



Deschutes County Board of Commissioners  
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## **AGENDA REQUEST & STAFF REPORT**

### **For Board Business Meeting of December 7, 2015**

**DATE:** November 24, 2015

**FROM:** Steve Reinke                      911                      541-322-6101

**TITLE OF AGENDA ITEM:**

Consider an Order to place a measure on the May 2016 ballot which dissolves the current Deschutes County 911 County Service District and creates its replacement; the Deschutes County 911 Service District, with a permanent maximum tax rate of \$.425 per \$1,000 of taxable assessed value.

**PUBLIC HEARING ON THIS DATE?** No.

**BACKGROUND AND POLICY IMPLICATIONS:**

In order for the Service District to change its permanent levy rate, the current District must be dissolved and a new District must be formed to take its place with a revised permanent levy rate. This process can be accomplished concurrently with a single ballot measure. For the Board to be able to consider the order, an economic feasibility statement and resolutions asking to be in the District from two-thirds of the public safety entities in the District's service area (on a population basis) are required.

The resolution and feasibility statement are attached. The resolutions will be forwarded for inclusion prior to the meeting after the Bend and Sisters Councils take action on December 2<sup>nd</sup> and December 3<sup>rd</sup> respectively.

**FISCAL IMPLICATIONS:**

None to the County.

**RECOMMENDATION & ACTION REQUESTED:**

Adopt the Order.

**ATTENDANCE:** Steve Reinke.

**DISTRIBUTION OF DOCUMENTS:**

One original of the Order to Steve Reinke at the 911 Service District.

REVIEWED  
*mm*  
LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON,

An Order Initiating Formation of a Deschutes \*  
County Chapter 451 Service District for \*  
Emergency Communication Services, Initiating \* ORDER NO. 2015-055  
Withdrawal of Properties Currently in the \*  
Emergency Communications Services District \*  
Formed by Deschutes County 9-1-1 County \*  
Service District, and Setting a Public Hearing \*

WHEREAS, an adequate 9-1-1 emergency reporting system literally can mean the difference between life and death for residents and is critical to protecting property, the environment and to providing efficient and effective emergency services; and,

WHEREAS, state law does not permit the electors of the existing service district to vote on whether to update the current permanent funding for the district so as to provide an adequate level of emergency communications services; and,

WHEREAS, the Board of County Commissioners ("Board") is in receipt of an economic feasibility study indicating that a new district, if funded, could, in addition to enhancing emergency communications services generally, add next generation consolidated voice and data radio infrastructure and maintenance not currently being provided; and,

WHEREAS, the Board is in receipt of copies of Resolutions approving this Order from the governing bodies of the cities to be included in the proposed district, together with the written approval from the governing bodies of at least two-thirds of the public or private safety agencies to be included in the proposed district representing two-thirds of the population within the proposed district; and

WHEREAS, state law, including ORS 198.835 and ORS 198.720, authorize this Board to initiate formation of a new county service district to replace the existing district provided that withdrawal of properties in the existing district also is proposed; and,

WHEREAS, if the electors approve formation of a replacement district, the new district should assume all of the authority and responsibility for providing emergency communication services; and

THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, hereby ORDERS as follows:

Section 1. The proposed formation of an ORS Chapter 451 county service district for emergency communications, including 9-1-1 services hereby is initiated.

Section 2. The withdrawal of all property in the existing emergency communications district in Deschutes County is proposed to occur simultaneously with the formation of a new district.

Section 3. The name of the proposed district shall be the **Deschutes County 9-1-1 Service District** and the boundary shall be substantially as legally described in Exhibit "A" and depicted on the map Exhibit "B," both exhibits being attached hereto and by this reference incorporated herein.

Section 4. The proposed **Deschutes County 9-1-1 Service District**, if formed, will have a maximum permanent rate limit for operating taxes of \$.425 per \$1,000 assessed value that, if assessed at the maximum rate, will raise an estimated \$8,665,034 in operating funds for the District in the 2016-2017 fiscal year.

Section 5. The final name, boundary and permanent tax rate are subject to change in response to public testimony during the formation process as provided by law.

Section 6. The **Deschutes County 9-1-1 Service District** shall be authorized to take all necessary and proper steps to plan, establish, furnish and maintain a 9-1-1 emergency communications system within Deschutes County and to construct, maintain and operate any related facilities pursuant to ORS 451.010 et seq.

Section 7. That an initial hearing regarding formation of the **Deschutes County 9-1-1 Service District**, withdrawal of all territory from the existing Deschutes County 9-1-1 County Service District and the dissolution of the existing District shall be held at 10:00 am on January 13, 2016 in the Deschutes County Board Hearing Room, 1300 NW Wall St., (First Floor), Bend, Deschutes County, Oregon.

Section 8. The Director of the Deschutes County Community Development Department shall cause to be filed with this Board prior to January 13, 2016, a land use compatibility statement regarding this proposed special district formation as contemplated in ORS 197.175 and any other applicable statutory authority.

Section 9. The County Legal Counsel shall publish notice of the public hearing and take all such other steps as are required and appropriate to initiate formation of a new county service district for emergency communications and simultaneous withdrawal of properties from the existing district.

Dated this 7<sup>th</sup> day of December 2015

THE BOARD OF COUNTY COMMISSIONERS  
OF DESCHUTES COUNTY, OREGON

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ANTHONY DEBONE, Chair

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ALAN UNGER, Vice-Chair

ATTEST:

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Recording Secretary

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TAMMY BANEY, Commissioner

# **Economic Feasibility Statement for the Formation of the Deschutes County 9-1-1 Service District**

## **I. Summary Statement**

The permanent tax rate (PTR) for the Deschutes County 9-1-1 County Service District (former District) was established in 1988 at \$.1618 per thousand of assessed value. Since then, the population within the former District's has grown beyond expectation and the originally established PTR has been inadequate for several years. This resulted in the need to seek local option levies every five years to pay for the increased demand for District services. The former District's funding has not been stable because there has been uncertainty about whether voters would approve additional levies. Forming a new Deschutes County 9-1-1 Service District (District) with an increased PTR will eliminate the funding uncertainty and better allow the District to budget to provide services vital to the public and the area's emergency responders.

Budgeting for the District is based on revenues received from property tax collection, state 9-1-1 telephone taxes, user and contract fees and miscellaneous revenue. The proposed maximum permanent tax rate of \$.425 is intended to fund ongoing and future operational and capital needs for 9-1-1 call answering; dispatching for public safety responders; and the District's new responsibility of owning, operating, maintaining and eventually replacing the area's regional radio and data communications system.

## **II. Service / Function Analysis**

The 9-1-1 call receiving and dispatch services the District will provide are that of the former District with the exception of the new responsibility of owning, operating, maintaining and eventually replacing the area's regional radio and data communications system.

Centralizing the existing disparate radio systems previously owned by individual agencies under the District will be more cost effective and will significantly improve public safety communications with better coverage, higher system reliability and enhanced responder interoperability between agencies and their state and Federal partners.

### **III. Budget Analysis**

A forecast was made for 9-1-1 center operations, new radio system maintenance and operations, and eventual radio system replacement based on the following assumptions:

- Higher assessed values are forecast for the next few years.
- 2.5% annual CPI growth.
- 6% annual medical cost growth.
- 24% PERS rates in 2020 and beyond.
- 94% property tax collection rate.

The table below shows the projected levy rate necessary to support the budget forecast for each year through 2030 using the assessed value assumption in the first line.

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
AV Forecast by Year	4.50%	4.25%	4.00%	3.75%	3.50%	3.25%	3.00%
Total Rate Forecast	0.3823	0.4169	0.4131	0.4233	0.4206	0.4199	0.4203
Change	0.0205	0.0551	0.0513	0.0615	0.0588	0.0581	0.0585
	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
AV Forecast by Year	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Total Rate Forecast	0.4208	0.4213	0.4219	0.4225	0.4232	0.4240	0.4248
Change	0.0590	0.0595	0.0601	0.0607	0.0614	0.0622	0.0630

### **IV. Conclusion**

The forecast above indicates the proposed permanent funding rate of \$.425 per thousand dollars of taxable assessed will sustain the District well into the future.