**Agenda – Council – April 25, 2019**

**Report – Standing Policy Committee on Innovation – April 8, 2019**

**Item No. 1 Animal Services Special Operating Agency – 2019 - 2021 Business Plan (Selection Report)**

STANDING COMMITTEE RECOMMENDATION:

On April 16, 2019, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Innovation, and submitted the following to Council:

1. That the 2019 Business Plan (Selection Report) for the Animal Services Special Operating Agency, including the 2019 budget (a copy of which is attached as Appendix "A"), be approved.

2. That the Agency's Audited Financial Statements for the 2017 fiscal year, ending December 31, 2017 (a copy of which is attached as Appendix "B"), be received as information.

3. That the attached "Animal Services Fees and Charges Schedule" for the calendar years 2019 – 2021, inclusive (a copy of which is attached as Appendix "C"), be approved.

4. That the Jurisdictional Mill Rate Comparison (a copy of which is attached as Appendix "D"), be received as information.

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

## Report – Standing Policy Committee on Innovation – April 8, 2019

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 16, 2019, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Innovation, and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On April 8, 2019, the Standing Policy Committee on Innovation concurred in Recommendations 1 to 4 and 6 of the Winnipeg Public Service, and submitted the matter to the Executive Policy Committee and Council.

STANDING COMMITTEE DECISION:

On April 8, 2019, the Standing Policy Committee on Innovation concurred in Recommendation 5 of the Winnipeg Public Service with the following amendment:

- Replace the words “That Council” with “That the Standing Policy Committee on Innovation”.

STANDING COMMITTEE RECOMMENDATION:

On March 11, 2019, the Standing Policy Committee on Innovation laid over the 2019 - 2021 Business Plan (Selection Report) – Animal Services Special Operating Agency to its meeting on April 8, 2019.

# ADMINISTRATIVE REPORT

**Title:** 2019 – 2021 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 | M. Jack | M. Ruta | D. McNeil |

## EXECUTIVE SUMMARY

The Selection Report is intended to ensure that the Animal Services Special Operating Agency (the "Agency") continues to provide animal control measures under The City of Winnipeg Charter and the Responsible Pet Ownership Bylaw (the "RPO"). The Agency helps both animals and people in our community. This includes pet licensing, reunification and care of lost pets, emergency response to incidents involving animals, investigation of animal-related complaints including dog attacks, pets 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 a progressive adoption program for unclaimed animals. Volunteer opportunities for school and social service organizations are also provided. Animal Services Officers further disseminate social services messaging when needed in field operations.

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 with respect to the 2019 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 of Winnipeg's human and animal populations to co-exist free of conditions which could adversely affect the health, safety and enjoyment of the community.

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 with the City of Winnipeg, 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 approve the 2019 Business Plan (Selection Report) for the Animal Services Special Operating Agency, including the 2019 budget (a copy of which is attached as Appendix "A").

2. That Council receive as information the Agency's Audited Financial Statements for the 2017 fiscal year, ending December 31, 2017 (a copy of which is attached as Appendix "B").

3. That Council approve the attached "Animal Services Fees and Charges Schedule" for the calendar years 2019 – 2021, inclusive (a copy of which is attached as Appendix "C").

4. That Council receive as information the Jurisdictional Mill Rate Comparison (a copy of which is attached as Appendix "D").

5. That Council approve the Advisory Board members in accordance with the Advisory Board Members list (a copy of which is attached as Appendix "E").

6. That the proper officers of the City of Winnipeg 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 Special Operating Agency's 2019 - 2021 Business Plan (Selection Report) and budget.

## IMPLICATIONS OF THE RECOMMENDATIONS

The approval of the Selection Report will allow the Animal Services Special Operating Agency to continue to provide animal control measures under The City of Winnipeg Charter and the Responsible Pet Ownership By-law.

## HISTORY/DISCUSSION

Animal Services' Highlights:

**Licensing**:

In 2017, 311 representatives reunited 670 dogs and cats wearing licenses with their owners without those animals having to set foot or paw in an animal shelter. At the end of 2018, a total of 48,302 dogs and 26,053 cats were licensed in Winnipeg.

**Progressive Spay/Neuter Programs**:
In 2017, 4,440 cats were spayed/neutered at the WHS with support from the City of Winnipeg. The FIXIT grant program dedicates 50% of cat licensing revenues to low income spay/neuter programming and is made possible through cat licensing. A satellite location promoting spay/neuter has also been established in the William Whyte area for additional outreach with funding from the FIXIT program. A similar initiative through the WHS known as the SNAP program is partially funded by the City under a service agreement.

**Providing Volunteer and Work Experience Opportunities:**
Animal Services has forged progressive relationships with numerous community organizations including Red River College, Robertson College, John G. Stewart School, and MacDonald Youth Services. Participants receive hands on experience working with animals along with further interactions with various facets of Animal Services' operations.

**Online Adoptable Pets:**
Animal Services features their adoptable pets on Petfinder.com. In 2017, their pets received over 143,000 "hits" on the website. The City of Winnipeg is the only capital city in Canada that features adoptable pets on the front page of their website. The online platform has resulted in visitors travelling to Animal Services to adopt from not only Winnipeg, but also from British Columbia, Alberta, Nunavut, the Yukon, North Dakota, and Minnesota.

**Winnipeg Lost Dog Alert:**
Animal Services actively utilizes Winnipeg Lost Dog Alert (WLDA) on Facebook in effort to reunite more lost pets with their owners. Residents post lost and found dogs on the page. Animal Services' staff also send pictures of in-taked dogs to WLDA for posting on their page in hopes of getting those dogs back to their owners as quickly as possible.

**Northern Outreach Initiative:**
Collaboratively working with rescues, Animal Services takes a limited amount of unwanted dogs from northern communities and places them up for adoption. The team at Animal Services also sends surplus pet food and treats to those same communities to help pets in need. As of this writing, Animal Services has helped 27 dogs under the program.

**Paws at Work:**
Over 90 City employees including the Mayor have participated in Paws at Work. Under the program, Animal Services staff bring adoptable dogs downtown for City staff to walk during their breaks. These adoptable dogs receive extra exposure, while improving health and wellness for staff.

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

In the year 2000, the Agency completed 6,416 incidents and received $1,125,000 of operational mill rate support. In 2018, the Agency completed 10,325 incidents and received $643,123 of operational mill rate support. There has been a 61% increase in incidents but a 43% decrease in funding by Council. The reduced level of mill rate support will result in forecasted deficits indefinitely into the future and an overreliance on pet licensing and donations. 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 mandate of the Agency is to promote, protect and safeguard the health of the community by establishing and maintaining an urban environment which permits the City of Winnipeg's human and animal populations to co-exist free of conditions which adversely affect the health, safety and enjoyment of the community.

The budgeted tax supported transfer of $771,219 includes two components: $652,273 to support the Service Agreement between the City of Winnipeg (the “City”) and the Winnipeg Humane Society, and $118,946 operational mill rate support for the Agency. Over the years, operational mill rate support to the Agency has been reduced to $118,946 in 2019, versus $1,125,000 in 2000, when the Agency was first established.

The 2019 operating expense budget for the Agency, excluding the grant to the WHS, is $3,162,226. The Agency receives the lowest amount of mill rate support when compared to major governmental animal agencies in other Canadian jurisdictions (see Appendix “D”). With an operational mill rate support of $118,946 the difference between the Agency’s operating expense budget and the operational mill rate support is $3,043,280. The budgeted loss for the Agency in 2019 is $510,445.

This budget assumes that dog license levels will remain flat in 2019 as some licenses will not be renewed due to pets passing way, being given away, or unwillingness by the community to pay increasing licensing fees. All fees except for cat licenses will increase by the recommended rate of inflation of 1.6%.

The Agency operates successful adoption, volunteer, and foster programs. License revenues help fund the operation, including housing stray pets and reuniting them with their owners, attending house fires or car accidents to help in the care of animals, and providing an Adoption Program. A team of Animal Services Officers patrol the streets of Winnipeg to help resolve neighbourhood disputes and incidents involving animals. Animal Services is “open admission” in regard to stray dogs. “Open admission” refers to an organization that accepts animals regardless of temperament or health, and does not turn away animals.

The Service Agreement between the City and the WHS is currently funded and administered through the Agency. The primary elements of the agreement include frontend care of stray cats, emergency veterinary care, and low income spay/neuter programming.

The WHS has been helping dogs and cats in our community since 1894.

The WHS has adoption, volunteer, and education programs and 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.

## FINANCIAL IMPACT

**Financial Impact Statement** **Date:** February 13, 2019

**Project Name:** **First Year of Program** **2019**

2019 - 2021 Business Plan (Selection Report) Animal Services Special Operating Agency

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Capital** | | | | | |
| Capital Expenditures Required | $ - | $ - | $ - | $ - | $ - |
| Less: Existing Budgeted Costs | - | - | - | - | - |
| Additional Capital Budget Required | $ - | $ - | $ - | $ - | $ - |
| **Funding Sources:** | | | | | |
| Debt - Internal | $ - | $ - | $ - | $ - | $ - |
| Debt - External | - | - | - | - | - |
| Grants (Enter Description Here) | - | - | - | - | - |
| Reserves, Equity, Surplus | - | - | - | - | - |
| Other - Enter Description Here | - | - | - | - | - |
| Total Funding | $ - | $ - | $ - | $ - | $ - |
| Total Additional Capital Budget Required | $ - | | | | |
| Total Additional Debt Required | $ - | | | | |
| **Current Expenditures/Revenues** | | | | | |
| Direct Costs | $ 771,219 | $ 1,271,219 | $ 1,271,219 | $ 1,271,219 | $ 1,271,219 |
| Less: Incremental Revenue/Recovery | - | - | - | - | - |
| Net Cost/(Benefit) | $ 771,219 | $ 1,271,219 | $ 1,271,219 | $ 1,271,219 | $ 1,271,219 |
| Less: Existing Budget Amounts | $ 771,219 | $ 1,271,219 | $ 1,271,219 | $ 1,271,219 | $ 1,271,219 |
| Net Budget Adjustment Required | | | | | |

**Additional Comments:** The Animal Services Selection Report includes a tax-supported subsidy of $771,219 for 2019 and $1,271,219 for 2020 onward.

*Original signed by K. Lemoine*

Kelly Lemoine, CPA, CA
Manager, Finance and Administrative Services
Community Services Department

## CONSULTATION

This Report has been prepared in 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 SOA
Prepared by: Leland Gordon, Chief Operating Officer
Date: February 13, 2019
File No:

Attachments:

Appendix A: 2019 – 2021 Business Plan

Appendix B: 2017 Audited Financial Statements

Appendix C: Animal Services - Fees and Charges Schedule

Appendix D: Jurisdictional Comparison of Mill Rate Support

Appendix E: Advisory Board Members

Appendix F: Animal Services Newsletter