



CITY COUNCIL

Work Session Meeting Minutes October 23, 2023

Mayor Drotzmann called the work session meeting to order at 6:00pm. Present were Councilors Hardin, Peterson, Primmer, Linton, Barron (exited at 6:42pm and returned at 6:50pm), Duron (arrived at 6:10pm), and McCarthy. Councilor Myers was excused. Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Rich Tovey, Chief Edmiston, Planning Director Clint Spencer, Parks and Recreation Director Brandon Artz, Court Administrator Jillian Viles, and City Recorder Lilly Alarcon-Strong. Youth Advisor Yaneisy Perez was also present.

Municipal Court Budget & Budget Overview

Court Administrator Jillian Viles presented information (PowerPoint presentation attached) and answered questions from the Council regarding: violations and criminal case loads; personnel, including elected and contracted positions; staff duties; operating costs; imposed fines and fees and how they are processed and collected, and more.

There was discussion regarding court expenses compared to revenues and an explanation given that the Court is not and will never be a revenue generating department, language barriers and translation services for the non-English speaking members of the community, Measure 110 impacts and how to help make people accountable for their actions specifically with repeat offenders, difficulty dealing with homeless offenders as there is no address listed to mail notices to, the partnership with Community Counseling Services, and more.

The Council thanked Court Administrator Viles for the information.

City Manager Smith thanked the Budget Committee Members in attendance stating they have been invited to attend budget discussions as they are part of the budget process each year. City Manager Smith stated with tonight's Municipal Court Budget presentation, the Council has had a complete overview of all the City's general fund department budgets and presented information (PowerPoint presentation attached dated October 9, 2023) regarding: the budget overview, process, scenarios, public input both in person and with online surveys, possible budget changes, and more. The Council was asked to help consider other ideas or options that may not have already been considered or presented and stated staff would be recommending a budget decision in January based on the direction the Council has suggested during this budget overview process.

Due to time constraints, the presentation and discussions were unable to be completed and Mayor Drotzmann stated this information would continue to be presented at the next City Council Work Session meetings.

Adjournment

Mayor Drotzmann adjourned the work session meeting at 6:58pm and stated the Council will take a short recess before starting the regular council meeting.

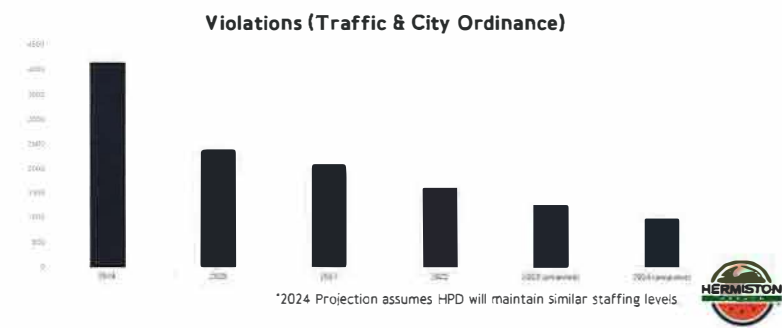


MISSION & GOALS

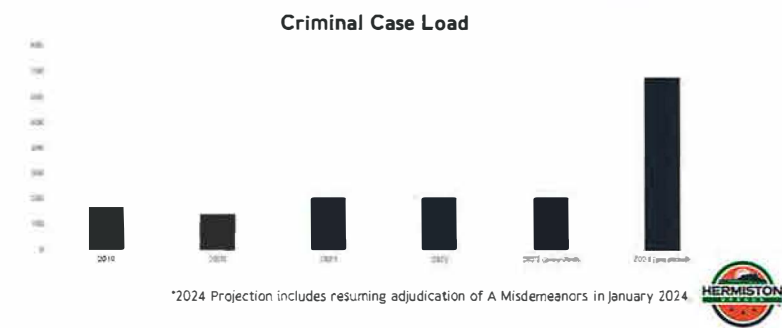
- MISSION
 - To provide justice services to the citizens of Hermiston, so that they have a fair opportunity to be heard and the community remains a safe place to live.
- CITY COUNCIL GOALS
 - 2020- Finish improvements to Court Administrative process. Take back adjudication of A Misdemeanors. - January 2024
 - 2022- Explore options for providing mental health support services at Municipal Court. - Currently in process with CCS Partnership
 - 2023- Develop a plan, gather data, and explore partnerships for a community court program. - Currently in process with CCS Partnership



CASE LOAD

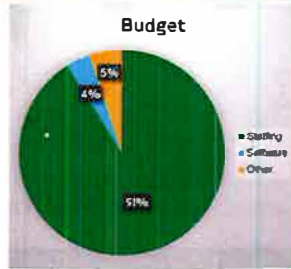


CASE LOAD



STAFFING

- CITY EMPLOYEES
 - Court Administrator
 - 2 Court Clerks
- ELECTED OFFICIAL
 - Municipal Court Judge
- CONTRACTED POSITIONS
 - City Prosecutor
 - Primary Defense Attorney
 - Back-up Defense Attorney
 - Pro Tem Judge



FINES & FEES

- 2022 FINES AND FEES IMPOSED
 - \$463,000
 - \$448,000 from Traffic Violations
 - \$15,000 from Criminal Cases
 - As of 7/31/2023- only \$250,000 has been paid
 - \$5,300 paid towards criminal cases.
 - Cases are sent to a collection agency after 45 days of non-payment.
 - Municipal Court has limited legal options for imposing sanctions due to non-payment of fines & fees.



VALUE

- Justice & Public Safety programs should not be revenue focused.
 - Accountability
 - Education
 - Provide timely, fair, and equitable services.
- Misdemeanor Cases Filed- 2022
 - 97% of cases HPD referred to the City Prosecutor filed (as of 7/31/2023).
 - 71% of cases HPD referred to District Attorney's Office filed (as of 7/31/2023).
- Partnership with CCS- connecting defendants with community & social services.



Questions?

Where Life is Sweet


Process and Scenarios

October 9, 2023

HERMISTON
OREGON

Process

- Finalize Department Review
- Establish Desired Service Level
- Establish Cuts
- Establish Possible Revenues
- Town Hall Discussion (Mid-November)
 - **Following with an online survey**
- Report to Council/Get Direction (January)




Desired Service Levels

- 2040 Vision Report
 - **Related Actions**
 - **2.1 Offer access to diverse recreational and wellness opportunities for everyone.**
 - **2.3 Provide a healthy, safe environment.**
 - **3.1 Provide activities, attractions, and events for people of all ages.**



Desired Service Levels

- Phone Survey (2019, 2020)
 - **Importance - “Here are some services provided by the City of Hermiston. Please tell me how important each is to you.”**
 - **Satisfaction - “Using the same list of services, please tell me how satisfied you are with City Hermiston’s efforts to provide each.”**



Desired Service Levels

- Phone Survey (2019, 2020)
 - **Maintaining a Low Crime Rate**
97% important; 83% satisfied
 - **Encouraging new business development and job creation**
94% important; 70% satisfied
 - **Providing senior programs like transportation assistance**
93% important; 70% satisfied
 - **Encouraging new affordable housing**
92% important; 52% satisfied
 - **Providing programs for youth, like after school programs**
92% important; 57% satisfied



Desired Service Levels

- Recent Zencity Public Safety Survey
 - **Ran from April 14 to May 7, 2023**
 - **131 Responses**
 - **How do you feel about current staffing levels of the Hermiston Police Department?**
 - **More/Just Right/Too Many/Don't Know**
 - **61% said we needed more officers**



Desired Service Levels

- Recent Zencity Public Safety Survey
 - **Responses**
 - **\$5 flat fee (24%)**
 - **4% fee (6%)**
 - **Business License (8%)**
 - **Other GF cuts (9%)**
 - **Combo of several (35%)**
 - **None (7%)**
 - **Don't know (9%)**



FY2023-24 Budget

	Adopted	Status Quo
	FY24-B	Budget*
REVENUES		
Property Taxes	\$ 7,425,990	\$ 7,425,990
From Other Agencies	1,122,501	1,122,501
Service Charges	2,181,400	2,181,400
Traf From	2,498,035	2,498,035
Lic & Franchises	1,468,300	1,468,300
Cash Pwd	951,885	951,885
Fines/Penalties	400,000	400,000
Misc Revenue	65,000	65,000
Interest	70,000	70,000
Non-Rev Receipts	723,000	50,000
	\$ 16,905,911	\$ 16,232,911
EXPENSES		
Personnel Costs	\$ 11,299,862	\$ 11,550,352
Maint/Devs	3,530,428	3,372,154
Transfers	1,479,520	1,479,520
Debt Svc	460,825	460,825
Capital Outlay	92,000	71,500
Contingency	53,276	53,276
	\$ 16,905,911	\$ 18,987,627
	0	-764,716

- *Changes from Adopted Budget
- Removes the Loan Proceeds (\$673,000)
 - Restores Funding for PT Library Positions (\$100,000)
 - Restores Funding for Recreation Coord. Position (\$95,000)
 - Restores Council Budget (\$55,000)
 - **Additional Material/Services Cuts from Staff (\$169,000)**

- Possible Addition
- \$370,000 for Three New Officers



Establish Additional Cuts

- Street Funding Cut (Change Franchise Fee Allocation to Streets)
- Current – 33% of Franchise Fees allocated to street construction (\$990,000 to General Fund)
 - **Plus – Council Action**
 - **Minus – Removing Street Construction/ Maintenance Resource**
- Yield – ~\$15,000 per 1% change (90% GF = \$1.33 million) (~\$340,000 Increase to GF)



Establish Possible Revenues

- Increase Transient Room Tax (TRT) Rate
- Current Rate – 8% +\$2 Per Room Night Tourism Promotion Assessment (TPA). (Effective Rate ~9.8%)
 - **Plus – Tax nonresidents**
 - **Minus – Limitations on use**
- Yield (to General Fund) – First 1% is ~\$100,000; All Additional 1% is ~\$30,000



Establish Possible Revenues

- Utility Fees (Police, Parks and Recreation, etc.)
- Current Fees – None
 - **Plus – Flexible, Council Action**
 - **Minus – Continuing increase of utility costs to residents**
- Yield – Each \$1 of Fee generates \$72,000



Establish Possible Revenues

- Increase Planning and Zoning Fees
- Current – Much lower than costs and comps
 - **Plus – Better cover costs for services rendered, not increased for 20+ years**
 - **Minus – Could discourage development**
- Yield – Increase as proposed ~\$80,000 per year



Establish Possible Revenues

- Franchise Fee on Water/Sewer
- Current – None
 - **Plus – Flexible, Fairness to Other Utility Providers, Council Action**
 - **Minus – Continuing increase of utility costs on residents**
- Yield – Each 1% generates \$102,000



Establish Possible Revenues

- Business Licenses
- Current – None
 - **Plus – Council Action, Better understanding of local business activity**
 - **Minus – Could discourage business activity, Could have a negative impact on small business, Difficult to estimate**
- Yield - ~\$200,000 (Assumes 400 businesses @\$500 per year)



Establish Possible Revenues

- Sales Tax (exempting all food/prescription drug sales)
- Current – None
 - **Plus – Could tax some non-residents (Estimated 50% sales to non-city residents); Maintains more than 7% difference to Tri-Cities**
 - **Minus – Difficult to Estimate, Extremely new concept**
- Yield – 1% = ~\$1.6 million per year



Establish Possible Revenues

- Local Fuel Tax
- Current – None
 - **Plus – Replace/Preserve Franchise Fees for GF**
 - **Minus – Dwindling revenue generation, Requires Voter Approval, Spending Restriction**
- Yield – \$0.05/per gallon = ~\$125,000 per year



Other Possible Revenues

- Marijuana Tax
 - Plus – Possible large revenue upside
 - Minus – Vote of the people, Hard to estimate revenues, forcing to black market?
- Local Option Property Tax Levies
 - Plus – Somewhat stable
 - Minus – Requires Voter Approval, Compression, Already High Property Tax
- Payroll Tax
 - Plus – Could tax non-city residents
 - Minus – Difficult to Estimate, Could discourage development inside the City



Questions?

Where Life is Sweet