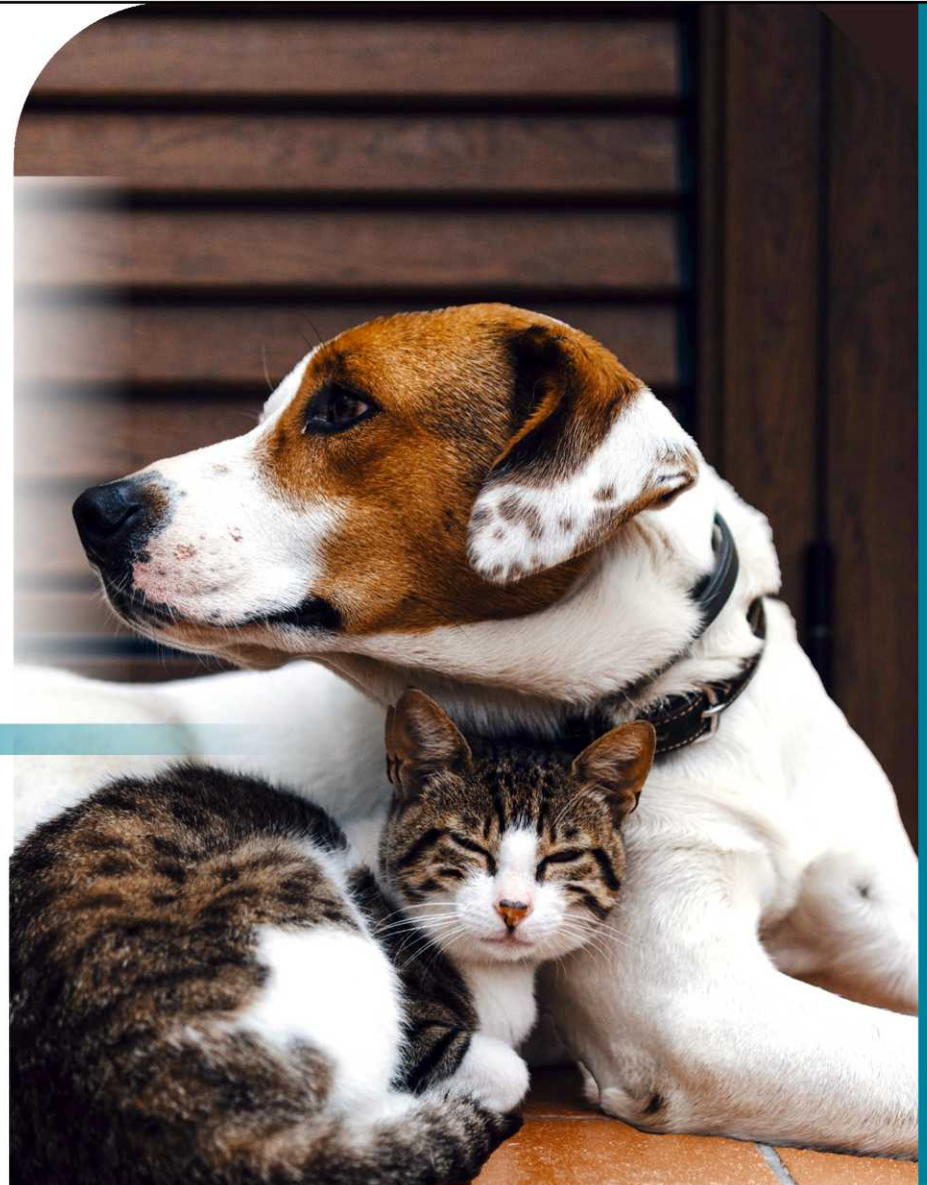# DAS Proposed City Contract Rates

Shelter Contract Rates

- Contract Rates Background

- County analyzed two cost recovery options:

  - ➢ Option A - Cities and County Full Share Total Shelter Costs – Piece of Pie Method

  - ➢ Option B – Baseline Costs for County Operations Removed from the Total Shelter Costs, Remaining Costs Distributed Between Contract Cities – Piece of Pie Method

Current City Shelter Contract Rates

- **16 Contract Cities -** Blythe, Calimesa, Cathedral City, Coachella, Desert Hot Springs, Eastvale, Hemet, Indian Wells, Indio, Jurupa Valley, La Quinta, Palm Desert, Perris, Rancho Mirage, Riverside & San Jacinto (**until FY24/25 SB Cities were included**).

- **In 2019 the Board of Supervisors directed RCDAS to review current contract rates and adjust contract rates accordingly.**

- **FY19/20 Rates increased:**
  * Charging for dead animal pickup/disposal & wildlife

  FY20/21 Rates increased:

  * Year one of three yr. increases – $20/day Kenneling day charges

  FY21/22 Rates increased:

  * Year two of three yr. increases – $31.60/day Kenneling day charges

  FY22/23 Rates increased:

  - Year three of three yr. increases – $34.10/day Kenneling day charges

  FY23/24 Rates not increased

  FY24/25 Rates increased:

  * SB contracts ended, Carry over charges for animals began being collected & 5% field increase applied

Current City Contract Rates

- **Currently, 16 Cities contract with the County for Sheltering Services, while 10 Cities also contract for Field Services.**

- **Sheltering costs are driven by:**
  - Average Length of Stay
  - Number of Impounds
  - Population
  - Staff required
  - Program expenses
  - Administration
  - Support Services
  - Facilities

Field Services costs are driven by:
  - Call volume
  - Time required to complete a service call
  - Staff required to serve the call volume
  - Administration
  - Support Services
  - Population

3

Background – Current City Contract Rates

- **Current Field service allocation allows for:**

  - A fair an equitable allocation methodology, given the direct nexus to the service of an officer.
  - Increase 5% for Labor Costs (FY25/26).

- **Current Sheltering contract allocation is unpredictable and varies:**
  - Is billed per kenneling day depending on the animal type and separately accounting for Operations and Maintenance and utilities.

  - Causes an administrative burden on City and County Staff. Reconciliation required each month, making it difficult to budget and pay timely.

  - Does not allow appropriate cost recovery.

  - **Focuses on Boarding – But DAS must also enhance life saving programs.**

4

Needs for DAS to Increase Live Outcomes

To Continue to Improve Live Outcomes The System Requires Enhanced Life Saving Programs:

1. **An increase to Animal Care Staff**

2. **Enhanced Adoption and Foster Teams**

3. **Intake to Placement Program Support**

4. **Media/Marketing Team Expansion**

❖ **To realize the above the Department is seeking an increase of 38 positions = $4,565,425 for the additional staff**

Animal Care staffing
3 Supervising Animal Services Counselors
9 Animal Services Counselors
1 Administrative Services Analyst

Intake to Placement Program
1 Animal Services Manager
4 Senior Animal Services Counselors
4 Animal Services Counselors

Enhance Foster/Adoption Teams
3 Supervising Animal Services Counselors
10 Animal Services Counselors
1 Administrative Services Analyst

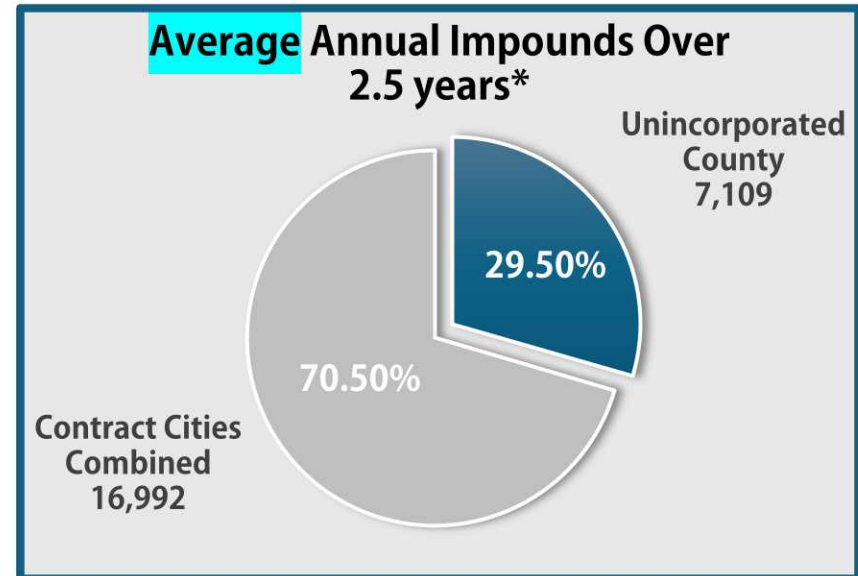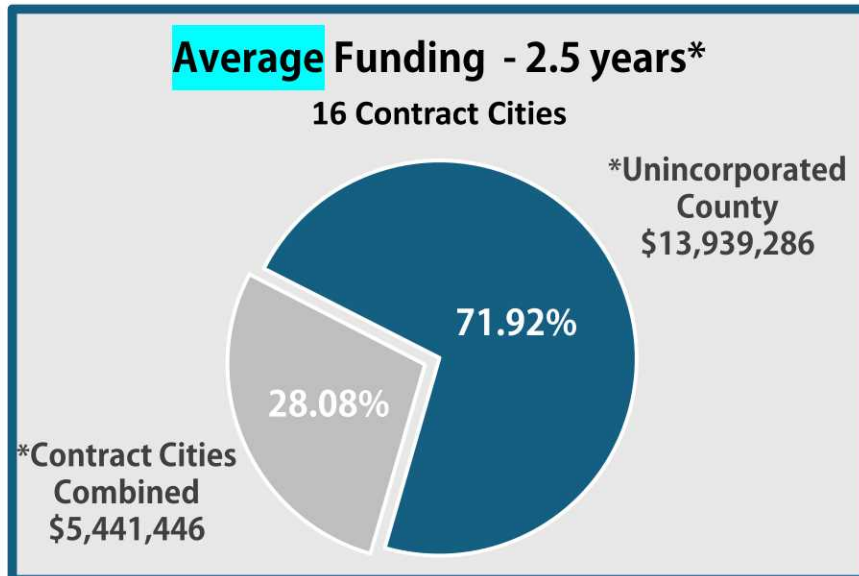**Media Team Expansion**
1 Public Information/Media Specialist
1 Administrative Services Analyst

Key Observations – Historic City Contract Revenue

Average Funding - 2.5 years*

16 Contract Cities

*Unincorporated County
$13,939,286

71.92%

28.08%

*Contract Cities Combined
$5,441,446

Average Annual Impounds Over 2.5 years*

Unincorporated County
7,109
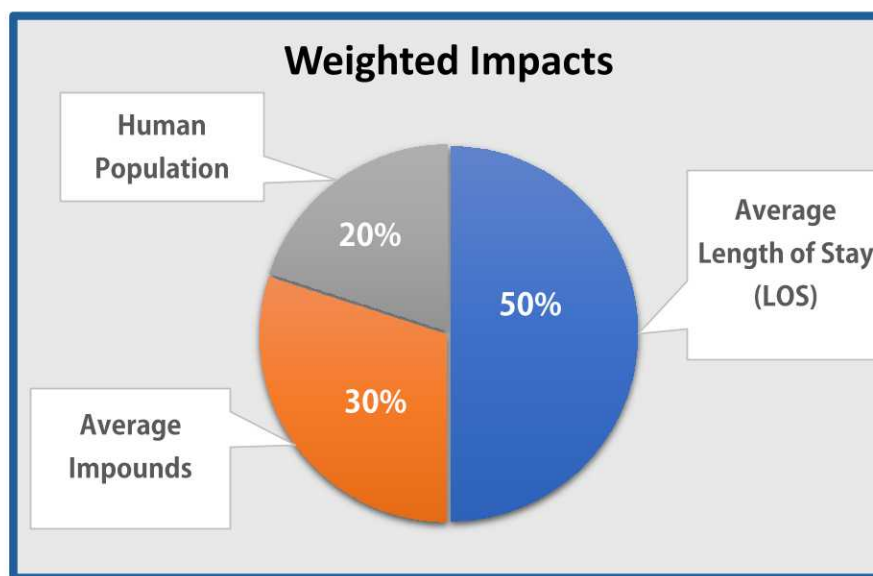
29.50%

70.50%

Contract Cities Combined
16,992

*Average Impounds and Revenues exclude SB Cites (no longer under contract)

Piece of Pie Methodology (MGT)

Total Distributed Costs allocations are determined by weighted impacts:

Weighted Impacts pie chart showing Human Population 20%, Average Impounds 30%, Average Length of Stay (LOS) 50%
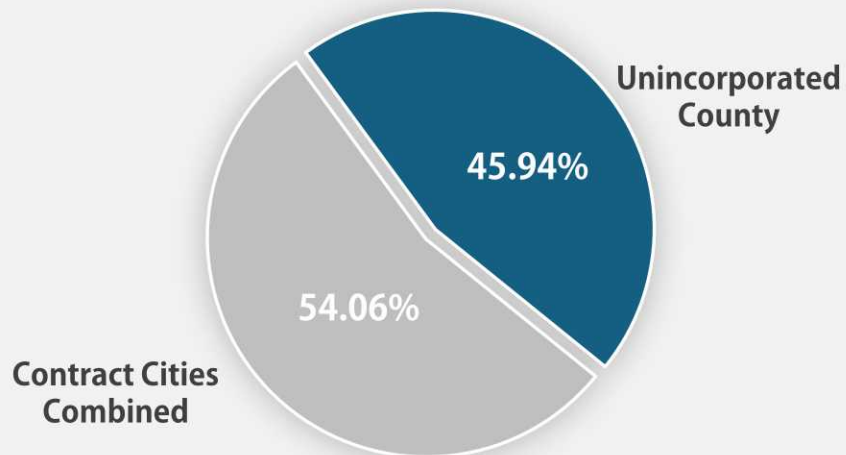
Given the cost impacts & challenges with Length of Stay: A 50% allocation was used

The cities and the county were then assigned an allocation percentage of the cost based on their statistic or number and the ratio to the total number.
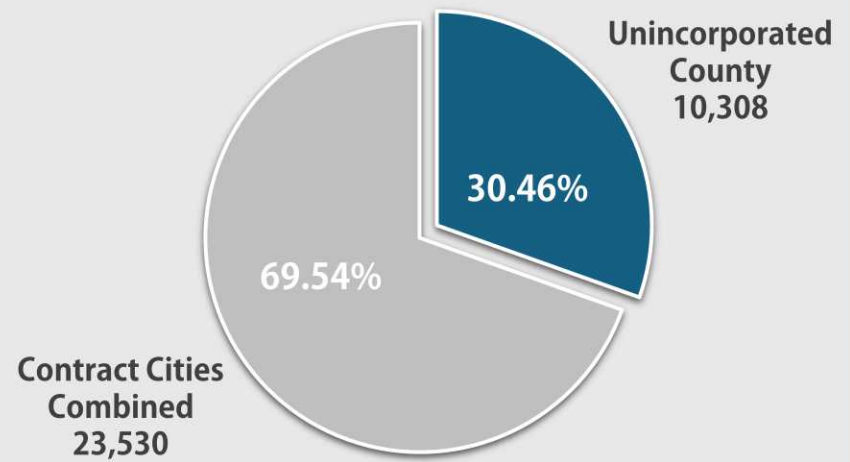
Option A – Full Cost Sharing Allocation 38 Positions Added

Full Cost Sharing Allocation FY25/26

- Unincorporated County: 45.94%
- Contract Cities Combined: 54.06%

Total Impounds* - 2024

- Unincorporated County: 10,308 (30.46%)
- Contract Cities Combined: 23,530 (69.54%)

* 33,838 Total (31,470 Dogs & Cats)
* Does not include San Bernardino Cities

Option A – Full Cost Sharing Allocation - 38 Staff Added

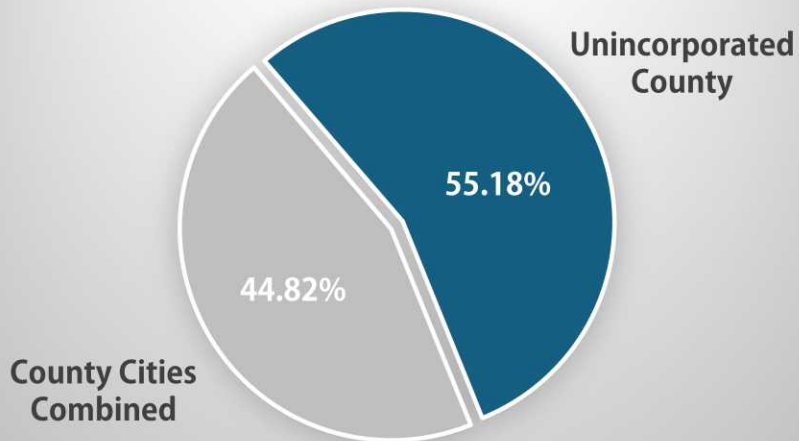| Shelter Distribution - Full Costs Sharing With County & Needed 38 staff				
Agencies	FY 24/25 Projected Budget	FY 25/26 Shelter Costs	Difference	% Increase/Decrease FY25/26 vs. FY24/25 Projected
Unincorporated, none contract, and former contracts included	$15,812,966	$12,911,070	-$2,901,896	-18%
Blythe	$147,581	$344,831	$197,250	134%
Calimesa	$19,826	$60,740	$40,914	206%
Cathedral City	$285,594	$548,572	$262,978	92%
Coachella	$317,474	$560,668	$243,194	77%
Desert Hot Springs	$7,210	$142,011	$134,801	1870%
Eastvale	$135,319	$440,785	$305,466	226%
Hemet	$895,099	$1,358,808	$463,709	52%
Indian Wells	$3,159	$24,974	$21,815	691%
Indio	$399,998	$913,193	$513,195	128%
Jurupa Valley	$1,402,616	$2,282,795	$880,179	63%
La Quinta	$85,016	$263,972	$178,956	210%
Palm Desert	$186,286	$330,874	$144,588	78%
Perris	$724,596	$1,331,067	$606,471	84%
Rancho Mirage	$36,624	$144,297	$107,673	294%
Riverside	$2,177,360	$5,188,702	$3,011,342	138%
San Jacinto	$655,468	$1,254,893	$599,425	91%
City Contracts Total	$7,479,226	$15,191,182	$7,711,956	103%
Total Shelter Expenses	$23,292,192	$28,102,252		

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Option B - County Baseline Model

- Implementing Option A - <mark>full cost sharing approach</mark> may not be the reasonable option for our city partners, as the rates are substantially higher with a cost sharing model.

- Accounting County Baseline Shelter Costs, a hybrid rate methodology, Option B, will be recommended to the Board of Supervisors as:

  1. There is cost to operate the County's shelters to support unincorporated areas even if the Cities chose not to contract with the County;

  2. Life Saving Programs to would still be needed:

  3. Animal kenneling days may even increase, due to reduced adoption pool;

  4. <mark>Remove baseline costs (those costs that the County would have to pay to meet its obligation to the unincorporated areas).</mark>
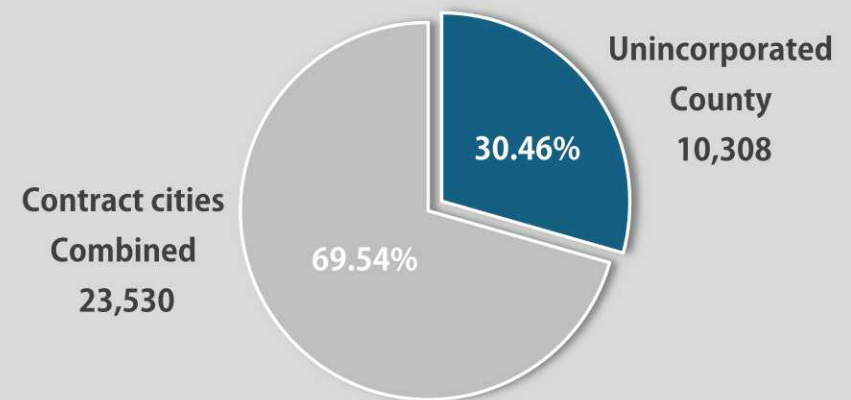
Option B - County Baseline Allocation with 38 Staff Added

County Baseline Allocation Option B

Unincorporated County

55.18%

44.82%

County Cities Combined

Total Impounds* - 2024

Unincorporated County
10,308

30.46%

Contract cities Combined
23,530

69.54%

* 33,838 Total (31,470 Dogs & Cats)
* Does not include San Bernardino Cities

Staff will be recommending option B to the Board of Supervisors

DEPARTMENT OF ANIMAL SERVICES
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Recommended Option B - Cost Sharing County Baseline Allocation - 38 Staff Added

Shelter Distribution - County Baseline Option With 38 Needed Additional Staff			
Agencies	FY 24/25 Projected Budget	FY 25/26 Shelter Costs	Difference	% Increase/Decrease - FY25/26 vs. FY24/25 Projected
Unincorporated, none contract, and former contracts included	$15,812,966	$15,505,884	-$307,082	-2%
Blythe	$147,581	$285,983	$138,402	94%
Calimesa	$19,826	$45,741	$25,915	131%
Cathedral City	$285,594	$452,190	$166,596	58%
Coachella	$317,474	$474,700	$157,226	50%
Desert Hot Springs	$7,210	$108,654	$101,444	1407%
Eastvale	$135,319	$342,600	$207,281	153%
Hemet	$895,099	$1,100,295	$205,196	23%
Indian Wells	$3,159	$18,683	$15,524	491%
Indio	$399,998	$751,839	$351,841	88%
Jurupa Valley	$1,402,616	$1,874,662	$472,046	34%
La Quinta	$85,016	$203,126	$118,110	139%
Palm Desert	$186,286	$256,652	$70,366	38%
Perris	$724,596	$1,114,579	$389,983	54%
Rancho Mirage	$36,624	$120,374	$83,750	229%
Riverside	$2,177,360	$4,410,879	$2,233,519	103%
San Jacinto	$655,468	$1,035,411	$379,943	58%
City Contracts Total	$7,479,226	$12,596,368	$5,117,142	68%
Total Shelter Expenses	$23,292,192	$28,102,252		

Implementation Approach

- Field Labor Rates to be increased 5% for FY25/26, FY26/27 & FY 27/28

- Shelter Rate Increases to be distributed over a three-year phase-in period.

- Shelter Increases would begin January 1st, 2026 – Budget FY25/26 for ½ yr.

- Updated Contracts/Facilitation Include:

  - ✓ Payments to County made Quarterly.
  - ✓ Reconciliation annually, Based on each city's LOS/Impounds/Population allocation
  - ✓ Cities will be asked provide Spay/Neuter Clinic(s) in their City
  - ✓ Opt-in to a Spay/Neuter Trust to fund clinic(s)
  - ✓ Cities will be asked to provide Vaccination/Microchip/Licensing Clinic(s) in their City

Thank you