



City of Portland
and Multnomah County

Animal Services
Taskforce

**RECOMMENDATIONS
FOR ANIMAL SERVICES**

FINAL REPORT – Appendix B

November 2008

APPENDIX B

Financial Model and Projections

Revenue analysis and projections submitted by Taskforce member Thomas Lannom.
Cost information submitted by discussion leaders.

RESTORED SERVICES COSTS: START-UP AND ONGOING

A fee-based strategy builds revenues to a sustained level over time. Except where indicated, the following illustrates projects program features and costs in Year Five. Note that amounts referenced are county/program-wide.

Year One Start-Up Expenditures

Initial brand marketing	\$200,000
Collections system set-up and IT database integration	250,000
Transportation vehicle for Spay and Neuter program	45,000
TOTAL AS PROPOSED	\$495,000

Program Operations

Urban Services Officers		
Officers	8 FTE x \$93,750	\$750,000
	TOTAL	\$750,000

Additional Shelter Open Hours for Walk-In Service		
Open on Monday	1 FTE clerical x \$55,000 1 FTE animal care staff x \$60,000	\$115,000
Extend closing hours from 6pm to 7pm each day on current open schedule	1 FTE clerical x \$55,000	55,000
	TOTAL	\$170,000

Spay and Neuter Services*		
Surgeries and Subsidies		\$92,730
Rabies Vaccine, licensing, microchip (when at no cost to client)		51,000
Marketing, administration, cost to operate vehicle		50,000
	TOTAL	\$193,730

* Does not factor in possible Maddies subsidy for public assistance surgeries or savings resulting from the program.

Outreach, Education and Marketing: All Restored and Enhanced Programs		
Marketing Support	4 FTE x \$75,000	\$300,000
Training Officer and Volunteer Coordinator		
Humane Educator		
Outreach Coordinator		
Outreach Staff (2 PT)	2 PTE x \$33,000	66,000
Grant Writer	(Cost neutral)	
Marketing, Administration and Continuing Education for Staff		250,000
	TOTAL	\$616,000

TOTAL RESTORED AND ENHANCED SERVICES COSTS, YEAR FIVE **\$1,729,730**

TOTAL ADDITIONAL ANNUAL REVENUES, YEAR FIVE (See revenue projections) 1,779,574

Balance after restored and/or enhanced services costs \$49,844

	6/30/08 & 6/30/09	Year Ended 6/30/2010	Year Ended 6/30/2011	Year Ended 6/30/2012	Year Ended 6/30/2013	Year Ended 6/30/2014
City of Portland and Multnomah County Animal Services Taskforce						
Proposed Collection Structure						
	Current Fee/Collection Structure	Proposed Collection Structure - 1) Strong Collections (Including Penalties)	Proposed Collection Structure - 1) Strong Collections (Including Penalties)	Proposed Collection Structure - 1) Strong Collections (Including Penalties)	Proposed Collection Structure - 1) Strong Collections (Including Penalties)	Proposed Collection Structure - 1) Strong Collections (Including Penalties)
DOGS						
Estimated Number of Animals in Portland	150073 *	136332	136332	136332	136332	136332
Estimated Compliance Percentage	23%	28%	37%	45%	49%	50%
Estimated Number of Licensed Animals in Portland	34626	38173	50443	61349	66803	68166
Annual Standard License Fee Amount	\$18	\$25	\$25	\$25	\$25	\$25
Number of Payers	34626	38173	50443	61349	66803	68166
Total Fee Collected	\$623,268	\$954,325	\$1,261,075	\$1,533,725	\$1,670,075	\$1,704,150
Additional Fee for Fertile Animal	\$12	\$12	\$12	\$12	\$12	\$12
Number of Payers	3689	4477	5916	7195	7834	7994
Total Fee Collected	\$44,268	\$53,722	\$70,989	\$86,338	\$94,013	\$95,931
Urban Service Fee Amount	\$10	\$10	\$10	\$10	\$10	\$10
Number of Payers	0	38173	50443	61349	66803	68166
Total Fee Collected	\$0	\$381,730	\$504,430	\$613,490	\$668,030	\$681,660
Estimated Annual Revenue (DOGS)	\$667,536	\$1,389,777	\$1,836,494	\$2,233,553	\$2,432,118	\$2,481,741
CATS						
Estimated Number of Animals in Portland	169152 *	235978	235978	235978	235978	235978
Estimated Compliance Percentage	10%	11%	13%	14%	15%	15%
Estimated Number of Licensed Animals in Portland	17436	25958	30677	33037	35397	35397
Annual Standard License Fee Amount	\$8	\$10	\$10	\$10	\$10	\$10
Number of Payers	17436	25958	30677	33037	35397	35397
Total Fee Collected	\$139,488	\$259,580	\$306,770	\$330,370	\$353,970	\$353,970
Additional Fee for Fertile Animal	\$22	\$22	\$22	\$22	\$22	\$22
Number of Payers	569	607	718	773	828	828
Total Fee Collected	\$12,518	\$13,359	\$15,787	\$17,002	\$18,216	\$18,216
Urban Service Fee Amount	\$10	\$10	\$10	\$10	\$10	\$10
Number of Payers	0	25958	30677	33037	35397	35397
Total Fee Collected	\$0	\$259,580	\$306,770	\$330,370	\$353,970	\$353,970
Estimated Annual Revenue (CATS)	\$152,006	\$532,519	\$629,327	\$677,742	\$726,156	\$726,156
Total Estimated Annual Revenue (Cats and Dogs)	\$819,542	\$1,922,295	\$2,465,821	\$2,911,295	\$3,158,274	\$3,207,897
Discount % (reflects senior and 3-year discounts, etc.)	86%	86%	86%	86%	86%	86%
As Adjusted	\$706,363	\$1,656,826	\$2,125,292	\$2,509,245	\$2,722,116	\$2,764,887
Household 911 Fee	\$35	\$35	\$35	\$35	\$35	\$35
Number of Payers	0	5000	5000	5000	5000	5000
Total Fee Collected	\$0	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000
Total Estimated Annual Revenue (Cats/Dogs/Household)	\$706,363	\$1,831,826	\$2,300,292	\$2,684,245	\$2,897,116	\$2,939,887
Estimated Administration Expenses						
Staffing Level (FTE)	3.4	8.5	8.5	8.5	8.5	8.5
Staffing Costs	\$203,800	\$511,250	\$511,250	\$511,250	\$511,250	\$511,250
Other Costs	\$31,000	\$177,500	\$177,500	\$177,500	\$177,500	\$177,500
One-time Costs		\$270,000				
Total Administration Expenses	\$234,800	\$958,750	\$688,750	\$688,750	\$688,750	\$688,750
Net Revenue	\$471,563	\$873,076	\$1,611,542	\$1,995,495	\$2,208,366	\$2,251,137
Current Revenue (under the current fee and collection structure)	\$471,563	\$471,563	\$471,563	\$471,563	\$471,563	\$471,563
Increase in Net Revenue	\$0	\$401,513	\$1,139,979	\$1,523,932	\$1,736,803	\$1,779,574
Restricted Funds (Urban Service Fee)	\$0	\$641,310 **	\$811,200	\$943,860	\$1,022,000	\$1,035,630
Unrestricted Funds (for any purpose)	\$0	-\$239,797 **	\$328,779	\$580,072	\$714,803	\$743,944

*Based on the AVMA 2007 Market Research Statistics. The total number of Portland households (per 2005 census estimate) is multiplied the AVMA estimate of the percentage of households that own dogs/cats. The estimated number of dog/cat owning households is then multiplied by the AVMA estimate of the number of dogs/cats owned per dog/cat owning household.

** Note: A portion of the Urban Service Fee may need to be contributed toward one-time costs and other administration expenses. This issue should be addressed in the implementation plan.

ANIMAL SERVICES TASK FORCE - REVENUE SUBCOMMITTEE - DRAFT - FOR
DISCUSSION PURPOSES ONLY

COLLECTION EXPENSE DETAIL

**Proposed Collection
Structure - 1) Strong
Collections (Including
Penalties)**

**One-time Administration
Expenses**

Estimated Administration Expenses

Staffing Level (FTE)	8.5	
Staffing Costs		\$511,250
Other Costs		\$177,500
Total Expenses		\$688,750

Detail

FTE Description		
Supervisor	1	
Cost per FTE (including Benefits)		\$80,000
Total Cost		\$80,000
Revenue & Taxation Specialist II (Full-time)	5	
Cost per FTE (including Benefits)		\$57,500
Total Cost		\$287,500
Revenue & Taxation Specialist II (Seasonal)	10	
Cost per FTE (including Benefits)		\$57,500
Adjustment to reflect three-months/year	25%	
Total Cost		\$143,750

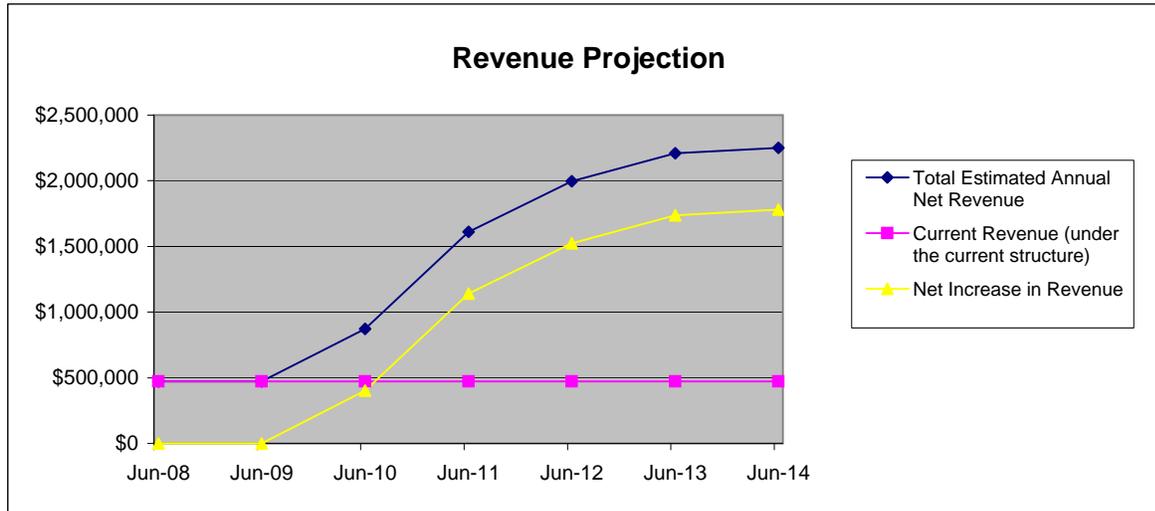
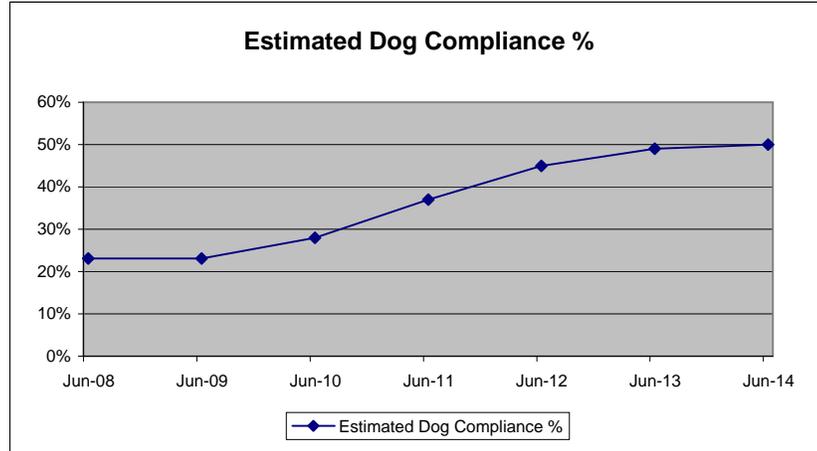
Total Staffing Cost \$511,250

Materials & Services per FTE ("Overhead")	\$15,000	
Total Materials & Services	\$127,500	
Postage and Printing	\$30,000	\$120,000
Supplies (pet tags, etc.)	\$10,000	
Database Design & Maintenance	\$10,000	\$150,000
Total Other Costs	\$177,500	

Total Estimated Annual Administration Expenses \$688,750

City of Portland and Multnomah County Animal Services Taskforce Report

Date	Estimated Dog Compliance %
6/30/2008	23%
6/30/2009	23%
6/30/2010	28%
6/30/2011	37%
6/30/2012	45%
6/30/2013	49%
6/30/2014	50%



Date	Estimated Dog Compliance %	Total Estimated Annual Net Revenue	Current Revenue (under the current structure)	Net Increase in Revenue
6/30/2008	23%	\$471,563	\$471,563	\$0
6/30/2009	23%	\$471,563	\$471,563	\$0
6/30/2010	28%	\$873,076	\$471,563	\$401,513
6/30/2011	37%	\$1,611,542	\$471,563	\$1,139,979
6/30/2012	45%	\$1,995,495	\$471,563	\$1,523,932
6/30/2013	49%	\$2,208,366	\$471,563	\$1,736,803
6/30/2014	50%	\$2,251,137	\$471,563	\$1,779,574

ANIMAL SERVICES TASK FORCE - REVENUE SUBCOMMITTEE - DRAFT - FOR
DISCUSSION PURPOSES ONLY

PET LICENSE INFORMATION

Rank by Combined	City/County	Annual Dog fee	Annual Cat fee	Combined Fee	Estimated Dog Compliance Rate*
1	Minneapolis, MN	\$30.00	\$30.00	\$60.00	
2	Spokane, WA	\$20.00	\$15.00	\$35.00	
3	Seattle	\$20.00	\$15.00	\$35.00	28%
4	Tacoma, WA	\$20.00	\$12.00	\$32.00	
5	Portland, OR	\$18.00	\$8.00	\$26.00	25%
6	Vancouver, WA	\$16.00	\$10.00	\$26.00	18%
7	San Francisco, CA	\$15.00	\$11.00	\$26.00	
8	Sacramento	\$15.00	\$10.00	\$25.00	11%
9	Medford, OR	\$20.00	\$2.00	\$22.00	33%
10	Ashland, OR	\$20.00	\$2.00	\$22.00	33%
11	Las Vegas	\$10.00	\$10.00	\$20.00	
12	Milwaukee, WI	\$10.00	\$10.00	\$20.00	10%
13	Charlotte, NC	\$10.00	\$10.00	\$20.00	
14	Denver	\$10.00	\$10.00	\$20.00	
15	Kansas City	\$10.00	\$10.00	\$20.00	
16	Houston	\$10.00	\$10.00	\$20.00	
17	Salem, OR	\$17.00	\$0.00	\$17.00	20%
18	Tucson, AZ	\$16.00	\$0.00	\$16.00	
19	Cleveland	\$16.00	\$0.00	\$16.00	24%
20	Bend, OR	\$12.00	\$4.00	\$16.00	33%
21	Eugene, OR	\$15.00	\$0.00	\$15.00	16%
22	Fort Worth	\$7.00	\$7.00	\$14.00	
23	Cincinnati	\$13.00	\$0.00	\$13.00	28%
24	Albuquerque	\$6.00	\$6.00	\$12.00	
25	New Orleans, LA	\$4.00	\$0.00	\$4.00	
26	Nashville, TN	\$0.00	\$0.00	\$0.00	43%
27	Oklahoma City, OK	\$0.00	\$0.00	\$0.00	

Source: Petdata.com and websites of local animal service agencies

*Based on: Number of licensed dogs (per agency contact), US Census population estimates, AVMA pet population calculator