



Spay/Neuter Funding

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Contents

- **Spay/Neuter models and funding needs**
- **Public funding case study**
- **A path forward for LA Metro**

Two Types of Vet Practice Offer S/N

General Practice

- Generally For-profit
- Provide wide range of services (medical, dental, etc.)
- Perform limited number of S/N (100's per year)
- Can use profit from other services to subsidize below cost S/N
- Can be great partnership for rescue groups

Spay/Neuter Specialty

- Generally Non-profit
- Focus almost exclusively on S/N (some vax, etc.)
- Perform large numbers of S/N (1,000's per year)
- Must fundraise for each surgery subsidized below cost
- Great fit for low income publicly owned



Spectrum of Funding Models for Specialty S/N

**All Free
Fundraising**

Blend

**Break Even
Fee-for-Service**



- All services free to clients
- Must fundraise 100% of total budget each year (or have endowment)
- Ability to provide services at risk if funding not available

- Price to client = actual cost
- Ensures long term viability of organization, can always cover costs
- Donations then used to fund subsidies for target groups



What Costs do Providers Have?

Clinic Staff	Operations	Administration
<ul style="list-style-type: none">• Veterinarian(s)• Clinic Manager• Vet Techs• Receptionist• Appointment Booking• Payroll taxes• Worker's comp insurance• Benefit costs	<ul style="list-style-type: none">• Rent• Utilities• Equipment• Supplies• Maintenance• Fuel• Medication (anesthesia and pain)• Laundry	<ul style="list-style-type: none">• Marketing and Fundraising staff• Advertising• Posters/Flyers• Postage• Office Supplies• Liability insurance• Licenses• Bank Fees

Many costs are fixed per month or day of operations. Key to operate at full capacity to spread costs over more animals. For example:

- **Suppose monthly rent is \$2,000**
- **\$8/animal at 250 surgeries per month, only \$4/animal if you do 500**

Average Cost of High Volume S/N is LA Area is \$87

Cost Methodology

- Added up costs to for three LA area clinics (Clinico, FixNation, Spay4LA)
- Estimates blended average LA area costs (general, all cat, mobile, 1 vet, 2 vet)
- Projected full capacity costs (not there yet)

Average LA S/N Cost*

Expense Type	Amount	Per Animal	% of Cost
Clinic Staff	\$ 2,760,000	\$ 50.64	59%
Operations	\$ 1,106,000	\$ 20.29	23%
Administration	\$ 859,000	\$ 15.76	18%
Total	\$ 4,725,000	\$ 86.70	

Surgeries 54,500

* For high volume provider operating at full capacity

Several Funding Source Options

Fees for Service/Co-Pays

- Charge clients a portion of surgery cost
- Could be set rates, or sliding scale

Major Donors

- PetSmart Charities, Petco Foundation, Best Friends, Found Animals, Heigl Foundation, etc.
- Annual grant amounts \$100K - \$250K

Small Donors

- Solicitations and promotions for clients, and other individuals
- “Spay it Forward”, Holiday Ornament, etc.

Public Funding

- General Fund, State Tax check off, License Plate
- Pet License Fees

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Los Angeles County Overview



Los Angeles County consists of:

- 88 Incorporated Cities
- 40 Unincorporated Communities

Population:

- Los Angeles County: 10.4 million
- City of Los Angeles: 4 million

Economic Characteristics:

- Median Household Income: \$55,192
- Families Below Poverty Level: 12.2%

Demographics:

- Hispanic/Latino: 44.56%
- White: 31.1%
- Asian: 11.8%
- African-American: 9.5%
- 56.2% speak a language other than English at Home
- 75.3% have a high school diploma
- 28.1% have a Bachelor's Degree

Los Angeles County Municipalities



Municipal Animal Services Landscape

A total of 9 agencies with 20 shelter locations provide municipal animal services within Los Angeles Metro

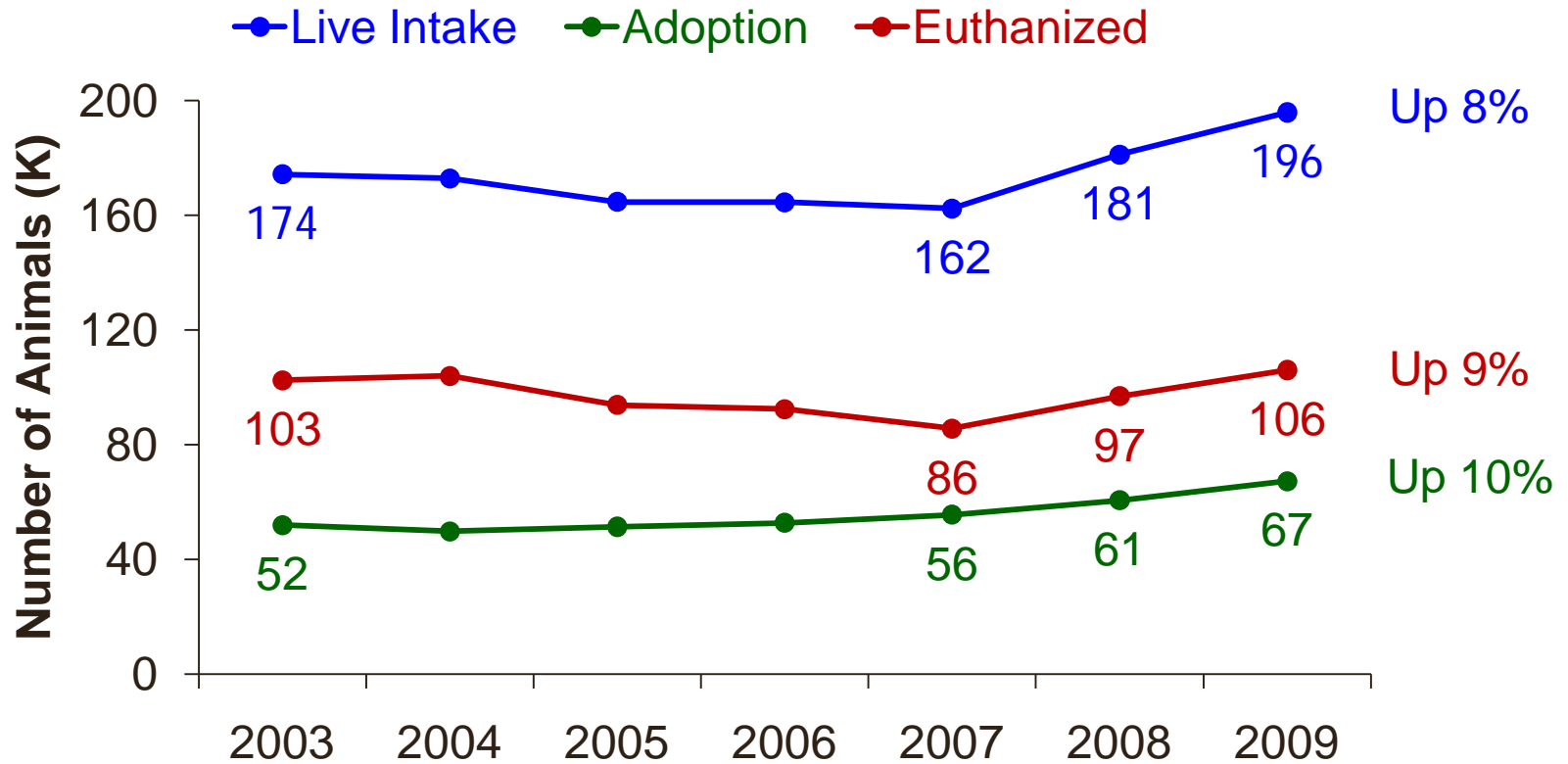
- Los Angeles County Department of Animal Care and Control
 - Agoura, Baldwin Park, Carson, Castaic, Downey, and Lancaster
- City of Los Angeles Animal Services
 - East Valley, Harbor, North Central, South Los Angeles, West Los Angeles, West Valley, and Northeast Valley
- City operated shelters
 - City of Santa Monica, City of Burbank, and City of Long Beach
- Private organizations holding municipal contracts
 - SEAACA, San Gabriel Valley Humane Society, Pasadena Humane Society, Inland Valley Humane Society

Estimated annual spending on municipal animal services in Los Angeles Metro is just under \$50 million

- Or just less than \$5 per person per year

LA Area Outcomes Improved Until 2007, Have Deteriorated Since

LA Area Intake and Outcomes

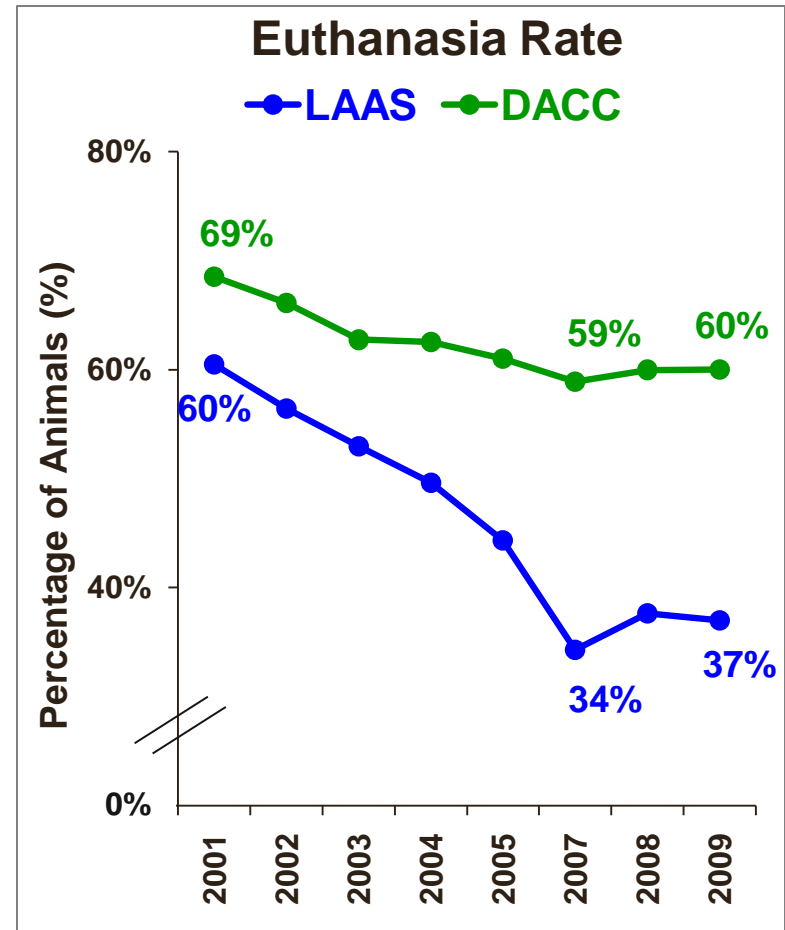
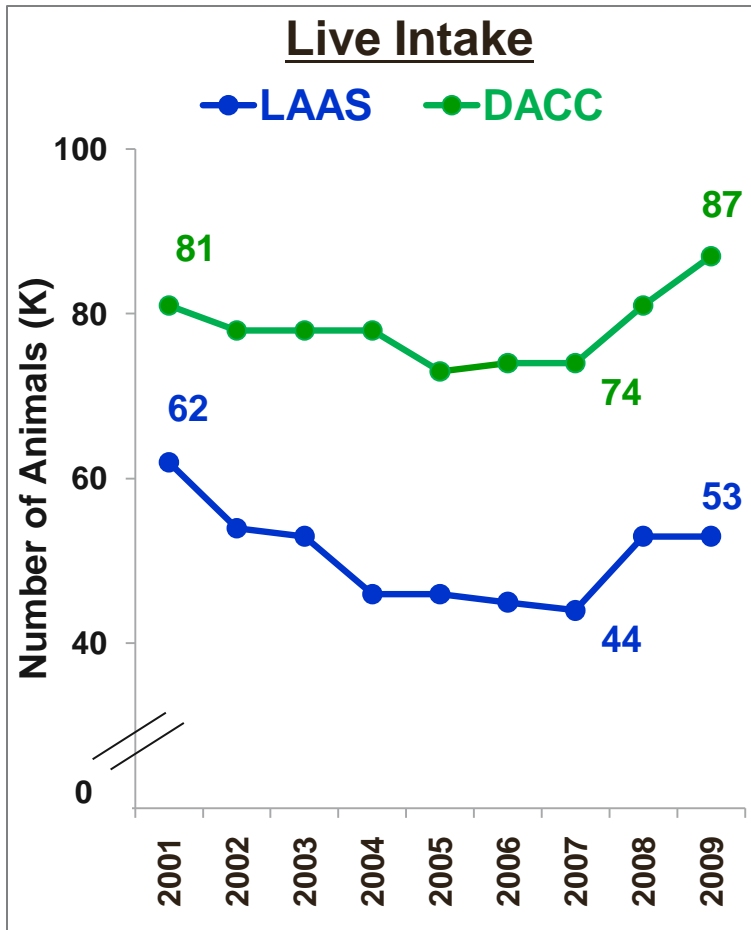


A Tale of Two “Cities” . . . Both in LA Area

One with public S/N funding, the other without

Agency	Los Angeles Animal Services (City)	Dept of Animal Care and Control (County)
Est. population served	4,045,873	3,788,696
Number of facilities	6 for intake, 7 total	6 for intake, 7 total
2009 Intake	53,000	87,000
2009 Euthanasia	20,000	52,000
2009 S/N Surgeries Subsidized for Public	>26,000 (6.5 per 1,000 residents)	~3,000 (0.8 per 1,000 residents)
2009 Spend on Public S/N Subsidies	>\$1,300,000	~ \$300,000
Subsidized Public Surgeries Since 2001	>200,000	~15,000

LAAS Statistics Have Improved More Dramatically Than DACC From 2001 - 2009



Does Public Spay/Neuter Funding Really Explain this Difference?

Yes, At Least a Substantial Portion

There are many factors at play in the differing intake and outcome trends, however the LAAS subsidized spay neuter programs play a crucial role

The impact of Spay/Neuter is cumulative and “exponential” over time

- Each individual animal sterilized is prevented from producing puppies or kittens
- And, the litters that those puppies and kittens would have had are also

The 200,000+ public animal surgeries LAAS has subsidized since 2001 have avoided the birth of countless animals – and the cost and burden to animal control of their intake and euthanasia

- By even conservative estimates these surgeries have likely avoided the birth of at least 1 million pets
- LAAS estimates that in 2007 City avoided ~70K impounds which would have cost up to \$12M as a result of previous investment in spay/neuter

How is the LAAS Able to Fund so Much S/N? Dog License Fees Go to S/N Trust Fund

Nearly 50% of altered license fee goes into S/N Trust Fund

- \$7 from every \$15 altered license and renewal goes into S/N Trust Fund
- With ~100,000 licenses sold each year that is \$700,000 for S/N
- License penalties and breeding penalties also go into the S/N Trust Fund

\$30/\$70 Vouchers come from S/N Trust Fund money

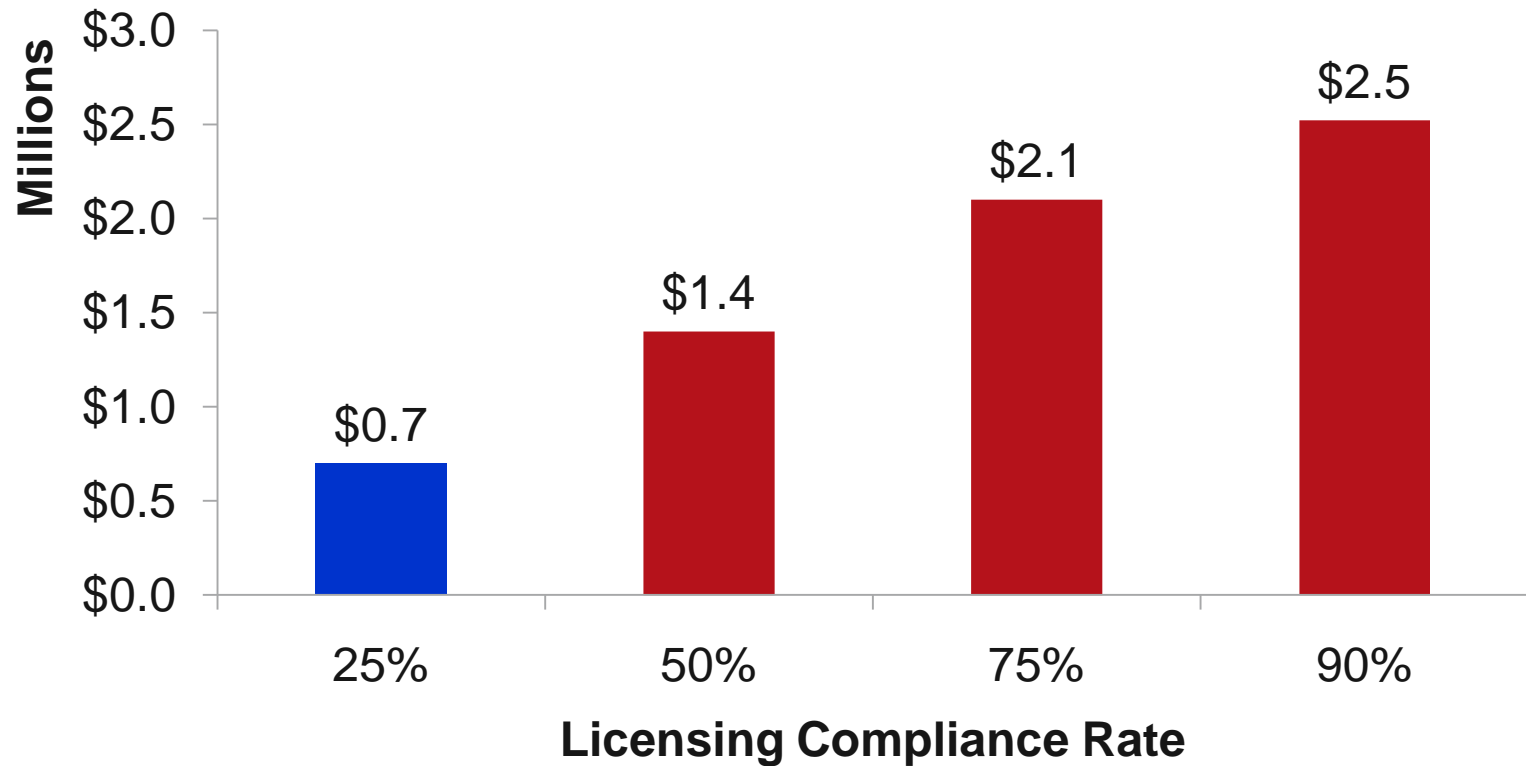
- \$30 voucher available to any resident, can be used as partial payment at any participating vet
- \$70 voucher available to low income residents, can be used as full payment at participating vet
- Funding also goes to mobile S/N contractor

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Increase Licensing Compliance Within City

Annual S/N Funding from Dog Licenses*



* Assumes 400,000 dogs in city and \$7 from each license to S/N Trust Fund

Finish Implementation of Similar Program at County

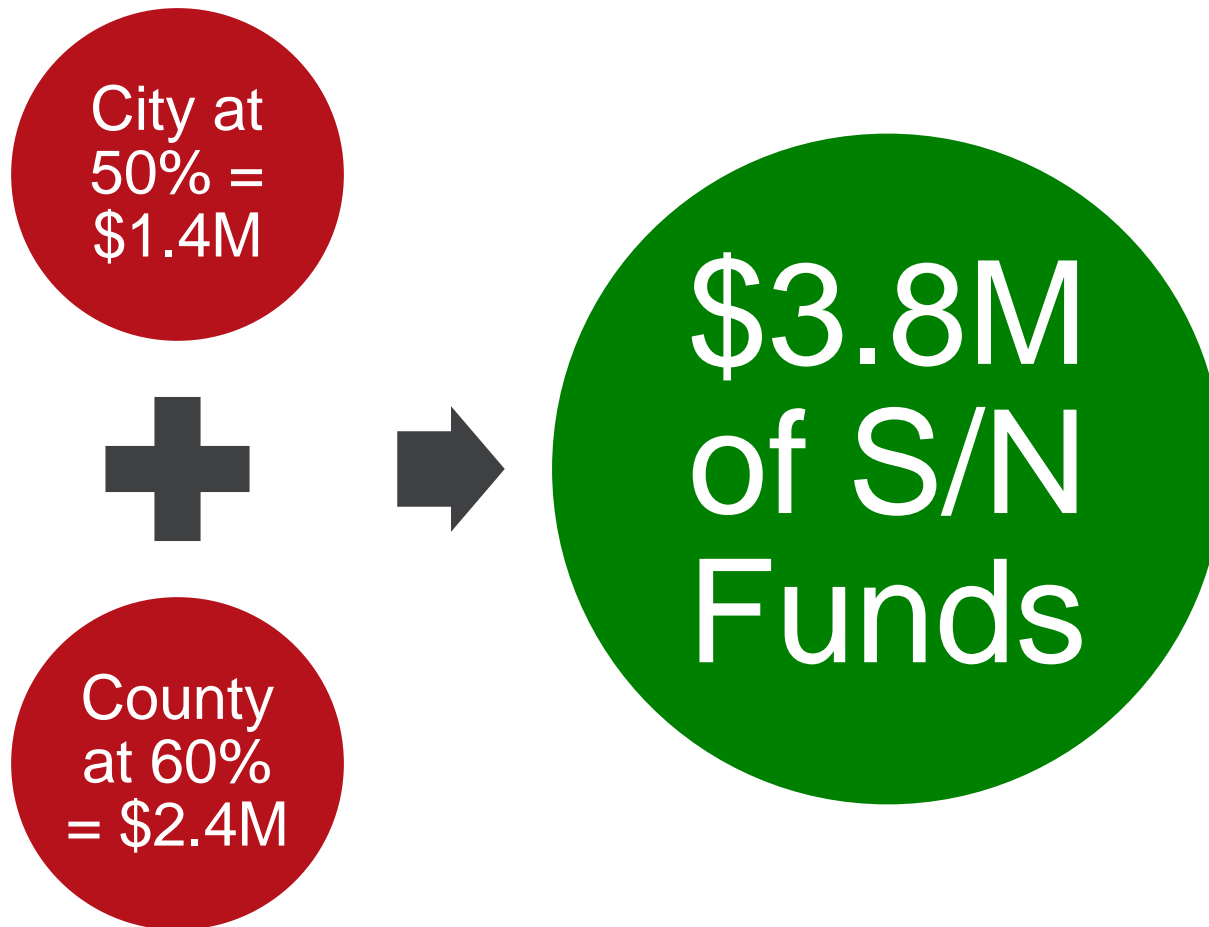
Framework was put into place by 2006 Spay/Neuter Ordinance which allowed for \$5 from every dog license sold to go to spay/neuter fund

- Currently applies only to unincorporated areas and brings in \$300K per year
- Contract cities have the opportunity to “opt-in” to the program
- Since 2006, 11 of 50 contract cities agreed to “opt-in”

A strong push to fully implement this program could provide \$2.4M in funding for spay/neuter EACH YEAR

- Found Animals estimates 800K to 1.5M dogs in county service areas
- DACC estimates 60% licensing compliance rate
- Total annual funding opportunity of at least \$2.4M (800K x 60% x \$5) which far exceeds current funding of \$300K

City + County Could Generate at Least \$3.8M of S/N Funding Per Year from License Revenue



It Will Take a Community Effort to Get Us There YOU Can Help!

- **Encourage EVERYONE you know to license their pet!**
- **Donate to support our non-profit S/N specialty clinics**
- **Spread the word and get pet owners to use these resources, cost per animal goes down when facilities are at capacity**
- **If you live in a DACC service area, see where your city is at with respect to opting in to the license fee to S/N program**
- **Buy a CA Pet Lovers license plate (or two!) to help fund S/N statewide –they make great holiday gifts**