animal Services and Jurisdictional Contract Fee Options

Agenda Date: May 18, 2021

Page 2 of 6

contract increase for FY 2021-22 for all jurisdictional partners while the Animal Services program engages a consultant to study and make recommendations for an analysis of full-cost recovery for all fees.

Background:

New Vision for Animal Services:

Since its inception, Santa Barbara County Animal Services has been operating around the functional mandate and model of rabies control and centralized housing of animals in physical shelters. With rabies being effectively controlled throughout the United States since the 1950s (only 1-3 human-related cases annually) this historical model of animal control and sheltering is outdated and no longer provides optimal service to the animals or community.

The three County facilities vary greatly with regard to their physical condition and ability to support services. The Santa Maria Animal Center is the newest shelter and was built in 2005. It provides housing options for both dogs and cats, as well as a large veterinary suite, a public clinic, and education center. Both the Lompoc and Santa Barbara shelters are over 50 years old. In October 2020, the decision was made to temporarily close the Lompoc dog kennels because they need critical facility upgrades and the department had adequate kennel space at the Santa Maria shelter. It is unknown when the Lompoc shelter will reopen for sheltering; however, the program has continued to maintain the same service level for all services to the residents of the Lompoc Valley and other mid-county areas.

The COVID-19 pandemic was a catalyst for the animal control and sheltering industry to look at things differently, changing our community interactions, and creating a better vision for cats, dogs, and other companion animals. This vision is coming together in the Human Animal Support Services or HASS Model.

The HASS Model is transforming the way shelters care for animals and their people and is solution-based with two primary goals:

- To reduce intake and move animals through the shelter system quickly and
- To reallocate resources to serve more animals and people outside of the shelter walls.

Animal Services is a Pilot Shelter in the HASS Model. This includes carefully and purposefully exploring and implementing more community-based approaches while still focused on the County's shelter mandate, to ensure that people have the support and resources they need to keep their animals, as well as finding alternatives to automatically impounding animals. The primary goal being to keep people and their animals together.

In addition to embracing the HASS Model of community-based sheltering, the new vision for Animal Services is based on a strong countywide infrastructure for providing services. Historically, the operational model for Animal Services has been divided between the three physical shelters in Santa Barbara, Santa Maria and Lompoc. Animals, staff, volunteers, and resources were siloed by these boundaries, creating duplication of effort and inefficiency.

By utilizing a countywide infrastructure, operational barriers can be eliminated, and more functional economies of scale in terms of service provision and use of facilities and staffing can be created. This model can also benefit our nonprofit partnerships by creating opportunities for larger impact, eliminating duplication of efforts, and targeting fundraising for critical projects.

New Vision for Animal Services and Jurisdictional Contract Fee Options

Agenda Date: May 18, 2021

Page 3 of 6

Where possible, the goal is to provide services and support ahead of the need for an animal to enter the shelter. Shelters will always be needed as a safety net for animals, but the goal is to move them as quickly as possible into foster, adoption, or rescue transfer.

In addition to innovations in programs and services, the metrics for measuring impact and success are changing. Historically, metrics have focused on intakes and outcomes of animals inside the shelter. In the future, success will be measured by how many animals are prevented from entering the shelter—not by denying access or creating barriers, but by providing options and support for pet owners and finding alternatives to automatically impounding.

Under this new model, all services are still available throughout Santa Barbara County. Many services are not dependent on a physical shelter, and can be offered outside the shelter walls, directly in the communities that need them the most, for example: pet food distribution, adoption events, vaccine and licensing clinics, mobile veterinary care and spay/neuter, and microchip teams. Bringing services into the communities that need them the most increases equity and access for historically underserved populations in our County.

Prior to the pandemic, since 2013, intakes had stabilized at 6000-7,000 animals each year. Intakes during FY 2019-20 were reduced by 12.5%, primarily in the last quarter. Current FY 2021-22 intakes are down by about 24% from prior year but are starting to increase as we move into the peak season. The Animal Services industry as a whole is unclear about what direction intake trends will take post-COVID.

City Contract Fee Calculations:

In FY 2002, with the incorporation of the City of Goleta, the Local Agency Formation Commission (LAFCO) and County consultants recommended that a per-capita rate based on city population be used to determine the full costs of Animal Services to the new city. At the time, LAFCO required that a *revenue neutrality* agreement that funded the costs from services provided by the County be put in place with the City of Goleta. This per-capita method was then used for all jurisdictions, including the unincorporated area, to better allocate costs among the city jurisdictions. The per capita calculations use all budgeted costs, less shared revenues, and divides by city population to develop the costs to be allocated per city. This method covers all costs for Animal Services “availability” 24/7, as a partnership with the cities.

The Recommended FY 2021-22 budget for Animal Services is \$5.68 million. Eight jurisdictional contracts provide 37% of the total revenue budget and 22% is recovered through consumer fee revenue for services. Local funding sources of General Fund and the TSAC program represent 37% of the budget and provide funding for the unincorporated areas of the County, as well as for new staff positions that the Board added in response to recommendations from the American Humane Association (AHA).

In 2015, the County engaged the AHA to perform a complete review of the Animal Services program and the consultant report and recommendations were received by the Board. Based on extensive recommendations, the Board approved adding new positions with funding from the Master Tobacco Settlement (TSAC) and the General Fund to prevent burdening the cities with the increased costs. A total of seven positions were approved by the Board utilizing TSAC and General Funds between FY 2014-15 and FY 2016-17. No additional new positions have been added to Animal Services since FY 2016-17 and one Administrative Office Professional position was reduced in FY 2018-19. In addition, because of these position changes and other Board approved enhancements due to the AHA report, the

New Vision for Animal Services and Jurisdictional Contract Fee Options

Agenda Date: May 18, 2021

Page 4 of 6

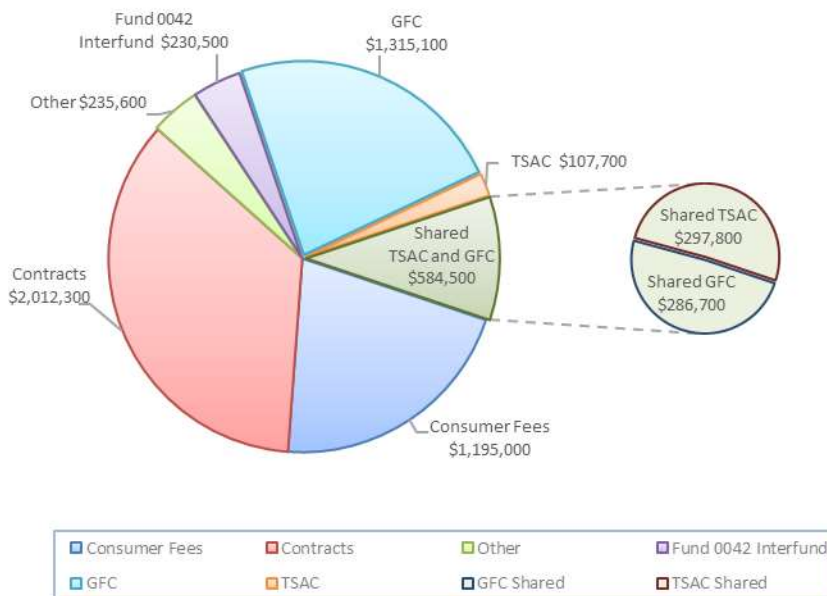
program has supported the jurisdictional contracts by an amount of \$584,500 (GFC \$286,700 and TSAC \$297,800).

This shared support and the positions are detailed by year and funding source in the table and charts below:

Summary of New Positions:

FY 14-15	Community Outreach Coordinator
FY 14-15	Kennel Attendant
FY 15-16 (AHA)	Operations Manager
FY 15-16 (AHA)	Registered Vet Tech
FY 15-16 (AHA)	Veterinarian (Contract)
FY 16-17 (AHA)	Animal Control Officer
FY 16-17	Kennel Attendant (EXH to REG)

FY 21-22 Animal Services Funding (\$5.68 million):



It is very important to note that the PHD has engaged MGT Consultants, Inc. to provide a full costing analysis for all fees, including the fees for animal services for all contract jurisdictions including the unincorporated area. The proposed timeline for completion is December 2021 and will inform our fees for FY 2022-23. This best practice of the external review to determine full cost will also include a peer study in order to compare current and proposed fees with other counties and other similar animal humane organizations.

For the upcoming FY 2021-22 jurisdictional contracts, PHD is providing possible per capita calculations for consideration. In the table below, the first row is the current FY 2020-21 contract fees which

New Vision for Animal Services and Jurisdictional Contract Fee Options

Agenda Date: May 18, 2021

Page 5 of 6

provides the baseline for comparison. The table includes dollar amounts for each jurisdictional contract, as well as the percentage increase from the current fiscal year baseline for each option:

	Buellton	Goleta	Guadalupe	Lompoc	Barbara	Maria	Solvang	Chumash	Total	Change
FY 2020-2021 Current Contract Amounts	\$ 41,552	\$ 259,252	\$ 60,716	\$ 334,984	\$ 409,760	\$ 814,508	\$ 46,256	\$ 2,100	\$ 1,969,128	
Option 1:										
FY 2021-2022 Recommended Budget 2%	\$ 42,400	\$ 264,500	\$ 61,900	\$ 341,700	\$ 418,000	\$ 830,800	\$ 47,200	\$ 2,200	\$ 2,008,700	\$ 39,572
Option 1 Percentage Increase	2%	2%	2%	2%	2%	2%	2%	2%		
Option 2:										
FY 2021-2022 calculated with Recommended budget and updated population totals; without TSAC & Position GFC	56,221	331,559	83,150	429,895	487,864	1,105,164	57,230	2,562	2,553,645	\$584,517
Option 2 Percentage Increase	35%	28%	37%	28%	19%	36%	24%	22%		

Option 1 is the budget-neutral recommended FY 21-22 budget submitted for Animal Services which includes a flat 2% increase across all eight jurisdictions.

Option 2 estimates full cost recovery by updating costs to FY 21-22 recommended budget, updating population using the Department of Finance 2020 data, and removing shared TSAC and General Fund previously approved to support cities. This averages to a 30% increase to all jurisdictions (individually ranging between 19%-37%) which may place an unanticipated financial burden on these municipalities.

The PHD recommendation is Option 1, which is the flat 2% increase across all eight jurisdictional contracts. This option provides for 1) continuity and stability on the heels of a year of economic hardship brought about by the pandemic; 2) time for the new Animal Services vision to be more fully implemented and for the contract jurisdictions to realize more concrete benefits to their constituents; and 3) time for PHD to complete its engagement with MGT Consultants, Inc. to provide a full cost analysis for all jurisdictions including the unincorporated area. This full cost analysis will also include a comparison of the fee structure of other county animal services agencies. The timeline for completion is December 2021. It is considered a best practice to have an external review to analyze activity-based full costing of services and to compare fee structures with other counties in order to determine the full costs of services for partner agencies.

Performance Measure:

N/A

Fiscal and Facilities Impacts:

Budgeted: Yes, Option 1

Fiscal Analysis:

The Public Health Department Recommended Budget for FY 21-22 includes the amounts listed as the proposed jurisdictional contracts under Option 1. This has resulted in a balanced program budget for Animal Services, provides for a 2% total increase of \$39,572 for all jurisdictions (which matches employer COLAs), and provides an increase for the one-year period while the PHD engages a consultant to review all fees, including jurisdictional contracts.

Option 2 assumes no shared General Fund or TSAC support for positions or costs previously supported. This would increase jurisdictional contracts by an amount of \$584,517 and would increase contracts between 19%-37%. Currently all costs and services are undergoing external review which is expected to

New Vision for Animal Services and Jurisdictional Contract Fee Options

Agenda Date: May 18, 2021

Page 6 of 6

be completed in December and we expect to return to your Board in the Spring of 2022 with a report on full cost recovery.

Key Contract Risks:

N/A

Staffing Impacts:

Legal Positions:

0

FTEs:

0

Special Instructions:

Please return an electronic copy of the Minute Order to the PHD Contracts Unit at

Kelly.Lazarus@sbcphd.org.

Attachments:

A. New Vision for Animal Services and Jurisdictional Contract Fee Options Presentation

Authored by:

Angela Yates, Animal Services Director