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450 East Main Street
John Day, Oregon 97845

March 20, 2017

Dear Senator Ferrioli:

The City of John Day manages the only public safety answering point (PSAP) for Grant County. The PSAP provides 9-1-1 emergency communications and dispatch services for 22 public and non-profit agencies including four law enforcement agencies, five regional ambulance services and twelve fire departments (Enclosure 1).

The 9-1-1 tax covers a portion of the PSAP's operating expenses but has left an unfunded budget deficit of \$420,000 for the coming biennium. While this amount seems insignificant, bridging the funding gap requires a significant portion of the general funds for each of the nine cities in the county (Enclosure 2).

The Grant County PSAP is not financially sustainable without additional revenue. **We are writing to request a special appropriation of \$420,000 to bridge-fund the dispatch center to the 2019 biennium.** This will allow the County to continue to fund critical public safety services until new revenue sources can be sought.


The County intends to refer a local option levy to voters in September for additional funding. Placing a measure on the ballot will give voters in the jurisdiction the opportunity to decide if they wish to fund the 9-1-1 operating deficit locally. If the measure is defeated and a new 9-1-1 tax bill is not introduced in the 2019 biennium, the City of John Day will begin the process of outsourcing the PSAP to an adjacent county.

The City and County continue to advocate for 9-1-1 tax reform to increase the revenue available for this service. In 2015, the John Day City Council unanimously passed Resolution 15-748-13 (Enclosure 3). The resolution requests that the Legislative Assembly do the following:

1. Ensure adequate financial resources for both the management of the 9-1-1 system and the acquisition of the most modern technology;
2. Require that the State use revenues derived from the 9-1-1 tax solely for the provision of emergency reporting services, thereby ending the practice of diverting both revenues and earned interest to the state's general fund; and
3. Increase the current \$0.75 per month tax to \$1.25 per month.

We respectfully request an appropriation to allow the County to continue providing critical 9-1-1 services until a financially sustainable solution can be determined.

Sincerely,



Ron Lundbom, Mayor

ENCLOSURE 1

AGENCIES SERVED BY GRANT COUNTY PSAP

LAW ENFORCEMENT

Grant County Sheriff's Office
City of John Day Police Department
Bureau of Land Management
U.S. Forest Service Law Enforcement

BLUE MOUNTAIN AMBULANCE SERVICES

City of John Day
City of Long Creek
City of Monument
Prairie City
City of Seneca

FIRE DEPARTMENTS

Canyon City
Dayville
Granite
John Day
John Day Rural Fire Protection District
Long Creek
Mt Vernon
Mt Vernon Rural Fire Protection District
Monument
Prairie City
Prairie City Rural Fire Protection District
Seneca

FUNDING PROJECTION FOR 9-1-1 EMERGENCY COMMUNICATIONS SERVICES

For FY17-18, the projected cost to operate the Emergency Communications Center is \$492,115. Approximately \$270,000 of this cost will come from state 9-1-1 tax revenue. John Day will also invoice \$22,921 to the Blue Mountain Hospital and National Forest Service as primary users – a 10% increase over the prior fiscal year.

Local revenue sources must cover the deficit of \$199,194 for FY17-18. This deficit is expected to increase by 10% to \$219,114 in FY18-19, leaving an unfunded deficit of \$418,308 for the coming biennium. Making up the deficit requires each city to pay an average of 19% of its general fund revenue annually, with some cities required to pay as much as 58% of general fund revenue (see table below).

Jurisdiction	Population	9-1-1 Tax Revenue (projected for FY17)	FY17-18 Budget Deficit	Deficit as a % of General Fund
John Day	1,735	\$63,219	\$46,640	18%
Prairie City	910	\$33,158	\$24,462	18%
Canyon City	705	\$25,688	\$18,952	17%
Mt Vernon	525	\$19,130	\$14,113	21%
Seneca	215	\$7,834	\$5,780	20%
Long Creek	195	\$7,105	\$5,242	22%
Dayville	150	\$5,466	\$4,032	58%
Monument	130	\$4,737	\$3,495	31%
Granite	40	\$1,457	\$1,075	N/A*
County (Unincorporated)	2,805	\$102,206	\$75,403	5%
Total Population (2016)	7,410	\$270,000	\$199,194	19% (avg. city)
<i>Per capita deficit</i>			\$26.88	

*City of Granite does not assess a local property tax

**CITY OF JOHN DAY
JOHN DAY, OREGON**

RESOLUTION NO. 15-748-13

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JOHN DAY, OREGON
ENCOURAGING THE STATE OF OREGON TO EXAMINE AND PROVIDE
CONSISTENT, SUSTAINABLE FUNDING FOR 911 SERVICES**

WHEREAS, the 9-1-1 Program was established by the 1981 Oregon Legislature (ORS 403.100 – 403.380), its primary mission is to ensure the seamless operation of the statewide Enhanced 9-1-1 system. The program is responsible for the continual coordination and management of the network necessary to deliver 9-1-1 calls, the customer premise equipment (CPE) used by the Public Safety Answering Points (PSAP) to process those calls, as well as consulting and assisting local governments with the challenges faced in the delivery of and participation in the statewide enhanced 9-1-1 emergency reporting system; and

WHEREAS, the Program is funded through the Emergency Communications Tax. This tax imposes \$0.75 on any circuit or device capable of accessing the 9-1-1 network and is collected by communication providers offering such services. Communications providers submit the tax to the Department of Revenue on a quarterly basis, and in turn the D.O. R. forwards those revenues to the 9-1-1 Program for disbursement. \$0.50 is distributed to the cities and counties on a per-capita basis to fund operations, as approved under OAR 104-080, at the PSAP. The balance is administered by the 9-1-1 Program and is expended on payments to vendors for the operation and maintenance of the Enhanced 9-1-1 network, equipment upgrades at the PSAP, and the databases used to provide Automatic Location Information (ALI); and

WHEREAS, In 1999 the State of Oregon deployed border to border Enhanced 9-1-1 services. This project was initiated by the 1991 Legislature and managed by the 9-1-1 Program in cooperation with the PSAP's and Local Exchange Carriers of Oregon. The enhanced 9-1-1 system was completed prior to the January 1, 2000 deadline; and

WHEREAS, there are currently 45 PSAPs on this enhanced 9-1-1 network, which serves all of the residents and pass-thru tourists in Oregon, at the time the system went live in 1999 there were 56 PSAPs. During this project each PSAP's equipment was replaced with technology that would support the goals of the enhanced 9-1-1 initiative. These computer/telephony integrated (CTI) systems are capable of faster and more efficient processing of the 9-1-1 call as well as retrieval of Automatic Location identification (ALI) data; and

WHEREAS, each PSAP is connected to a statewide frame-relay network, which delivers ALI data at faster speeds than conventional modern-based methods. This frame-relay network also has the ability to deliver Law Enforcement Data Systems (LEDS) and National Criminal Information Center (NCIC) information over the same circuit resulting in significant cost savings to the PSAP, the 9-1-1 Program office is currently in the process of planning for the evolution of this frame-relay network to a network capable of delivering IP-based data element, and ultimately digital voice communications as well as the data necessary to properly locate callers. This process is positioning Oregon for a seamless integration into the Next Generation (NG911) of 9-1-1 and Emergency Communications; and

WHEREAS, in addition to the NG911 project, the State 9-1-1 Program has several ongoing projects related to 9-1-1 and emergency communications. These projects include the FCC mandated deployment of Wireless Phase II location technology, development and deployment of statewide mapping services and the associated data standards, the continual evolution of the state's Inter-Tandem transfer network, as well as the planning and provisioning of ALI data base services; and

WHEREAS, there is no national consensus on how to fund or oversee 9-1-1 services, there is agreement that the transition to Next Generation 9-1-1 (NG911) will require the development of new funding and oversight models. Stakeholders agree that current 9-1-1 funds are unstable and inadequate to support the migration to NG911; and

WHEREAS, regardless of the amount of revenue collected, many states have experienced a diversion of funds from 9-1-1 fund to other uses. Dollars raised specifically for 9-1-1 have been diverted to state general funds, in some cases to balance state budgets, and as a result are not used for their intended purpose. The State of Oregon currently diverts portions of the 9-1-1 tax revenues it collects as well as the earned interest to the general fund in support of positions and activities unrelated to 9-1-1 services, a practice frowned upon by the federal government. Oregon is one of the only states in the country to do so, and as a result, for the last three years has been ineligible for federal emergency services grants; and

WHEREAS, The current \$0.75 per month tax is an important source of revenue for cities. After subtracting collection costs, administrative fees and equipment costs, cities receive \$13 million per biennium, which is passed through to the governing authority of the 9-1-1 jurisdiction serving that city. These funds are the backbone of the budget that supports the planning, installation, maintenance, operation and improvement of the statewide 9-1-1 emergency reporting system. The current 9-1-1 tax was implemented in 1995 and has not been raised since that time. Meanwhile personnel services and employee benefits; cost of materials and services continue to spiral out of control.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF JOHN DAY, OREGON:

SECTION 1. Funding. In order to determine future costs, it is imperative to examine the current state of 9-1-1 funding and oversight. As 9-1-1 authorities migrate to NG911, both government and industry must understand current challenges and carefully establish a long-term approach. It is essential to institute a model that can produce consistent, sustainable funding and oversight as the transition is made to NG911. The City Council supports the following:

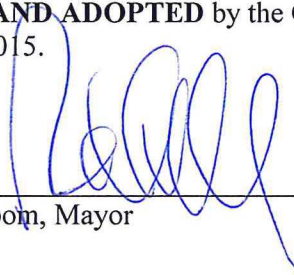
1. Ensure adequate resource for both management of the system and the acquisition of the most modern technology.
2. Require that the state use revenues derived from the 9-1-1 tax solely for the provision of emergency reporting services, thereby ending the practice of diverting both revenues and earned interest to the state's general fund.
3. Increase the current \$0.75 per month tax to \$1.25 per month.

SECTION 2. Coordinating Efforts. The City encourages City staff to work with State elected officials, Oregon Emergency Management (OEM), and the League of Oregon Cities.

SECTION 3. Distribution of this Resolution. A copy of this resolution shall be sent to the Governor, the President of the Oregon State Senate, the Speaker of the Oregon House of Representatives, the municipality's State Senators and State House Representatives, and the Executive Director of the League of Oregon Cities.


SECTION 4. Effective Date. This Resolution shall become effective upon passage.

PASSED AND ADOPTED by the City Council of the City of John Day, Oregon this 13th day of October, 2015.



Ron Lundborn, Mayor

ATTEST:



Peggy Gray, City Manager