



FY 15/16 Budget Presentation

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Director of Animal Services



Historical Considerations

- 10yrs ago DAS was underfunded, understaffed, and facing daily criticism from the community, the media, and those auditing DAS (Grand Jury, Auditor Controller, & HSUS).
- A new director was hired and a new business model was initiated that required greater funding, larger staffing levels, and new facilities to meet constituent demands.
- By year three, animal euthanasia was at an all-time low, community support was at an all-time high, and new facilities were well into design and construction.
- By year four, the Great Recession had begun and DAS goals and vision became less of a priority and budget reductions ensued.

Current State of DAS

- In 2010, DAS came out with a business plan to meet budget reality and in 2012, an addendum to that plan was launched to deal with ongoing funding issues.
- After seven years of NCC cuts, ISF cost increases, COWCAP increases, and stagnant revenues, the department has only seen financial growth in limited areas, most of them cost recovery for new city contracts or enhanced services. (leveraging combined resources)
- Most programs designed to meet the challenges of societal problems and assist with community change have been defunded and dismantled.

Current State of DAS cont.

- Programs left are limited to core functions and/or state and local legal mandates.
- DAS animal shelter and field contracts are unable to keep pace with County overhead and union salary increases simply because they will become too cost prohibitive for city partners.
- The County has spent many years developing and paying for animal shelters (\$67M) that are sized to accommodate the animals of city partners. (city partners are invaluable)
- Customer phone hold times and field response times continue to be a source of frustration.
- DAS previously utilized work release until CA State Prison Realignment.

Countermeasures

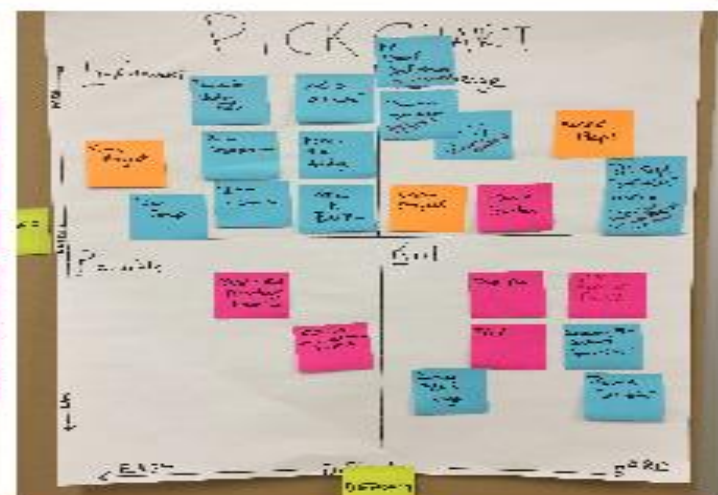
- DAS Management have deployed numerous countermeasures over the years to deal with the lack of staffing and resources.
 - Web-based solutions for licensing your dog, paying your citation, and making a spay/neuter appointment. An example of success is the ICLP or Integrated Canine Licensing Program and the City of Riverside. (example of success)
 - Use of volunteers, interns, WEX, and TAP to assist in areas of need.
 - The addition of new city partners, even from San Bernardino County to leverage more resources.
 - Restructuring programs and reducing organizational layers/silos.

Countermeasures cont.

- The CEO's decision to make DAS a stand-alone department had a tremendous savings impact that has sustained DAS for the past two years.
- Management embraced "Lean Management" and brought in a professional consultant in this subject.
- Targeting resources towards pre-impound strategies, such as spay/neuter, micro-chipping, and the use of administrative citations to gain compliance on responsible pet ownership without criminal proceedings.
- The deployment of technology to gain efficiencies and accomplish more with less personnel.

RCDAS

LEAN OPPORTUNITIES WITH SERVIANT CONSULTING | Plan for 2015-2016



Problem Statement

Immediate reduction of funding will lead to disruption in services and loss of productivity that exceed savings from fund reduction.

Goal

Equip managers to significantly reduce costs over 18 months without lapse of ability to respond to disruptive, dangerous or distressed animals.

Approach

- Set Key Performance Indicators (KPI's) for abandonment rate, service levels and response times
- Create standard work for all departments and train supervisors to establish production standards to annul overtime and temporary staff

- Establish performance centers in each department to make goals and progress transparent, while tracking problems in real time

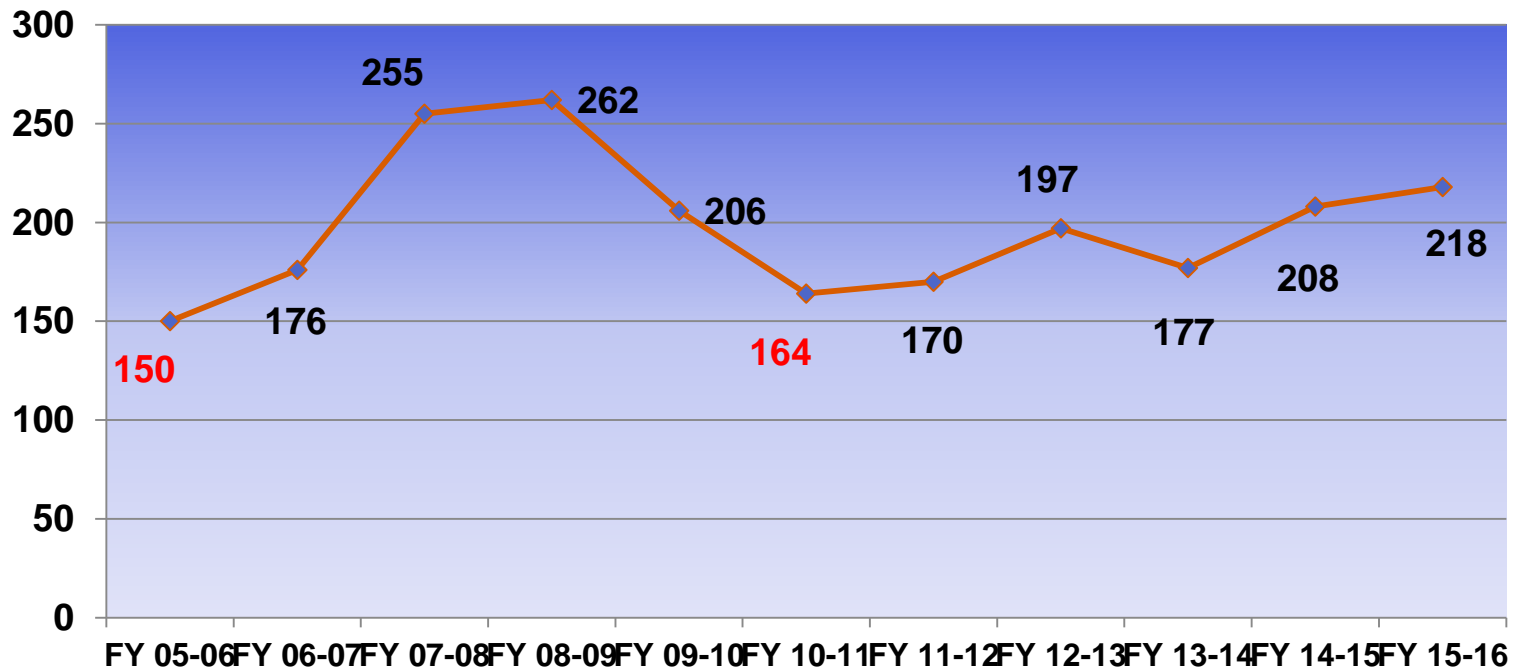
Critical Success Factors

- Restructure Monthly Operating Review; managers report on performance and 30 day countermeasures
- Full Budget request 2015-2016 during lean transition

Early Indicators of Change for 15-16

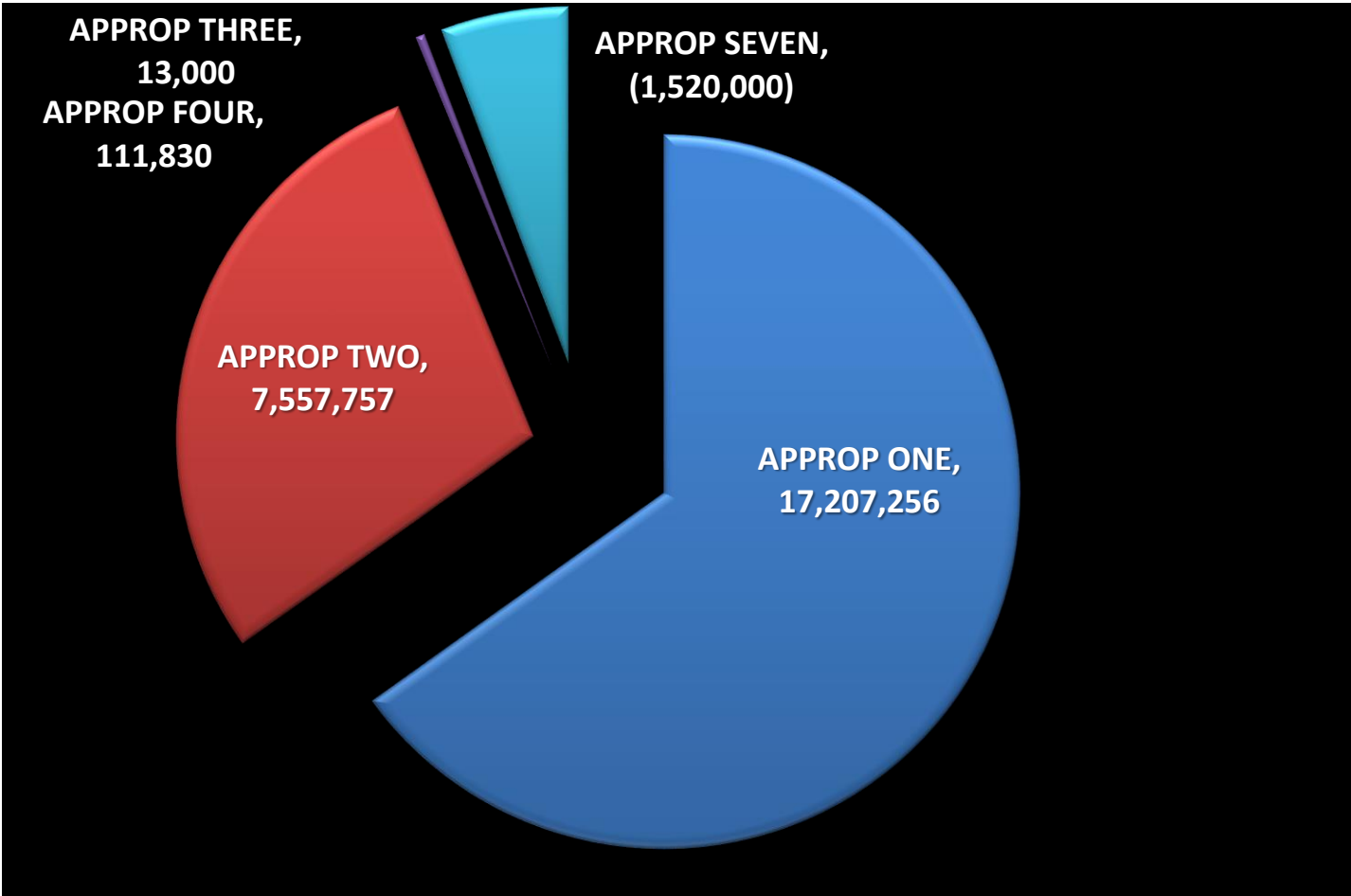
- Estimated increase of revenue from \$230,000 to \$330,000 via tiered adoption rates
- Expected decrease of food expenditures by 20%
- Cost savings of temporary salaries through standardization of operational processes

Staffing - Overall



- Important to note that the change from 164 staff to 218 is mainly due to new city contracts, not new NCC

Budget Breakdown - Overall



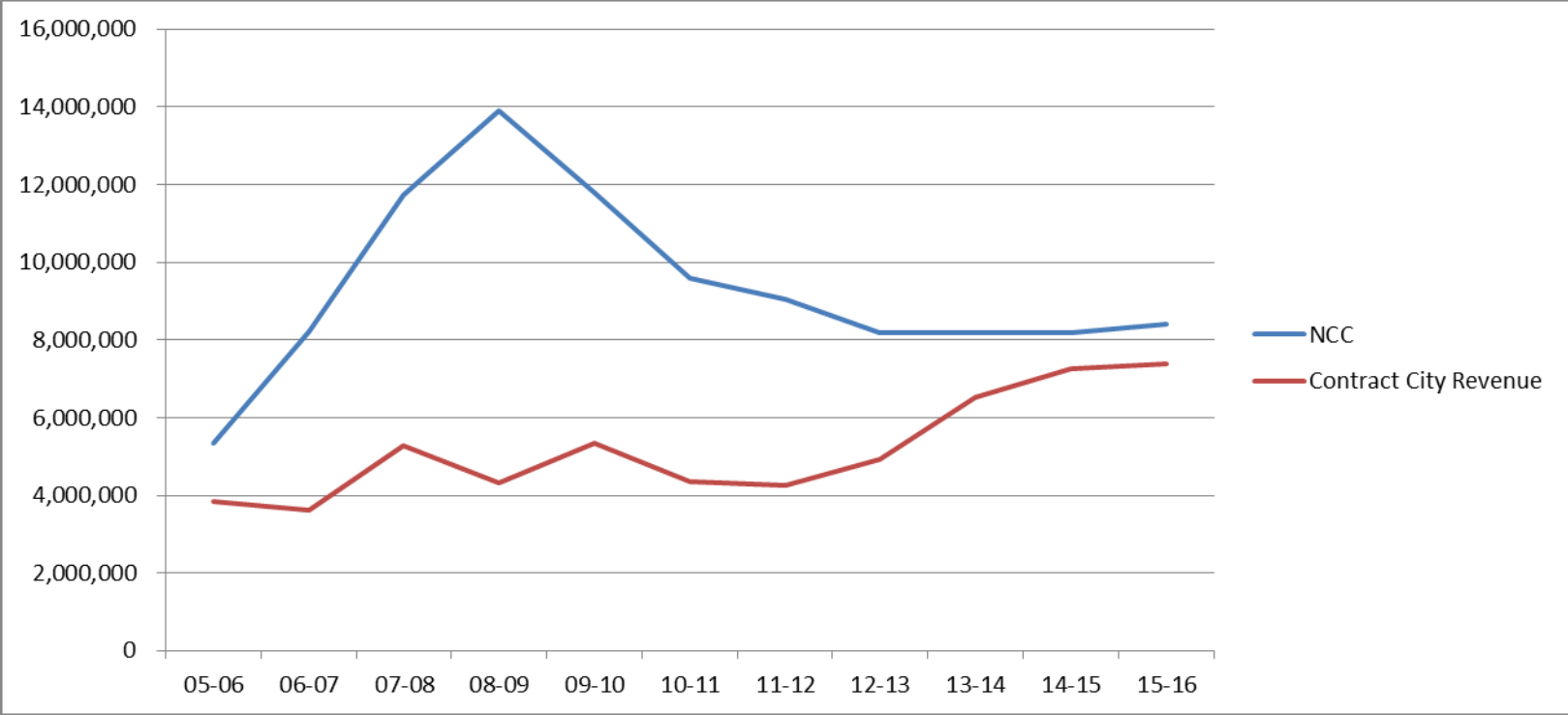
DAS Vehicle Fleet

- County Fleet Services reports that 17 vehicles in the DAS fleet need replacing now and another 12 will need replacing in the next 12 to 36 months.
- The following recommendation only includes 5 new ACO trucks.
- The cost for the new 5 ACO trucks is \$225,000
- Recommend replacing a minimum of 5 per year over the next 5 years.

Issues

1. 1977 ballot initiative for low-cost spay and neuter services.
2. \$67m in new facilities with no additional NCC.
3. Current staffing is only at 83% since 2008. (63% w/ reductions)
4. To meet the NCC target, at minimum, 51 staff will need to be laid off, taking the department back five years to FY 10/11.
5. Aging fleet of vehicles. (25% need replaced, 16% soon)
6. Spay/neuter clinic operations are cost-neutral.
7. 14 officers currently serve the unincorporated areas of the county. (6700 sq/mi, 24 hrs/day, 365 days/yr)
8. Current staffing levels are showing an increase in OT, union complaints, and burnout. (Inc. workers comp. and LOA)

Contracts vs. NCC



NCC over the years

Fiscal Year	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	
Appropriation One	6,865,934	8,157,811	12,639,560	15,361,165	13,481,273	11,478,252	10,192,453	12,066,266	12,739,260	14,327,675	12,906,149	
Appropriation Two	3,928,273	5,532,148	6,578,902	8,784,507	7,799,428	7,902,910	6,715,016	6,098,981	4,732,651	6,246,756	6,974,741	
Appropriation Three	516,784	624,692	661,509	729,988	685,606	321,051	0	47,083	28,600	17,400	13,000	
Appropriation Four	0	0	516,000	107,500	0	27,000	0	68,698	0	12,321	0	
Appropriation Seven	(1,666,240)	(900,000)	(900,000)	(900,000)	(750,000)	(900,000)	(900,000)	(2,420,000)	(1,520,000)	(1,520,000)	(1,520,000)	
Total Expenditures	9,644,787	13,414,651	19,495,971	24,083,160	21,216,307	18,829,213	16,007,469	15,861,028	15,980,511	19,084,152	18,373,890	
Revenue	4,293,303	5,186,678	7,767,743	10,191,178	9,419,044	9,251,066	6,956,892	7,668,734	7,790,217	10,891,858	9,981,596	
Net County Cost	5,351,484	8,227,973	11,728,228	13,891,982	11,797,263	9,578,147	9,050,577	8,192,294	8,190,294	8,192,294	8,392,294	
Variance to Prior FY				2,163,754	(2,094,719)	(2,219,116)	(527,570)	(858,283)	(2,000)	2,000	200,000	
Percentage Change				0.18	(0.15)	(0.19)	(0.06)	(0.09)	(0.00)	0.00	0.02	
							(5,699,688)	Total Net County Cost Reduction from 09-10 thru 14-15				
							(0.41)	Percentage of Net County cost reduction from 08-09.				

BOS support of 3 new ACO's this year was only \$200K, which did not cover the cost of these positions and did not include any new vehicles. NCC has been reduced 41% over the last 5 years equaling more than \$5.5M.

Animal Shelters

DAS Old facilities = 34,000sq/ft

DAS New facilities = 143,000sq/ft

New facilities are 4X the size of previous shelters...

Additional/new staff, supplies, and overhead funded by NCC:
\$0 and 0 FTE's

Budgetary Shortfall Summary

DESCRIPTION	Incr/(Decr) Prior Year
Salaries & Benefits	1,725,056
Other Types of Pay	390,109
Internal Services Fund	1,088,207
Operating Increases	799,688
Equipment Needs	111,830
Totals	4,114,890

Budgetary Shortfall: Salaries and Benefits

DESCRIPTION	Incr/(Decr) Prior Year
Regular Salaries	1,465,469
Budgeted Benefits	259,587
Totals	1,725,056

Budgetary Shortfall: Other Appropriation 1 Issues

DESCRIPTION	Incr/(Decr) Prior Year
Payoff/Permanent/Seasonal	134,977
Temporary Salaries	200,000
Administrative Leave	12,132
Standby Pay	35,000
Bilingual Pay	8,000
Totals	390,109

Budgetary Shortfall: ISF's

DESCRIPTION	Incr/(Decr) Prior Year
Workers Comp	388,767
Insurance - Liability	75,230
Maintenance - Software	82,930
Maintenance - Buildings & Improvements	220,238
COWCAP Charges	50,466
Personnel Services (Human Resources Agency)	73,885
Pre-Employment Services (Poly, pre-emp evals)	44,980
OASIS Processing (Peoplesoft PR/HR/GL)	99,937
Lesser Changes in budget from County Agencies	51,774
Totals	1,088,207

Budgetary Shortfall: Operation Increases

DESCRIPTION	Incr/(Decr) Prior Year
Communications Equipment	31,366
Cleaning Supplies	8,650
Maint-Software	82,930
Medical/Dental/Lab Supplies	40,013
Pharmaceuticals	35,730
Postage & Mailing	92,650
Printing & Binding	17,590
Computer Equipment-Software	74,158
Professional Services-Other	9,926
Veterinary Services	172,600
Car Pool Expense	225,000
Private Mileage Reimbursement	9,075
Totals	799,688

Budgetary Shortfall: Capital Assets

DESCRIPTION	Incr/(Decr) Prior Year
Cisco Switches	7,555
Servers	34,400
X-Ray Machine	69,875
Totals	111,830

Budget Outcomes - No NCC

- The shelters in Blythe and San Jacinto will close and s/n numbers would drop dramatically due to the San Jacinto Clinic closing.
- All TAP and 51 permanent employees will be released, leaving staffing levels at the third lowest in the last 10 years. (This includes going from 14 to 8 ACO's)
- City partners Blythe and Menifee will immediately need to look for new sheltering options.
- Other city partners will begin to look at other options after services become paralyzed and unresponsive from the staffing loss and constituent complaint increase.
- Every city partner lost will equate to more staff losing employment and a proportionate amount of resource leveraging.
- DAS will no longer be capable of meeting legal responsibilities and will no longer maintain operational readiness.

Budget Requests: Add-backs

1. Add-back Item 1 – **\$4.1m** to make the department “whole” and services consistent with today. (critical)
2. Add-back Item 2 – **\$392k** for new technology to put AVL and tablets in each county officer's truck. Also, adding the licensing officers to the PSEC system and creating multi-screen real-time dispatching for dispatchers. (somewhat critical)
3. Add-back Item 3 – **\$510k** to add three new ACO's to the unincorporated areas and an additional dispatcher to improve county call response times and provide better service. (optional, but service-demand needed)

Total of add-backs = \$5.02m

Director's Recommendations

1. Support in-concept a tiered-adoption fee structure – Increase in revenue potential of **\$250K**
2. Support a new organizational structure – The elimination of deputy directors (currently 2) and the creation of an Assistant Director. Also, the addition and subtraction of other positions to flatten and lean out DAS. **Cost neutral from position consolidation, but creates greater organizational flow and oversight.**
3. Support minor fee additions/adjustments of various licensures and new cost recoveries. Increase in revenue potential of **\$250K**

Director's Recommendations

4. Allow DAS to re-organize at the top and through the middle to maximize positions and leverage lean management.
5. Keep the San Jacinto facility open with the potential of new contracts from new city partners. (City of Perris & potentially others)
New contract revenue of **\$200k+** to offset NCC costs
6. San Jacinto clinic operational revenue is projected to increase **\$200K**
7. Support the below balance of NCC support, plus consider the additional two add-backs.

Add-back 1 Countermeasures = \$900K (\$4.1M decreased to \$3.2M)

Questions?

