

## **Dog and Cat Licensing Strategy Update**

This report provides the results from the 2006 Dog and Cat Licensing Strategy and outlines the program plan for 2007.

<b>Date:</b>	March 23, 2007
<b>To:</b>	Board of Health
<b>From:</b>	Medical Officer of Health
<b>Wards:</b>	All
<b>Reference Number:</b>	

### **SUMMARY**

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At its Special Meeting on March 29 and 30, 2006, City Council approved the Toronto Public Health 2007 Operating Budget which included the Dog and Cat Licensing Strategy in an effort to increase the rate of licensed dogs and cats in the City. Through an enhanced licensing program, Toronto Animal Services (TAS) will be able to identify more animals brought into the shelters, and will increase the amount of revenue required to support the service.

This report provides an overview of the 2006 Accomplishments for the Dog and Cat Licensing Strategy. This report also establishes revised targets for 2007.

Although the strategy experienced a late start, the 2006 results indicate that the strategy can continue to be very successful. Analysis of the data concludes that had the strategy been implemented in April as planned, the targets for 2006 would have been achieved.

This report concludes that the program should be continued in future years with increased momentum through public education, promotion and by-law enforcement.

### **Financial Impact**

There are no financial impacts arising from this strategy beyond those included in the 2007 Toronto Public Health (TPH) Operating Budget.

## **DECISION HISTORY**

At its Special Meeting on March 29 and 30, 2006, City Council approved the Toronto Public Health 2007 Operating Budget which included the Dog and Cat Licensing Strategy with the provision that “The Medical Officer of Health report to the Board of Health and Budget Advisory Committee, annually on animal service levels and performance, including progress of the implementation of the licensing strategy prior to the submission of the 2007 TPH Operating Budget.”

Further, at its July 25, 26 and 27, 2006 meeting, City Council approved the amendments to Toronto Municipal Code Chapter 441, Fees, in order to simplify the fee structure for dog and cat licensing with the provision that “The Medical Officer of Health report to the Board of Health and Budget Advisory Committee early in 2007 with revised estimates of the Dog and Cat Licensing Fees revenues based on actual fees collected from September through December 2006.”

## **ISSUE BACKGROUND**

Since amalgamation, dog and cat licensing in the City of Toronto has been a concern. Without licences and/or microchips, Toronto Animal Services is not able to identify many of the lost animals that arrive at the centres. Further, the lack of licensing enforcement results in a key revenue generating opportunity being foregone. The Internal Audit Review of Toronto Animal Services recommended that dog and cat licensing should be aggressively pursued as a core service.

## **COMMENTS**

The Dog and Cat Licensing Strategy began in the Spring 2006. Although the original plan was to hire staff and begin with a public information campaign on the benefits of licensing, the focus was shifted to the development and launch of ePet, the online licensing system. As a result, the marketing campaign was delayed from April, 2006 to September 2006 to coincide with the launch of the online system. The strategy achieved the following successes:

### **2006 Accomplishments**

- In September 2006, Toronto Animal Services launched ePET, the online licensing system. The ePET system provides a 24 hour access point for pet owners to comply with the by-law.
- Conducted an extensive marketing campaign to support the launch of ePET.
- Over \$9,000 in donations were collected through ePET.
- Followed up on 9,000 outstanding licences by phone, and an additional 6,000 outstanding licences by mail. These accounts have been outstanding from 2000 – 2005. The majority of these resulted in uncollectible accounts due to pets who have since died and/or people who have since moved.

- New licence applications have increased from an average of 203 per week to an average of 342 per week, an increase of 68%.
- Overall, 7,147 additional licences were issued in 2006 compared to 2005 (see Table 1 for details).
- Completed recruitment for a dedicated Project Manager for the Strategy.

## 2007 Strategic Direction

The 2006 preliminary results of the strategy were positive and are shown in the table below. However, additional growth over and beyond what has been estimated for 2007, cannot be determined at this time. In 2007, Toronto Animal Services will be seeking a more visible presence in the community. This will be achieved by:

- Door to Door Summer Promotion Campaign which will include enforcement of the by-law requiring dog and cat licensing;
- Public Education and Promotion which will include special public and community events;
- Outreach to Multi – Unit Residences; and
- Media Advertising, which will include print, radio and introductory TV advertising.

The ability to achieve the 2007 revenue target will depend highly on the success of the upcoming summer campaign. Once the campaign is completed, Toronto Animal Services will re-evaluate the targets and future year forecasts.

Table 1. Strategy Targets, Results and Estimates

	2005	2006 Plan	2006 Actual	2007 Estimate	2007 Budget
<u>Dogs</u>					
Original Target*	20,000	32,000	25,143	87,000	42,900
Target % of Estimated Population <sup>(1)</sup>	7%	13%	10%	35%	17%
<u>Cats</u>					
Original Target*	4,500	7,500	7,004	18,000	12,100
Target % of Estimated Population <sup>(1)</sup>	2%	3%	2.8%	7%	4.8%
Estimated Revenue in Millions	\$0.51	\$1.10	\$0.75	\$2.90	\$1.65

\* Number of Licensed Dogs/Cats by Year End

<sup>(1)</sup> Estimated total dog population of 250,000 and estimated cat population of 250,000 were taken from the original Board of Health report. The results of a recent survey, which update the estimated pet population, will be released July 2007.

Changes to 2007 Strategy:

The year 2007 will be the first full year of the strategy. The following changes to the program are required:

- The field licensing staff hired in 2007 will not transfer to operating field duties as planned.
- The number of field licensing staff will not be increased until results indicate that the revenue will sustain the staff costs
- Due to the lower than expected revenues, enhancements to the animal centres will be deferred to 2008.

The following table (Table 2) provides a summary of the revenues and expenditures under the Dog and Cat Licensing Strategy along with the revised allocation of revenues to be received in 2007.

Table 2. Summary of Revenues & Expenditures for Dog & Cat Licensing Strategy

Year	in \$000s			
	2006 Estimate	2006 Actual <sup>(1)</sup>	2007 Estimate	2007 Budget
<u>Incremental Expenditures</u>				
Project Mgmt	\$ 75	\$ -	\$ 100	\$ 95
Marketing and Surveys	\$ 200	\$ 154	\$ 600	\$ 276
Public Education & Promotion	\$ -	\$ -	\$ 80	\$ 110
Enforcement (Door to Door Campaign)	\$ 255	\$ -	\$ 1,140	\$ 360
Managing Licenses and Renewals	\$ 20	\$ 36	\$ 330	\$ 48
Repayment of Capital (ePET)				\$ 241
Shelter Services (staff, tools & Admin Support)	\$ -	\$ -	\$ 100	\$ -
Total Expenditure	\$ 550	\$ 190	\$ 2,350	\$ 1,130
Incremental Revenues <sup>(2)</sup>	\$ 550	\$ 204	\$ 2,350	\$ 1,130
Net Expenditure/(Surplus)	\$ -	\$ (15)	\$ -	\$ -

<sup>(1)</sup> Revenues are for the period from September 2006 – December 2006

<sup>(2)</sup> Incremental increase over the 2005 Approved Estimate of \$550.0 thousand

The first four months of the Dog and Cat Licensing Strategy have been positive. Expansion to include the full project components (staffing, equipment, etc.) will serve to enhance this success once further revenues are realized. Toronto Animal Services will continue to closely monitor results.

## **CONTACT**

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## **SIGNATURE**

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