

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



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

Agenda Number:
Prepared on: 12/02/05
Department Name: Public Health Department/AS
Department No.: 041
Agenda Date: 01/03/06
Placement: Administrative
Estimate Time: 20 minutes – 1/24/06
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Elliot Schulman, MD, MPH, Director and Health Officer
Public Health Department

STAFF CONTACT: Jan Glick, Animal Services Director
Suzanne Jacobson, Chief Financial Officer

SUBJECT: Fee Resolution for Animal Services

Recommendation(s):

That the Board of Supervisors:

Set Hearing on January 24, 2006, for 20 minutes to consider the Animal Services Program fee adjustments, as follows:

- A. Adopt a Resolution adjusting the Animal Services fees to consumers effective March 1, 2006.
- B. Authorize the Director of the Public Health Department to automatically adjust to the State determined fees for future changes for four fee categories.

Alignment with Board Strategic Plan:

Goal #1: An Efficient Government Able to Respond Effectively to the Needs of the Community.

Goal #2: A Safe and Healthy Community in Which to Live, Work, and Visit.

Executive Summary and Discussion:

The Public Health Department is requesting that your board set a hearing to consider revisions to the fee resolutions for consumer services provided by Animal Services.

Background

The Public Health Department's Animal Services consumer fee resolution was last approved by your Board in July 2002. At that time, a comprehensive cost/fee study was conducted in accordance with Generally Accepted Accounting Principles, which incorporated all costs incurred in providing services, including County Wide Cost Allocation (A87 Plan Overhead) charges. Although the methodology included all costs, the approved fee resolution in some cases, did not. Adoptions and licensing fees were recommended at below cost in order to remain with industry and county averages and to place and license as many animals as possible.

Current Request

The resolution before your Board represents a Cost of Living Adjustment to the existing cost based resolution. There are approximately 100 consumer fees for services such as: Impounds, Boarding, Adoption, Euthanasia, and Licensing. Attachment A details the current fee and proposed fee for all categories. The individual impact to each category is relatively minor:

- 10% of the fees would remain with the same fee
- 32% of the fees would increase by \$1.00
- 43% of the fees would increase between \$2.00 - \$5.00
- 13% of the fees would increase between \$6.00 - \$10.00
- 2% of the fees would increase between \$11.00 - \$12.00

The recommended consumer fees are estimated to recover approximately 25% of the total Animal Services costs. The remaining 75% of costs consists of services to the cities, unincorporated areas, and County mandates.

Animal Services Program revenue sources are complicated. In addition to revenues obtained through consumer fees, Animal Services contracts with all eight cities, VAFB, and the Chumash Indian Tribe. Six of the cities are full service contracts that utilize the animal shelters for both field and shelter operations. In July 2002 a per capita methodology was approved by your board, which implemented revenue offsets to the fees charged to the cities for services provided. The per capita fee amount is based on the cost of services less any consumer revenue received. Therefore, it is in the best interests of our partnering cities to update consumer fees with cost of living adjustments.

Stakeholders

Initially, meetings were held with staff and the volunteer organizations to discuss the recommendations and request their input on the proposed increases. All staff and representatives for the six internal volunteer groups participated in the meetings. Many good recommendations resulted from these meetings. Since this increase is based solely on a COLA increase, some of these recommendations will need to be held until the next time a full review of Animal Services fees is undertaken. Consensus with the proposal was obtained with staff and the following six volunteer groups: Animal Shelter Assistance Program (ASAP), K-9 Placement and Assistance League (K-9 PALS), Bunnies Urgently Needing Shelter (BUNS), Companion Animal Placement Assistance (CAPA), the Santa Maria Animal Center volunteers and the Santa Barbara County Animal Care Foundation. All of these community partners were supportive of the proposed fee increases.

Letters were sent to each of the cities advising them of the proposal and requesting their feedback. The cities of Solvang and Lompoc requested further information. The City Manager of Buellton expressed support, the City of Goleta had no questions at their November 7, 2005 meeting, the City of Santa Barbara Animal Control Supervisor is supportive of the increase, and as of the date of this writing, there has been no response from City of Carpinteria, the City of Santa Maria or the City of Guadalupe.

In addition, letters were sent to thirty-nine small animal veterinarians to advise them and solicit their input. One veterinarian requested further information and two veterinarians have indicated their support. There has been no response to date from the rest of the veterinarians.

The Animal Services division does annual inspections and issues permits to various animal businesses in the County (pet stores, grooming shops and kennels). The current roster is forty-seven businesses and letters were sent to all of these permitted businesses. One of the business owners responded and stated that the increase sounded reasonable to her.

Animal Services issues over 20,000 dog licenses annually. These stakeholders will be notified of the proposed increase through ads in the Santa Barbara News Press, the Lompoc Record and the Santa Maria Times and through the public notice process for the resolution change.

State Determined Fees

The State of California determines the fee for four categories of fees charged by municipal animal shelters, which are currently set at:

- Rabies vaccination = \$6
- Unaltered impound penalty, 1st offense = \$35
- Unaltered impound penalty, 2nd offense = \$50
- Unaltered impound penalty, 3rd offense = \$100

The Board is requested to authorize the Director of the Public Health Department to automatically change any of the State determined fees to a new fee, in accordance with future changes to the above state established fees.

Mandates and Service Levels:

The County is mandated “to maintain or provide for the maintenance of a pound system and a rabies control program...” (H & S 121690 {e}). Services to the incorporated areas and cities have been provided for years and service levels are not expected to change.

Fiscal and Facilities Impacts:

Adoption of the consumer fee resolution is estimated to increase revenue by approximately \$70,000, on an annual basis. It has been three and a half years since these fees were updated. Although it is routine to return with Cost of Living Adjustment (COLA) fee increases annually, with Animal Services it was not deemed reasonable. Since one third of the fees are \$15 or lower, if a 2% increase was added, the fee would only increase by .30 cents. One of the goals of this resolution was to round to the nearest whole dollar. If staff had returned to your Board in an earlier fiscal year, many of the fees would not have changed because of rounding.

Another goal of the department was to balance any increase with industry standard and good business practice. Therefore, nine fees are recommended at different levels than the straight COLA increase.

- There are four fees for Business Licenses and Permits. The current fees range from \$100 to \$150. This resolution recommends that these fees remain the same due to the fact that they were increased substantially in 2002.

- There are two discounted licensing fees for owners who are adopting animals; \$10 for a one-year license and \$5 for a one-year license if you are a senior. This resolution recommends that these fees remain the same in order to encourage animal adoption.
- Of the many adoption fees, there are three fees for animals that are adopted the most; dogs, cats, and rabbits. The current fees for these animals were set at below cost in order to remain with industry average and to place as many animals as possible. This resolution recommends that the dog and rabbit fees are increased to \$75 and \$20, respectively, a three dollar increase above the COLA; and that the cat fee is decreased to \$55, a one dollar decrease below the COLA. Staff and volunteers recommended that the fee remain at a five dollar increment and stated that the market could bear this change.

With these nine fee recommendations, different from the straight COLA (rounded), the net revenue impact of \$754 is relatively insignificant.

A comparison of other agency's fees in eleven similar categories was performed. Santa Barbara County Animal Services proposed fees are in line with other agencies. Attachment B provides detail of the eleven comparisons.

Approval of these fees will not result in any additional staff or need for facilities.

Special Instructions:

Publish the attached legal notice in a newspaper of general circulation in Santa Barbara County 10 days prior to the hearing and again 5 days prior to the hearing.

Please return one full executed copy of the resolution along with a copy of the minute order to PHD Contracts Unit, 300 North San Antonio Road, Building 8, Santa Barbara, CA 93110 Attention: Margaret Granger (805) 681-5367.

Concurrence: None required.