



**DATE:** May 6, 2025

**TO:** Mayor and City Council

**FROM:** Chief of Police

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Accept and Appropriate Donations to and Fee Revenue From the Hayward Animal Shelter for Use by the Hayward Animal Shelter Through Fiscal Year 2025-2026 in an Amount Not to Exceed 500,000

### **RECOMMENDATION**

That the City Council adopts a resolution (Attachment II) authorizing the City Manager to accept and appropriate donations to and fee revenue from the Hayward Animal Shelter revenue for Fiscal Years 2024-2025 and 2025-2026 for use by the Hayward Animal Shelter in an amount not to exceed \$500,000 (\$250,000 respectively for each year).

### **SUMMARY**

Community members, businesses, and organizations routinely provide monetary donations to the Hayward Animal Shelter to support various necessary expenditures such as veterinary care, spay and neuter services, feline Trap-Neuter-Return programs, and subsidies for low to no cost adoptions. Each of the donations and fees, regardless of the amount, require Council approval to be appropriated and used to support the Animal Shelter. For smaller donations, the approval process can cost more in staff time than the funds received.

Staff requests that the City Council approve an appropriation of donations and fee revenue in an amount not to exceed \$500,000 for use by the Hayward Animal Shelter annually through the end of fiscal year 2026. Staff does not anticipate receiving more than \$250,000 in donations and fee revenue each fiscal year (for 2025 and 2026) but if it does, staff will return to the City Council to increase the appropriation request.

### **BACKGROUND AND DISCUSSION**

The Hayward Animal Shelter routinely receives donations to support the animals, services, and programs the shelter provides such as veterinary care, spay and neuter services, the feline Trap-Neuter-Return program, and low to no-cost adoptions. Each of the donations received, regardless of the amount, requires Council approval in order to be appropriated and

used to support these programs. For smaller donations, the approval process can cost more in staff time than the funds received.

The Hayward Animal Shelter currently deposits revenue into three account strings; two are for donations and one is for fee revenue. One of the donation project accounts, PD004, is used for veterinary care for shelter animals. On top of veterinary care, this account is also used to subsidize spay and neuter services for adopted animals as well as subsidize free adoptions occasionally offered to the community. Another donation account, PD006, is used to subsidize spay and neuter services for adopted animals, subsidize free adoptions programs, and support the feline Trap-Neuter-Return program. When community members find a healthy stray cat in their neighborhood, they could bring the cat into the shelter to be spayed or neutered as part of the feline Trap-Neuter-Return program. There is a fee charged to the community member to help cover half of the cost of the spay or neuter service for the cat. The remaining cost to spay or neuter the cat is subsidized by donations.

The reasons for these subsidizations are the rising costs of veterinary care and spay and neuter services. Even though costs have increased, the animal shelter has not increased the fees charged to adopt an animal from the Hayward Animal Shelter. The Animal Shelter's fees must remain competitive with surrounding shelters to help the animals in the Hayward shelter find a forever home. Raising the adoption fees could result in community members adopting animals from other shelters where costs are lower. This, in turn, increases costs incurred by the shelter to maintain and provide care to the animals.

The third account is for fee revenue, program 21620. When the shelter brings in animals who are impounded and unaltered (not spayed or neutered), the owners must pay a state-mandated fee to have their animal released back to them. This program account is also used to collect revenue from spay and neuter vouchers purchased by community members. The community members purchase spay and neuter vouchers from the shelter and take the vouchers to a participating veterinary provider for reduced-cost spay and neuter services. The veterinary provider then invoices the shelter for this service, and the money collected from the community member when they bought the voucher is used to pay the provider's bill from this account. Adoption fees are also deposited into this account and are used to pay for the spay or neuter service for the animal. The total cost of the services provided to the adopted animal is paid for with the adoption fees as well as subsidization from the donations mentioned above.

The expenses incurred by the Animal Shelter are expected to increase each fiscal year and it is anticipated that the revenue received via donations and fees will increase as well. The donation and fee revenue received by the Animal Shelter was \$185,036.65 in FY 2022, \$181,441.79 in FY 2023, and \$191,987.29 in FY 2024. Staff recommends that the Council authorizes the City Manager to accept and appropriate up to \$500,000 in donation and fee revenue to support the services and programs offered by the Hayward Animal Shelter. Staff does not anticipate receiving more than \$500,000 in donation and fee revenue through the end of FY 2026, but if donation funding received exceeds \$500,000, staff will return to Council to increase the appropriation request. As of April 14, 2025, the Hayward Animal Shelter has received \$178,289.18 in donation and fee revenue.

## **STRATEGIC ROADMAP**

This agenda item is a routine operational item and does not relate to any of the priorities outlined in the Council's Strategic Roadmap.

## **FISCAL IMPACT**

Donations and fee revenue for the Animal Shelter provide necessary veterinary care for shelter animals, as well as subsidize spay and neuter services for adopted animals, low to no-cost adoptions, and the feline Trap-Neuter-Return program. There is no negative impact on the General Fund by accepting and appropriating these revenues and would, in turn, reduce staff costs related to requesting Council approval for each donation or fee payment received.

## **NEXT STEPS**

If the Council authorizes this action, staff will appropriate donation and fee revenue funding into the Animal Shelter's donation and fee revenue project accounts as they are received through the end of fiscal year 2026, in an amount not to exceed \$500,000.

*Prepared by:* Laura Gomez, Senior Management Analyst

*Recommended by:* Bryan Matthews, Chief of Police

*Approved by:*

A handwritten signature in dark ink, appearing to read 'Dr. Alvarez', written over a horizontal line.

Dr. Ana M. Alvarez, City Manager