

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, MAY 23, 2023**

MINUTE ORDER NO. 3

**SUBJECT: ADMINISTRATIVE ITEM:
SECOND CONSIDERATION AND ADOPTION OF ORDINANCE:
NOTICED PUBLIC HEARING: COST RECOVERY PROPOSAL TO AMEND
ARTICLE XX OF THE SAN DIEGO COUNTY CODE OF ADMINISTRATIVE
ORDINANCES, SECTION 364.8 RELATING TO FEES CHARGED BY THE
DEPARTMENT OF ANIMAL SERVICES EFFECTIVE FISCAL YEAR 2023-24
(5/2/2023 - FIRST READING; 5/23/2023 - SECOND READING UNLESS
ORDINANCE IS MODIFIED ON SECOND READING) (DISTRICTS: ALL)**

OVERVIEW

On May 2, 2023 (23), the Board of Supervisors took action to further consider and adopt the Ordinance on May 23, 2023.

The Department of Animal Services (DAS) protects the public from dangerous animals, protects animals from abuse and neglect, and saves the lives of thousands of unwanted, abandoned or lost pets each year. Historically, approximately 6,500 animals from the unincorporated area of the county enter DAS' two shelters annually. DAS provides animal-related law enforcement, sheltering, medical and pet adoption services to the unincorporated area of the county. For some of the services it provides, DAS charges fees. Today's action requests that the San Diego County Board of Supervisors (Board) approve amendments to Article XX Fees and Charges.

The Board of Supervisors' (Board) Policy B-29, *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery*, directs departments to recover the full cost of services provided to agencies or individuals. The Board has historically waived Policy B-29 as it applies to dog license and animal services fees, based on the recognition that increasing fees to full cost recovery would deter some residents from licensing their dogs and from adoption or claiming animals. This would likely contribute to unnecessary euthanasia of sheltered animals and impair DAS' ability to maintain the County goal of zero euthanasia of healthy and treatable animals.

To determine the proposed changes, DAS calculated the costs of staff salary and benefits and services and supplies carrying out the services tied to each of the department's fees, to determine the full cost recovery fee amount. The resulting full cost recovery fees are then compared to fees charged by other regional animal services agencies to ensure that DAS' proposed fees are comparable to the regional average. DAS also analyzed local economic and animal services needs data to ensure that the proposed fees are attainable to residents of the department's service area. The last DAS cost recovery package approved by the Board was June 4, 2019 (12). Since that time, fees charged by DAS have not kept pace with the steady increase in operational costs for shelter services and medical care, consequently, the County has experienced net cost increases. Today's request increases 39 of 56 existing fees, decreases one, and adds seven fees to DAS's fees schedule for a total of 63 fees, to recover a greater share of the operational costs for the services provided to the residents of the County's unincorporated area. According to surveys completed by DAS, the proposed fees are comparable to fees charged by other

regional jurisdictions. If the proposed fees are approved, DAS does not anticipate a decrease in the number of dogs licensed or the number of animals claimed from County shelters, nor any adverse impact to adoption rates. If approved, DAS will begin collecting fee increases and new fees on July 1, 2023.

Today's request includes two steps. The ordinance is being introduced today, May 2, 2023, and if approved, will be scheduled for adoption on May 23, 2023. If the proposed ordinance is altered on May 23, 2023, then on that date a subsequent meeting date will be selected for the ordinance's adoption.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Consider and adopt (unless ordinance is modified on second reading):

AN ORDINANCE AMENDING ARTICLE XX OF THE SAN DIEGO COUNTY CODE OF ADMINISTRATIVE ORDINANCES, SECTION 364.8 RELATING TO FEES CHARGED BY THE DEPARTMENT OF ANIMAL SERVICES

EQUITY IMPACT STATEMENT

The proposed actions would amend some of the Department of Animal Services (DAS) fees for services that are provided to cover more of the full cost of those services in alignment with current San Diego County Board of Supervisors' standards and to reflect applicable laws and regulations. By recovering more of the cost of services through small adjustments in its fee schedule, the DAS ensures that sufficient resources remain to provide services to individuals experiencing financial hardship and those in historically underserved and underrepresented communities that require animal services. To develop the fees, an analysis was conducted to examine the tasks and functions performed, including direct and indirect costs of performing those tasks, as well as a regional comparison with similar agencies. The calculation for the fee increases were reviewed to ensure that the services are not cost prohibitive for customers.

SUSTAINABILITY IMPACT STATEMENT

The proposed adjustments to the Department of Animal Services (DAS) fee structure are based on available expenditure and revenue data, live time studies, and regional comparisons. The fee changes are a result of the cumulative increase of cost drivers, such as salaries and benefits, services and supplies, and associated indirect costs of DAS. The proposed adjustments are appropriate as they support the County of San Diego's Strategic Initiative of Sustainability to align the County's available resources with services while maintaining fiscal stability and ensuring long-term solvency.

FISCAL IMPACT

There is no fiscal impact in the current fiscal year. If approved, additional funds from the revised fees, estimated at approximately \$352,000, will be included in the Fiscal Years 2023-25 CAO Recommended Operational Plan for the Department of Animal Services (DAS). The proposed fees will not achieve full cost recovery for the services provided. If approved, the estimated amount of the requested B-29 waiver is approximately \$1,084,000 in Fiscal Year 2023-24 and will be absorbed with existing General Purpose Revenue budgeted in DAS. Future years costs not covered by the revised fees will be absorbed with existing General Purposed Revenue and included in future Operational Plans. There will be no change in net General Fund costs and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Desmond, seconded by Supervisor Lawson-Remer, the Board of Supervisors closed the Hearing and took action as recommended, on Consent, adopting Ordinance No. 10843(N.S.), entitled: AN ORDINANCE AMENDING ARTICLE XX OF THE SAN DIEGO COUNTY ADMINISTRATIVE ORDINANCE CODE, SECTION 364.8 RELATING TO FEES CHARGED BY THE DEPARTMENT OF ANIMAL SERVICES.

AYES: Vargas, Anderson, Lawson-Remer, Desmond

ABSENT: (District 4 Seat Vacant)

State of California)

County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER

Clerk of the Board of Supervisors



Signed

by Andrew Potter