



Riverdale Animal Shelter: Proposed Cost Recovery Models

Overview of fee assessment models for providing animal impound and sheltering services for municipalities served through IGAs

Last updated 7.9.24

What we are asking for today:



Review two proposed fee
assessment models



Approval for one of the models



Next steps

RAS has current IGAs with the following jurisdictions:

- Thornton
- Brighton
- Commerce City
- Northglenn
- Federal Heights
- *Lochbuie
- Bennett
- *Hudson

NOTE: RAS also serves **unincorporated Adams County**, through ADCO Animal Management under CSWB department.

**Weld County*



Brief IGA History: Prior to new proposals

2018-2019:

- Moved from a per-animal fee structure to a flat-rate model starting in 2019. (Approved by BoCC in 2018).
- Model used a two-year average of total intakes to determine the cost-per-day, then calculated “total sheltered days” for live pets impounded from each municipality. Disposals of deceased pets billed separately but included.
- Increases ranged between 15-39% over prior year with an average 18% increase across all jurisdictions.
- Still at old shelter during this time. (Smaller budget, smaller staff, and more challenged facility)
- It was the general direction of the County Leadership at the time to hold off on the implementation of a comprehensive cost recovery model until after the move to the new shelter facility.

2020-2021:

- The new Riverdale Animal Shelter facility opened in October of 2020 during the height of Covid pandemic.
- Intake of animals was much lower in 2020, which impacted IGA revenue in 2023- 2024, as fees were calculated from the average of each city’s 2020-2021 usage data.
- While the current model allowed for more predictable billing/revenue for the municipalities and the County, it was always two-plus years in the arrears, so revenue did not reflect nor keep up with RAS costs.

Brief IGA History: Continued...

2022-2023:

- In early 2022, RAS started to experience a significant increase in animal intakes and corresponding length of stay.
- In late 2022, the County Manager supported an emergency staffing plan of 7 projected-designated staff. This plan was also presented and approved by the BoCC.
- By mid-2023, a staffing study was conducted. RAS staff continued to implement intake-reduction efforts.
- In late 2023, 7 FTEs were approved in the 2024 RAS budget, along with .75 Veterinarian and 1 FTE Animal Care Tech.
- RAS Budget subsequently increased by 20% from 2022 to 2023.
- Review of animal control IGAs/fee structure added to the RAS 2024 work plan based on new renewal period.

2024 –Present:

- Year-to-date, 2024 animal intake numbers are trending even higher than 2023, which was a record year for RAS.
- RAS and Budget teams have worked to review other animal control fee structures and approaches.
- RAS annual utility costs of 400K have been included in annual expenses for targeted cost recovery efforts.

2024: Where to go from here?

- Since 2018, when the current IGA fee structure was approved, the number of animal intakes *and* the RAS Budget have both increased by around 45%.
- Do not recommend going back to a per-animal billing model. Labor intensive. Unpredictable billing/revenue.
- Budget and Shelter teams also explored a “per capita” approach, but numbers did not bear out, as some jurisdictions are smaller but bring in more animals etc.
- Our proposed valuation approach utilizes a comprehensive cost recovery model, patterned closely after NoCo Humane (Larimer County).
- NoCo had success increasing revenue with their animal control contracts with this model. (Currently recovering 35- 37%)
- NoCo CEO attributes success to their intention to create fairness between cost sharing and cost recovery efforts.
- Two variations of this comprehensive model have been developed.

Comprehensive Model Approaches: Quick Comparisons

Core Similarities

- Both models substantially increase revenue.
- Each allows for a phased approach to fee increases to reach the desired cost recovery percentage over time, while also mitigating budget impacts to municipalities.
- Each bills separately for disposals and SNR cats, as not all cities use these services.
- Each uses a three-year average of usage and budget data to determine assessments but only bills back one year.
- Each is more straightforward, simple to calculate, and easier to explain than former models.

Core Differences

Model 1:

- Calculates and bills municipalities for their percentage of animal control-related expenses *plus* costs associated with RAS providing public services for residents.
- Shares back all revenue with cities even if not related to animal control.

Model 2:

- Calculates and bills the municipalities for their percentage of expenses directly related to animal control intakes and services provided.
- Only shares revenue back if related to animal control services.
- More closely mirrors the NoCo model.

Model 1: Positives

Recovers the most revenue of the two models. Municipalities support the greater share of the overall RAS budget at a 67/33 percentage cost allocation.

Approach is straightforward, simple to calculate and explain. (Uses average of three years of usage data but only bills one year back at a time.)

Invites municipalities into a greater “investment” by also passing along costs associated with their individual residents utilizing public animal welfare services at RAS.

Model 1: Challenges

- Increases are substantial, ranging from 337-1700%. (Average 643%) May create sticker shock.
- RAS revenue is shared back at 100%, even if not related to animal control impounds.
- Requires cities to be financially responsible for cost percentage of their individual residents who seek and pay for public services at RAS for owned pets in addition to animal control services.
- May lead to municipal partners questioning RAS budget and/or attempting to direct RAS scope of services/practices, which often go beyond the bare minimum required by animal control. (Similar shelters in Colorado keep public services and animal control contract fees separate).
- Could drive some municipalities out of IGAs. A patchwork of animal control partners reduces the animal welfare safety net for pets and people in Adams County.
- More difficult to create buy-in, as individual residents already charged fees for most RAS services. Many also pay County property taxes.
- May create negative optics.

Model 2: Positives

Recovers a substantial amount of revenue with increases between 235-1000% (Average 386%).

Cost allocation based on Live intake percentages – delineated between Animal Control and Pet Owner (Public) Services.

Approach is straightforward, simple to calculate and explain. Averages three years of usage data and only bills one year back.

Eliminates challenges associated with assessing municipalities for their individual residents served at RAS.

RAS retains vs. shares revenue unrelated to animal control impounds.

More defensible, as all fees trace back to costs directly associated with animal control impounds provided for the cities.

Cost allocation is more balanced at 57/43 percent with RAS absorbing slightly more than cities.

Model 2: Challenges

- Tailored cost recovery design changes reduce Model 1 revenues.
- Increases are substantial and may still create sticker shock.
- May drive some municipalities (especially smaller ones) out of IGAs.
- Model is *slightly* more itemized as revenue is not shared back with cities at an even 100%.

Overview of Current Model--*not recommended*, Model 1, and Model 2

[illegible]

Comparison: Budget Allocation Percentages

	2023 Total Intakes	2023 Intake %	2023 Amounts Paid per Current IGA	2023 % of Expenses less Revenues Paid	2025 Proposed Allocation Expenses - Revenues (Model 1)	2025 Allocation % (Model 1)	Increase \$	Increase %	2025 Proposed Allocation (Model 2)	2025 Allocation % (Model 2)	Increase \$	Increase %
Animal Shelter 2023 Expenses	\$ 4,050,563											
Animal Shelter 2023 Revenues	\$ 713,314											
Total Expenses Allocated	\$ 3,337,249											
Thornton	2,100	26.7%	\$ 134,287	4.0%	\$ 891,449	26.7%	\$ 757,162	563.8%	\$ 566,264	17.0%	\$ 431,977	321.7%
Commerce City	1,205	15.3%	\$ 93,736	2.8%	\$ 508,254	15.2%	\$ 414,518	442.2%	\$ 351,660	10.5%	\$ 257,924	275.2%
Brighton	939	12.4%	\$ 66,199	2.0%	\$ 413,550	12.4%	\$ 347,351	524.7%	\$ 264,204	7.9%	\$ 198,005	299.1%
Northglenn	508	6.8%	\$ 27,118	0.8%	\$ 226,659	6.8%	\$ 199,541	735.8%	\$ 121,945	3.7%	\$ 94,827	349.7%
Federal Heights	212	2.8%	\$ 16,658	0.5%	\$ 93,221	2.8%	\$ 76,563	459.6%	\$ 65,367	2.0%	\$ 48,709	292.4%
Lochbuie	119	1.7%	\$ 3,009	0.1%	\$ 55,702	1.7%	\$ 52,693	1751.2%	\$ 34,561	1.0%	\$ 31,552	1048.6%
Bennett	60	0.8%	\$ 6,148	0.2%	\$ 26,393	0.8%	\$ 20,245	329.3%	\$ 22,467	0.7%	\$ 16,319	265.4%
Hudson	37	0.5%	\$ 3,915	0.1%	\$ 16,745	0.5%	\$ 12,830	327.7%	\$ 13,143	0.4%	\$ 9,228	235.7%
Total Allocation - IGAs	5,180	67.0%	\$ 351,070	10.5%	\$ 2,231,973	66.9%	\$ 1,880,903	535.8%	\$ 1,439,610	43.1%	\$ 1,088,540	310.1%
Adams County Allocation	2,627	33.0%	\$ 2,986,179	89.5%	\$ 1,105,277	33.1%	\$ (1,880,902)	-63.0%	\$ 1,897,641	56.9%	\$ (1,088,538)	-36.5%

*2023 is calculated using final 2023 expenses.

**2023 Intake % and 2025 Proposed % of Expenses amount vary slightly due to some revenues being distributed based on jurisdiction rather than allocation percentage.

***Lochbuie increase in part higher because they do not have a roaming cat ordinance, so previously was not billed for OTC stray cats.

****For purposes of this proposed calculation 2025 amounts are estimated using 2023 expenses. Moving forward the intent based on timing of budget cycles would to allocate the jurisdictions 2025 IGA amounts using final 2024 expenses; providing updated contract amounts within first quarter of each new agreement period.

Closing the Gap:

RAS Revenue Generating Potential



Donations/Bequests: Added online donation option in 2023. Received 100K bequest.



Increase Restitution: Work with courts, cities to improve process.



Grants: Focus on RAS public and community services. Received AAF grant in 2024.



Increase (some) Shelter Fees in 2025: (Proposal in-progress)



Create separate non-profit: Expand grant and fundraising capability.



Revisit Pet Licensing Program: Explore viable options and existing models.

Questions and Comments

