Agenda – Council – June 21, 2017

Report – Standing Policy Committee on Innovation – May 26, 2017

Item No. 3 Animal Services SOA - 2017 Business Plan (Selection Report)

STANDING COMMITTEE RECOMMENDATION:

On June 7, 2017, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Innvoation, and submitted the following to Council:

1. That the 2017 Business Plan (Selection Report) for the Animal Services Special Operating Agency (SOA), including the 2017 budget (Appendix A), be approved.

2. That the Animal Services SOA Audited Financial Statements for the year ended December 31, 2015 (Appendix B), be received as information.

3. That the attached "Animal Services Fees and Charges Schedule" for 2017 – 2019 (Appendix C), be received as information.

4. That the Jurisdictional Mill Rate Comparison (Appendix D), be received a information.

6. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Standing Policy Committee on Innovation – May 26, 2017

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 7, 2017, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Innovation and submitted the matter to Council.

STANDING COMMITTEE DECISION:

On May 26, 2017, the Standing Policy Committee on Innovation concurred in Recommendation 5 of the Winnipeg Public Service.

STANDING COMMITTEE RECOMMENDATION:

On May 26, 2017, the Standing Policy Committee on Innovation concurred in Recommendations 1 to 4 and 6 of the Winnipeg Public Service with the following amendment:

- Recommendation 3
  Delete "The new fee is $4 for each month that a pet owner is late renewing the license, to a maximum of $20",

and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: 2017 – 2019 Business Plan (Selection Report) - Animal Services Special Operating Agency

Critical Path: Standing Policy Committee on Innovation - Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Gordon	L. Gordon	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

The Selection Report is intended to ensure that the Animal Services Agency continues to provide animal control measures under The City of Winnipeg Charter and the Responsible Pet Ownership Bylaw (RPO). This includes pet licensing, emergency response to incidents involving animals, investigation of animal-related complaints including dog attacks, dogs running at large, exotic animals, injured animals, enforcement of the RPO, and neighbourhood dispute resolution. The Agency also provides public education regarding responsible pet ownership and and a progressive adoption program for unclaimed animals.

The Agency's main goals are to improve the health and safety of neighbourhoods through the enforcement of the RPO and education regarding responsible pet ownership. The Agency also strives to improve its public image by increasing customer service and satisfaction through the improvement of front-line service delivery; providing professional, caring and appropriate responses to citizen and pet owners' concerns, and humane alternatives to unclaimed animals.

Council approval of Recommendation 1, the 2017 Business Plan will enable the Agency to:

- Provide an essential service to promote, protect and safeguard the health of the community; and
- Establish and maintain an urban environment which permits the City's human and animal populations to co-exist free of conditions which could adversely affect the health, safety and enjoyment of the community.

Agency mill rate support was reduced by Council in 2016 from $1,404,276, to $1,319,574. Due to this lower level of support, the Agency will incur a deficit for the 2017 fiscal year. Cat licensing revenues offset some of the Agency's operating costs, but a portion has been dedicated by Council for spay/neuter programming and cannot be used to reduce in year deficit positions.

There are an estimated 148,386 cats and 112,139 dogs owned by Winnipeg residents within 269,586 households based on a 2008 study. Due to these large pet populations, the City of Winnipeg has significant animal-related services in place. These include Animal Services as the facility to take stray dogs, and the Winnipeg Humane Society (WHS), through a Service Agreement, as the place to take stray cats. Additional services are in place including 24 hour

emergency response to animal incidents, emergency veterinary care, and low income spay/neuter programming.

RECOMMENDATIONS

1. That Council approves the 2017 Business Plan (Selection Report) for the Animal Services Special Operating Agency (SOA), including the 2017 budget (Appendix A).

2. That Council receives as information the SOA Audited Financial Statements for the year ended December 31, 2015 (Appendix B).

3. That Council receive as information the attached "Animal Services Fees and Charges Schedule" for 2017 – 2019 (Appendix C), and approve a new fee for pet owners who are late in renewing their license. The new fee is $4 for each month that a pet owner is late renewing the license, to a maximum of $20.

4. That Council receive as information the Jurisdictional Mill Rate Comparison (Appendix D).

5. That Council approve the Advisory Board members as per the attached Advisory Board Members list (Appendix E).

6. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

As per the Animal Services Operating Charter, Council approval is required for the Animal Services Agency 2017 - 2019 Business Plan (Selection Report) and budget.

IMPLICATIONS OF THE RECOMMENDATIONS

The approval of the Selection Report will allow the Agency to continue to provide animal control measures under The City of Winnipeg Charter and the Responsible Pet Ownership (RPO) By-law.

HISTORY

Animal Services was designated by Council as a Special Operating Agency (SOA) effective January 1, 2000. The Agency enforces the Responsible Pet Ownership (RPO) By-law.

In the year 2000, the Agency completed 6,416 incidents and received $1,125,000 of operational mill rate support. In 2015, the Agency completed 10,629 incidents and received $904,276 of operational mill rate support. There has been a 66% increase in incidents but a 20% decrease in funding. Animal Services, as a previous Division of Community Services and now as an SOA, has been protecting people and animals in Winnipeg for over 140 years.

The Animal Services Operating Charter stipulates that a Business Plan (Selection Report - summary of the Annual Business Plan) will be provided to Council each year.

The mandate of the Animal Services Agency is to promote, protect and safeguard the health of the community by establishing and maintaining an urban environment which permits the City's human and animal populations to co-exist free of conditions which adversely affect the health, safety and enjoyment of the community. The Animal Services Agency is responsible for the enforcement of the RPO By-law to minimize risk in the communities served.

The budgeted tax supported transfer of $1,319,574 includes two components: $652,273 to support the service agreement with the WHS, and $667,301 operational mill rate support for Animal Services. Over the years, operational mill rate support to Animal Services has been reduced to $667,301 in 2017, versus $1,125,000 in 2000, when the SOA was first established. Operational costs continue to rise.

At December 31, 2012, the Agency recorded an accumulated deficit balance of $1,014,955. At December 31, 2015, the accumulated deficit was reduced to $99,888. This was primarily the result from the increase in revenues from pet licensing due to zero tolerance which began in 2011, mill rate support level, and lower than expected non-recurring operational costs. Zero tolerance means if an Animal Services Officer makes contact with a pet owner and their pet isn't licensed, they are immediately issued a $250 fine.

The 2017 operating expense budget for Animal Services, excluding the grant to the WHS, is $3,177,277. Animal Services receives the lowest amount of mill rate support when compared to major governmental animal agencies in other Canadian jurisdictions (Appendix D). With an operational mill rate support of $667,301, the difference between the Agency's operating expense budget and the operational mill rate support is $2,509,926. The result in Winnipeg is a significant reliance on dog license revenues for Animal Services to successfully operate.

This budget assumes that dog licensing revenue will decrease in 2017 as some licenses will not be renewed due to pets passing way, being given away, or an unwillingness by the owner to continue paying increasing licensing fees.

The Agency operates successful adoption, volunteer, and foster programs. License revenues help fund the services provided, including housing stray dogs and reuniting them with their owners, attending house fires or car accidents to help in the removal of animals where needed, and providing an Adoption Program. A contingent of Animal Services Officers patrol the streets of Winnipeg to help resolve neighbourhood disputes and incidents involving animals.

The Winnipeg Humane Society (WHS) has been helping dogs and cats in our community since 1894. The organization accepts surrendered and stray dogs and cats primarily from Winnipeg residents.

The WHS has adoption, volunteer, and education programs. The WHS is the only animal welfare organization in Winnipeg that operates an internal veterinary clinic. In addition, the WHS conducts over 2,000 animal cruelty investigations per year on behalf of the Province of Manitoba under the Animal Care Act.

The WHS is an "open admission" shelter with regard to stray cats found in Winnipeg. Animal Services is "open admission" with regard to stray dogs found in Winnipeg. "Open admission" refers to an organization that accepts animals regardless of temperament or health. The organization does not turn away animals that fall into these designated categories.

FINANCIAL IMPACT

Financial Impact Statement

Date: April 24, 2017

Project Name:

2017 - 2019 Business Plan (Selection Report) Animal Services Special Operating Agency

First Year of Program **2017**

	2017	2018	2019	2020	2021
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other -	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 1,319,574	$ 1,319,574	$ 1,319,574	$ 1,319,574	$ 1,319,574
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 1,319,574	$ 1,319,574	$ 1,319,574	$ 1,319,574	$ 1,319,574
Less: Existing Budget Amounts	$ 1,319,574	$ 1,319,574	$ 1,319,574	$ 1,319,574	$ 1,319,574
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The 2017 - 2019 Animal Services Selection Report includes a tax-supported subsidy of $1,319,574 for 2017 to 2019. This level of Mill Rate Support is provided in the Community Services' 2017 adopted mill rate supported budgets and 2018 and 2019 forecasts.

Original Signed By K. Lemoine

Kelly Lemoine, CPA, CA
Controller
Community Services Department

CONSULTATION

In preparing this Report there was consultation with:
Community Services Department
Legal Services (as to Legal issues)

OURWINNIPEG POLICY ALIGNMENT

03-2 Vitality
Direction 4: Maintain the Health and Safety of Neighbourhoods by Enforcing Animal Control By-Laws and Promoting Responsible Pet Ownership
> Maintain Licensing and spay/neuter efforts to identify the animal population and help control over-population.
> Work with existing community animal welfare organizations to develop a shared vision and expand educational outreach efforts.
> Engage residents and community organization on an ongoing basis to ensure that City animal control services are responsive and effective in addressing locally identified neighbouring needs.

SUBMITTED BY

Department: Community Services
Division: Animal Services Agency
Prepared by: Leland Gordon, Chief Operating Officer
Date: April 25, 2017

ATTACHMENTS:

Appendix A: ***2017 – 2019 Business Plan***



Appendix A - 2017-2019 Business F

Appendix B: ***2015 Audited Financial Statements***



Appendix B - 2015 Financial Statements.

Appendix C: *Animal Services - Fees and Charges Schedule*



Appendix C -
2017-2019 Animal Ser

Appendix D: *Jurisdictional Comparison of Mill Rate Support*



Appendix D -
Jurisdicitional Compar

Appendix E: *Advisory Board Members*



Appendix E -
2017-2019 Advisory E