

North Albany County Service District

Function & Organization:

The district was organized in 1972 for the purpose of constructing and operating water and sewer systems. Water and sewer operations of the district were assumed by the City of Albany when the area was annexed in 1991.

Bonds were issued in 1979 and sold to the Farmers Home Administration, now renamed Rural Economic Community Development (RECD). Original principal was \$2.5 million. Water customers living outside the district paid a tax rate equivalent through their water bill. Those in lieu of tax payments were billed and collected by the City of Albany through water billings and turned over to the district.

Financing of debt payments could not be transferred to Albany. The district has existed since 1991 only to levy taxes required to meet annual debt payments. The last principle and interest payments on those bonds was paid in March 2009. The budget in the 2009-11 biennium will serve only to record and resolve disposition of remaining liabilities and assets.

The district is an independent municipal corporation. The Benton County Board of Commissioners sit as the Governing Body as required by law. County finance provides treasury and financial management services. The budget process is coordinated by county budget office. The county is reimbursed for these services by district funds.

The budget is appropriated on a biennial basis. The biennium begins July1, 2009 and ends on June30, 2011.

Administration:

Board of Commissioners
Mary Otley, Finance Manager

Location:

Benton Plaza
110 SW 4th Street
Corvallis

Telephone:

(541) 766-6771

FAX:

(541) 766-6005

Budget Summary

North Albany County Service District

Purpose:

Levy taxes and make payments on voter approved bonds issued to finance water system improvements in the late 1970's. Close out district liabilities and assets following retirement of bonds in early 2009.

Resource / Expense Category	2004-05 Annual Actual	2005-07 Biennium Actual	2007-09 Biennium Adopted	2007-09 Biennium Adjusted	2009-11 Biennium Adopted	% Change Over Adjusted
Property Taxes	129,990	259,420	219,600	219,600	2,000	-99.1%
Program Income (other)	33,528	69,574	52,000	52,000	100	-99.8%
Beginning Balance	230,140	232,070	220,000	220,000	30,000	-86.4%
Resources	393,658	561,064	491,600	491,600	32,100	-93.5%
Personnel Services	-	-	-	-	-	--
Materials & Services	2,427	9,483	9,000	9,000	32,100	256.7%
Capital Outlay	-	-	-	-	-	--
All Other	159,162	323,218	482,600	482,600	-	-100.0%
Budget Total	161,589	332,701	491,600	491,600	32,100	-93.5%
Full-Time-Equivalent (FTE) by Type						
Regular (Greater than .50 FTE)	-	-	-	-	-	--
Temporary Hire	-	-	-	-	-	--

Budget Notes:

This is a biennial (two-year) budget.

The proposed budget assumes only receipt of delinquent property taxes and interest earnings on a beginning balance from the prior biennium.

Expenditures in the biennium will be for audit reports, legal notices and overhead payments to the county. It is anticipated the district will be dissolved and that may require use of remaining assets to the extent available. Under current law dissolution requires the expense of a district-wide election on the question. At the time of adoption the legislature was considering a bill that would define an alternative procedure to dissolve county service districts.

There will be no tax levy in the 2009-11 biennium. Now that the debt has been retired, the district has no authority to levy new property taxes without voter approval.

The tax levy for debt service in 2008 (the second year of the 2007-09 biennium) was 18 cents per thousand of assessed value (AV).