



NOTICE OF PUBLIC MEETING

CITY OF ALBANY
CITY COUNCIL WORK SESSION
Municipal Court Room
Monday, January 28, 2008
4:00 p.m.

AGENDA

- 4:00 p.m. **CALL TO ORDER**
- 4:00p.m. **BUSINESS FROM THE PUBLIC**
- 4:05 p.m. **MUNICIPAL JUDGE ANNUAL REPORT – Bob Scott**
Action Requested: Information; consideration of compensation adjustment.
- 4:20 p.m. **TRANSPORTATION SYSTEM PLAN UPDATE – Jeni Richardson**
Action Requested: Discussion of memos distributed at January 7, 2008, work session.
- 4:35 p.m. **PROPOSED SALE OF SURPLUS PROPERTY ON ADAH AVENUE NE – Ed Hodney**
Action Requested: Information, discussion, direction.
- 4:45 p.m. **AUDIT REPORT AND MANAGEMENT LETTER – Stewart Taylor**
Action Requested: Information, discussion.
- 5:00 p.m. **PROCESS FOR FILLING WARD ONE COUNCIL VACANCY**
Action: _____
- 5:45 p.m. **COUNCILOR COMMENTS**
- 5:55 p.m. **CITY MANAGER REPORT**
- 6:00 p.m. **ADJOURNMENT**

City of Albany Web site: www.cityofalbany.net

The location of the meeting/hearing is accessible to the disabled. If special accommodations to attend or participate in the meeting/hearing are needed, advance notice is requested by notifying the Human Resources Director at 917-7500.



TO: Albany City Council
VIA: Wes Hare, City Manager
FROM: Stewart Taylor, Finance Director *ST*
DATE: January 25, 2008, for the January 28, 2008, City Council Work Session
SUBJECT: Report from Municipal Court Judge Robert Scott
RELATES TO STRATEGIC PLAN THEME: ● An Effective Government

Action Requested:

Presentation of the 2007 Annual Report by Municipal Court Judge Robert Scott.

Discussion:

Judge Scott will present his 2007 Annual Report at this Work Session. The contract will come to the February 13, 2008, City Council Regular Session for Council approval.

Budget Impact:

With Council approval of the contract on February 13, 2008, the budget impact will be an increase of 3.5 percent to Judge Scott's compensation would cost the City approximately \$199 each month, or \$2,388 annually.

ST:md
Attachment

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**ALBANY MUNICIPAL COURT
JUDGE'S ANNUAL REPORT
FOR THE CALENDAR YEAR 2007**

The following is the annual judge's report on the status of the Albany Municipal Court.

1. CASE STATISTICAL COMPARISON FOR 2005, 2006 AND 2007.

<u>A. CASES FILED</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>DIFFERENCE 2005-2007</u>
Criminal non-traffic	1110	1228	1194	+84
Criminal traffic	223	264	291	+68
Contempt	40	21	37	(3)
Violation non-traffic	127	260	255	+128
Violation traffic	2878	3923	5856	+2978
Parking	483	504	540	+57
Towing hearings	2	2	0	(2)
Dog hearings	3	0	0	(3)
Restitution hearings	0	0	1	+1
TOTAL CASES	4866	6202	8174	+3308

B. WARRANTS ISSUED

Bench (FTA-FTC)	2149	1794	1391	(758)
Arrest	116	98	96	(20)
TOTAL	2265	1892	1487	(778)

The Court has virtually no control over the number of cases filed each year. Although we have a few cases filed by private complainants, almost all of our cases are initiated by the Albany Police Department. In 2005, additional officers were added to the Albany Police Department and at least one officer was assigned to full-time traffic enforcement. The Court immediately began to see an increase in the traffic portion of its caseload. In January, 2006, I reported to you that in 2005 there were 516 more cases filed than had been filed in 2004 and that I expected that increase to continue. It has. We had an

additional increase of 1336 cases in 2006, and 1972 cases in 2007, for a total increase of 3308 cases over the past two years. Last January, I asked you to consider adding more staff to assist in dealing with the data processing involved in the dramatic increase in traffic cases. One full-time clerk has been added to our staff and one more work station has been crammed into what we consider pretty tight space. More people show up for traffic arraignments, more people plead not guilty and, therefore, we have more traffic hearings to determine their guilt or innocence. In spite of the fairly dramatic increase in the caseload, we continue to process the cases expeditiously and have no backlog of cases that have not been set for trial or hearing.

2. REVENUE COMPARISON BY CALENDAR YEAR.

<u>ITEM</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>DIFFERENCE</u> <u>2005-2007</u>
Total revenue	\$606,708.45	\$790,467.20	\$1,002,051.59	+ \$395,343.14
City share	503,246.42	648,620.70	798,274.67	+ 295,028.25
State share	87,339.69	117,276.15	166,914.54	+ 79,574.85
County share	16,122.34	20,402.35	28,068.38	+ 11,946.04
OR Judicial Dept.	0.00	4,168.00	8,794.00	+ 8,794.00

Court expenditures for the calendar year were \$620,334.24. That is \$175,032.28 less than the City's share of the total revenue collected by the Court.

After the first six months of the 2007-2008 fiscal year, the Court had used 47.82 percent of its expenditures budget.

3. CONCLUSION.

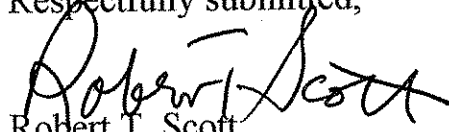
As I have said in the past, the Court staff and I deal with citizens, police officers, attorneys, jurors and witnesses. Rarely is anyone happy to appear in court, no matter the reason for the appearance. We try to treat the people who have contact with the Court courteously, fairly and firmly. The Court has no case backlog and generates more income than it spends.

3.

Currently, we have three veteran employees and three with little or no experience with the Court. Mary Stankey, Cindy Triller and Cheryl Fryman have combined service to the City of Albany of more than 51 years. They are the glue that holds the Court together. They are the ones who have made it possible for our Court to keep its caseload current throughout this period of office remodeling, significant staff changes and increased caseload.

Once again, I thank the Council for its support.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert T. Scott". The signature is written in a cursive style with a large, prominent initial "R".

Robert T. Scott
Municipal Judge



TO: Albany City Council
VIA: Wes Hare, City Manager
FROM: Ed Hodney, Director of Parks and Recreation
DATE: January 23, 2008, for the January 28, 2008 City Council Work Session
SUBJECT: Gift of City Property on Adah Street to Albany Area Habitat for Humanity
RELATES TO STRATEGIC PLAN THEME: • Great Neighborhoods

Action Requested:

Receive a report and give staff direction regarding a proposed gift of City-owned land at 3437 Adah Avenue NE to the Albany Area Habitat for Humanity.

Discussion:

The Albany chapter of Habitat for Humanity International, a tax-exempt 501c3 organization, has expressed interest in this City-owned land. As illustrated by the attached history, the City acquired approximately 1 acre of land through foreclosure in 1986. The City Council authorized the development of the property as a neighborhood park in 1987, pending an unsuccessful application for park grant funding.

In 1995, the City partitioned the original parcel into 3 lots and conveyed two of the three parcels to Habitat for Humanity without cost. The reason for the City retention of ownership of the third parcel is unclear, and there is no record of any action or decision by the Parks and Recreation Commission or the City Council since 1996. The remaining parcel of 0.37 acre is too small for use as a park.

Habitat for Humanity desires to build up to three new houses on the remaining 0.37-acre City-owned parcel and has asked if the City might be interested in relinquishing title without cost. Habitat for Humanity would be responsible for all costs related to development. Linn County tax records show a market value estimate of \$46,000 for the parcel.

Should the City Council wish to relinquish title to Habitat for Humanity without cost, the City Council could do so by resolution (draft attached). The resolution would declare the property to be surplus to the City's needs and would state the City Council's determination that it is in the public interest to allow the surplus property to be utilized for low-income housing purposes. The City Attorney has opined that this can be done without an advertised public hearing, since our intent is to convey the property to a qualified non-profit organization without any valuable consideration to the City. However, the City Council may wish to conduct a public hearing before taking action on the resolution.

The Parks and Recreation Commission has endorsed the proposed action. Should Council so direct, the proposed resolution will be placed on the agenda for the next regular meeting of the City Council. If a public hearing is desired, it can be held at the same meeting prior to Council action.

Albany City Council

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January 23, 2008

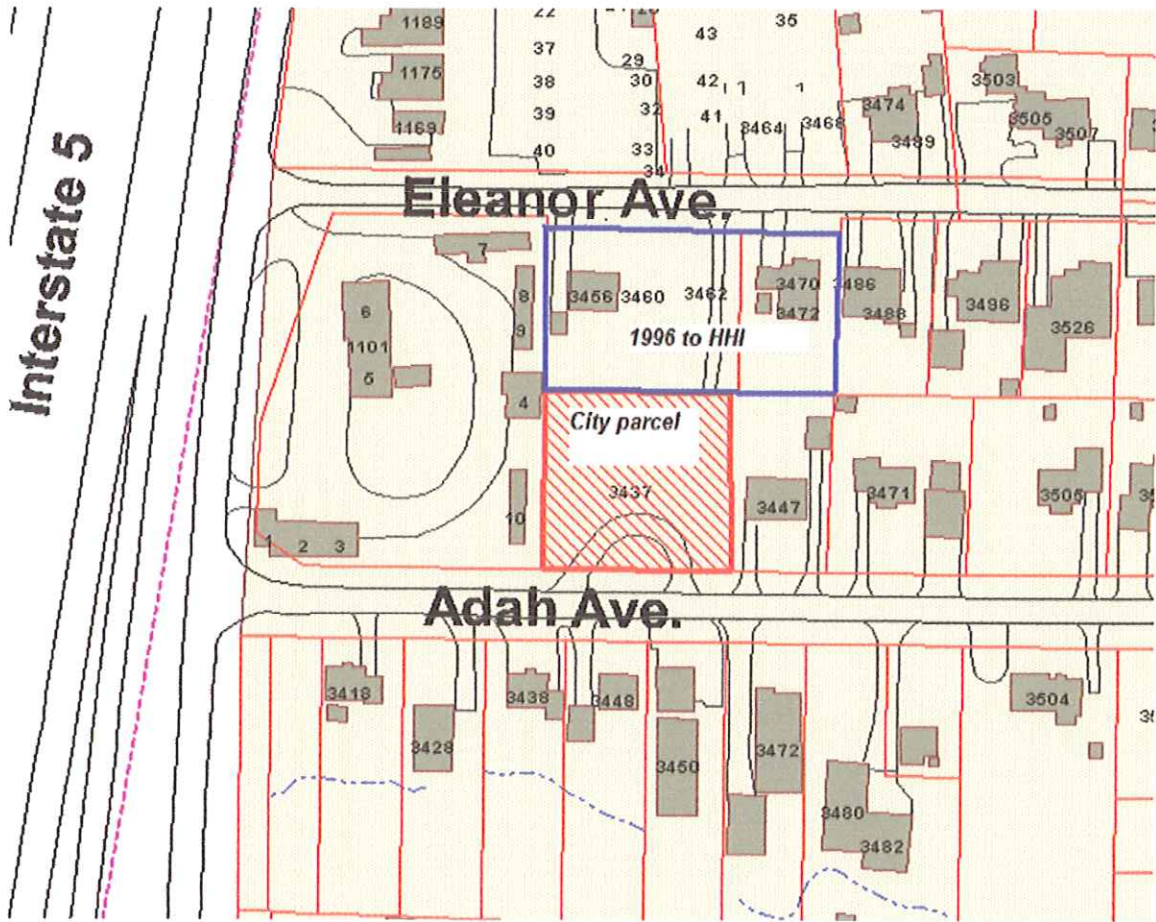
If the City Council wishes to sell the property to Habitat or another buyer, the property would be declared surplus and the intent to sell would be advertised in accordance with State statutes.

Budget Impact:

None

Attachments: Map
Linn County property record
History of City ownership
Draft Resolution

SITE MAP
Exhibit A



Linn County Account Detail

Account: **R 48393**Area: **2**Zoning: **Albany**Map: [10S-3W-33DC](#) Lot: **1900**

Name/Mailing Address

ALBANY, CITY OF**PO BOX 490****ALBANY OR 97321-0144**

Site Address

3437 ADAH AVE NE**ALBANY OR 97322-0000**Class: **100**Deed Ref: **MF445-140**

LAND

Acres: **0.37**RMV: **\$45,620**[IMPROVEMENTS](#)RMV: **\$0**

Type:

Year Blt: **0**Sq Ft: **0**Rooms: **0/0**Total RMV: **\$45,620**

Levied Tax:

Levied Tax is the original tax extended on the tax roll. Amount does not include any adjustments or discounts.

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Adah Park - 10S-03W-33DC-01900
(AKA Draperville Park)

Date	Activity
January 27, 1982	Annexation of Knox Butte/Century Drive area Ordinance 4482
August 30, 1982	Installation application signed and submitted to City
May 25, 1983	Draperville Sewer assessed - 6 units \$12,288.12, Ordinance 4584, SS-82-1, .96 acres
November 2, 1983	Sewer connection fee assessed Ordinance 4611 for \$3,390
July 11, 1984	Resolution to foreclose to CC RES #2481
January 13, 1986	Judgment entered by Linn County Case #85-0031 foreclosed for \$24,434.33 Foreclosed Interests include: Estate Builders, Christopher R Fox, Albert & Donna Halter, Home Fed Savings, William Cotter, USA - IRS
April 1, 1986	Writ of judgement entered to sell property by court subject to redemption
April 13, 1987	Budget Committee meeting - Parks listed acquisition & development of new park on Adah Street near Century Drive for \$50,000
May 22, 1987	Sherrifs Deed to the City for the property
December 15, 1987	City Council meeting - Dave Clark requested grant application approval to develop property off Adah St to a park .96 acres in 1989
May 4, 1988	Parks & Rec Commission minutes - Draperville project of \$20,000 requesting Land & Water Fund funds.
November 2, 1988	Parks & Rec Commission minutes - Dave reported the grant ap for Draperville was still pending. They considered re-submitting.
December 7, 1988	Parks & Rec Commission minutes - Dave reported still no word on the Draperville prjt. If they resubmit they will send a lighting project instead, would have higher chance of funding.
February 8, 1989	Parks & Rec Commission minutes - Draperville park listed in the CIP for \$10,000
November 7, 1995	Preap for partitioning into 3 parcels
March 29, 1996	Preap for partitioning into 3 parcels
April 11, 1996	Notice of decision to partition
May 22, 1996	Resolution to sell all 3 parcels to habitat RES #3648
October 21, 1996	Title report for sale of 2 parcels to habitat for humanity
October 25, 1996	Sale of 2 parcels to habitat - donation
March 19, 1997	Preap to construct 2 duplex units

**additional findings: property is listed in general fund fixed assets which implies parks property

Also, the sewer fund was made whole at the time of assessment in 1982. Assessment used in bond sale, 1982, debt service funds.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE RELIQUISHMENT OF TITLE TO SURPLUS REAL PROPERTY TO HABITAT FOR HUMANITY FOR LOW INCOME HOUSING PURPOSES.

WHEREAS, the City of Albany owns a parcel of real property of approximately 0.37 acres at 3437 Adah Street, Albany, Oregon, which is surplus to the City's needs; and

WHEREAS, Albany Area Habitat for Humanity is a qualifying non-profit corporation pursuant to the terms of ORS 271.330(2); and

WHEREAS, Albany Area Habitat for Humanity has requested that the City relinquish title to the surplus property to enable Albany Area Habitat for Humanity to utilize the property for low income housing; and

WHEREAS, the City Council of the City of Albany determines that it is in the public interest of the City to allow the surplus property to be utilized for low income housing purposes.

NOW, THEREFORE, BE IT RESOLVED that:

1. The property described in Exhibit "A," attached hereto, is hereby declared to be surplus and not needed for public use.

BE IT FURTHER RESOLVED that the City Manager of the City of Albany is authorized to relinquish title to the surplus property described in Exhibit "A" to Habitat for Humanity for low income housing purposes.

DATED AND EFFECTIVE THIS _____ DAY OF _____, 2008.

City Council President

ATTEST:

City Clerk



TO: Albany City Council
VIA: Wes Hare, City Manager
FROM: Jeff Christman, Council Audit Committee Chair
Stewart Taylor, Finance Director
DATE: January 24, 2008, for the January 28, 2008, City Council Work Session
SUBJECT: 2006-2007 Audit Report and Management Letter

RELATES TO STRATEGIC PLAN THEME: • An Effective Government

Action Requested:

Accept the audit report and management letter for the audit of the City's financial statements and procedures for fiscal year ending June 30, 2007.

Discussion:

Brad Bingenheimer from the certified public accounting firm of Boldt, Carlisle & Smith, LLC, presented the audit report and management letter to the Council Audit Committee on January 16, 2008. The report expressed the opinion that the financial statements present fairly, in all material respects, the respective financial position of the City of Albany in conformity with accounting principles generally accepted in the United States of America.

Brad also discussed three items brought to the City's attention in a management letter dated January 16, 2008. The items were presented under the headings of internal controls, ambulance, and financial reporting and disclosures. The management letter and staff's response are attached.

Budget Impact:

None

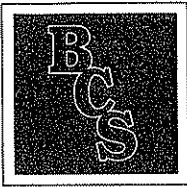
ST:ldh

Attachments 2

Management Letter

Management Response

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BOLDT, CARLISLE & SMITH LLC

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERSHIP ■ ASSURANCE ■ INNOVATION

January 16, 2008

CITY OF ALBANY
333 Broadalbin St SW
Albany, OR 97321

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the CITY OF ALBANY for the year ended June 30, 2007, and have issued our report thereon dated December 4, 2007.

In connection with our audit we noted the following items to bring to your attention:

Internal Controls

The appendix to Statement on Auditing Standards No. 112, *Communicating Internal Control Related Matters Identified in an Audit*, lists examples of conditions that may be control deficiencies. This list includes inadequate documentation of the components of internal control as a potential control deficiency. We suggest that the City consider the creation of a policies and procedures manual for the accounting function. This would serve as a training tool for new employees and provide for some continuity of knowledge when key individuals retire or otherwise leave the City.

Ambulance

We noted that the allocation of expenditures for personal services to the ambulance fund was based on budgeted FTE's. Use of budgetary amounts for allocation to specific activities may not be reflective of actual results. We suggest the City create a process to capture the actual cost of personal services based on employee time spent on ambulance fund activities.

Financial Reporting and Disclosures

Disclosures regarding interfund transfers:

Governmental Accounting Standards Board Statement No. 38 Paragraph 15 states: *Governments should disclose in the notes to the financial statements the following details about interfund transfers reported in the fund financial statements:*

- a. *Amounts transferred from other funds by individual major fund, nonmajor governmental funds in the aggregate, nonmajor enterprise funds in the aggregate, internal service funds in the aggregate, and fiduciary fund type*

b. A general description of the principal purposes of the government's interfund transfers

c. The intended purpose and the amount of significant transfers that meet either or both of the following criteria:

(1) Do not occur on a routine basis—for example, a transfer to a wastewater enterprise fund for the local match of a federal pollution control grant

(2) Are inconsistent with the activities of the fund making the transfer—for example, a transfer from a capital projects fund to the general fund.

The disclosure in the City's financial statements provides **more than** "a general description of the principal purposes" of the interfund transfers. We suggest that the City consider revising this disclosure in future years to provide **only** a general description of the transfers and not a detail description of each transfer made during the year.

Amortization of the prepaid pension contribution:

In the review of the City's June 30, 2006 Comprehensive Annual Financial Report, the Government Finance Officers Association noted that the City was treating this amount as a negative net pension obligation. Since the City participates in the PERS State and Local Government Rate pool, its pension plan is considered to be a multi-employer cost sharing plan which does not have a separate actuarial valuation for each participating government. Accordingly, there would be no basis in presenting a negative net pension obligation. Because of this prior treatment the schedule used to amortize the prepayment in the government-wide statements is not been correct as it resulted in negative amortization for a number of years and an accelerating amortization for years subsequent to June 30, 2007. The amortization should be consistent over the period of the debt repayment and should relate to the benefit the City receives in the form of reduced PERS contribution rates.

This information is intended solely for the use of the CITY OF ALBANY, its audit committee and management of and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Boldt, Carlisle & Smith, LLC

Certified Public Accountants



January 24, 2008

CITY HALL

333 Broadalbin SW
P.O. Box 490
Albany, OR 97321-0144
www.cityofalbany.net

(541) 917-7500

ADMINISTRATIVE SERVICES

City Manager's Office

(541) 917-7500
FAX (541) 917-7511

Finance/Recorder

(541) 917-7500
FAX (541) 917-7511

Municipal Court

(541) 917-7740
FAX (541) 917-7748

COMMUNITY DEVELOPMENT

Planning

(541) 917-7550
FAX (541) 917-7598

Building Division

(541) 917-7553
FAX (541) 917-7598

ECONOMIC DEVELOPMENT

(541) 917-7500
FAX (541) 917-7511

Call-A-Ride

(541) 917-7770
FAX (541) 917-7573
TDD (541) 917-7762

Transit

(541) 917-7667
FAX (541) 917-7573
TDD (541) 917-7678

FIRE ADMINISTRATION

(541) 917-7700
FAX (541) 917-7716

HUMAN RESOURCES

(541) 917-7500
FAX (541) 704-2324

INFORMATION TECHNOLOGY

221 Third Avenue SW
(541) 917-7500
FAX (541) 917-7511

PARKS & RECREATION ADMINISTRATION

(541) 917-7777
FAX (541) 917-7776

Urban Forestry/
Building Maintenance

(541) 917-7679
FAX (541) 917-7776

PUBLIC WORKS

Engineering

(541) 917-7676
FAX (541) 917-7573

Water/Sewer Billing

(541) 917-7547
FAX (541) 917-7511

Brad Bingenheimer, CPA
Boldt, Carlisle & Smith, LLC
480 Church Street SE
Salem, OR 97301

Dear Brad:

MANAGEMENT LETTER RESPONSE

The purpose of this letter is to provide a response to the items identified in the management letter presented, together with the audit report, to the Council Audit Committee on January 16, 2008. Your report and presentation were appreciated and helped to shape the response outlined below.

Each response is discussed under the headings you identified.

Internal Controls

The need for a policies and procedures manual for the accounting function is an integral part of succession planning in the Finance Department. It is also very timely since almost half of the employees in the Finance Department will be PERS eligible to retire within the next ten years.

The Finance Department has been developing "how to" manuals for the various modules in the Eden financial information system and has, to a limited degree, developed checklists for payroll and various other functions. Staff has discussed ways to better document procedures for additional functions including daily and month-end processing, periodic reporting, flow of information, and internal controls. The project may take up to a year to complete but should have significant documentation in place prior to the next annual audit.

Ambulance

The allocation of expenditures for personal services to the ambulance fund based upon FTEs is a reasonable allocation of the costs even though the use of budgetary amounts may not be reflective of actual results. That said, management will review the tools, procedures, and time that would be required to capture the actual cost of employee time spent on ambulance fund activities and make a deliberate decision between the two allocation methods.

Brad Bingenheimer

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January 24, 2008

Financial Reporting and Disclosures

Disclosures regarding interfund transfers: I will attempt to convince John that a general description of the transfers is adequate and we do not need to include the level of detail previously provided.

Amortization of the prepaid pension contribution: The amortization schedule associated with funding the unfunded actuarial liability in PERS needs to reflect the City's participation in the State and Local Government Pool. When the bonds were issued in 2002, the City was not a member of the pool and, therefore, received a separate actuarial valuation and properly presented the net pension obligation. John and I will need to work with the auditors to determine how best to present the correction in the amortization schedule for the years since the City joined the government pool.

Thank you again for your presentation to the Council Audit Committee. Please call or e-mail with any questions you may have regarding this response to the management letter.

Sincerely,

Stewart Taylor
Finance Director

ST:ldh

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