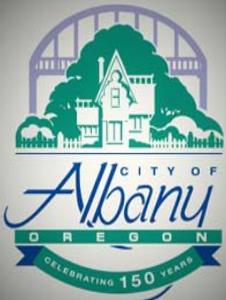


Popular Annual Financial Report



For Fiscal Year Ended June 30, 2016

City of
Albany, Oregon



Albany Boards, Commissions, and Committees

The City of Albany has 17 active Boards, Commissions, and Committees. Annual recruitment for vacant positions occurs during the fall each year. The description of each Board, Commission, and Committee, along with an application form, can be found on the City website.

<https://www.cityofalbany.net/city-council/bcc>

Airport Advisory Commission
Arts Commission
Audit Committee
Bicycle & Pedestrian Advisory Commission
Budget Committee
Building Board of Appeals
CARA Advisory Board
City Tree Commission
Community Development Commission
Human Relations Commission
Landmarks Advisory Commission
Library Board
Parks & Recreation Commission
Planning Commission
Public Safety Commission
Senior Center Endowment Committee
Traffic Safety Commission



The City of Albany now uses Nixle, a social media message platform, to send important, official information directly from the City Manager's Office, Albany Police Department, Albany Fire Department and Parks & Recreation. Messages are delivered by email, SMS text message, and over the web in real time. It is a simple, quick way to let residents know about road detours, weather emergencies, police activity, special events, programs and activities. Messages can be geographically targeted as well.

Residents can receive messages by phone as part of their text messaging plan; otherwise standard text message rates apply. Text the Albany ZIP code, 97321, to 888-777 or register online and learn more at www.nixle.com.

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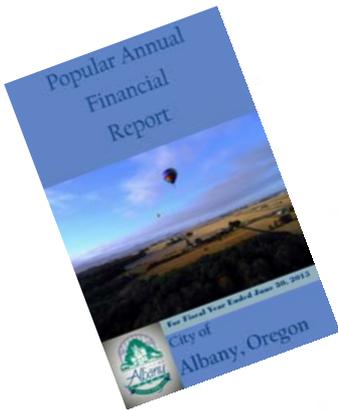
The information in this report was taken from the City of Albany Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2016. To view the CAFR in its entirety, please visit the City’s website located at www.cityofalbany.net.

Award for Outstanding Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) has given the Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Albany, Oregon for its Popular Annual Financial Report for the fiscal year ended June 30, 2015. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government reports.

In order to receive an Award for Outstanding Achievement in Popular Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The City of Albany, Oregon has received a Popular Award for the last four years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.



Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to
**City of Albany
Oregon**

For its Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

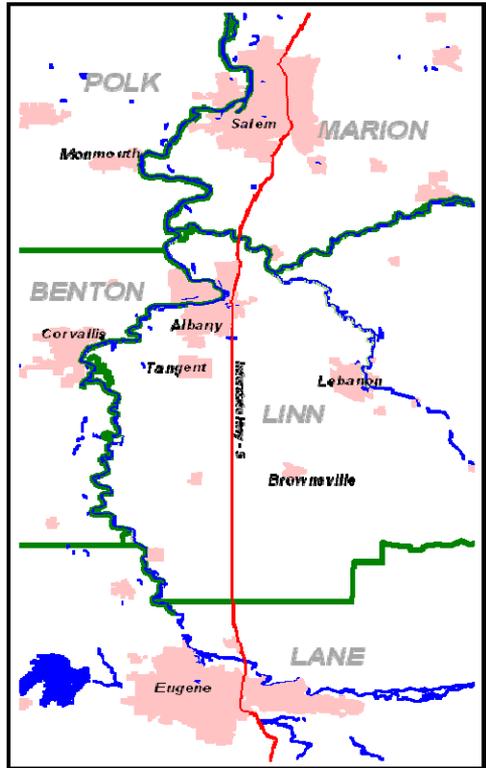
Jeffrey R. Egan
Executive Director/CEO

The City of Albany

The City of Albany is located in both Linn and Benton Counties. It is the county seat of Linn County and has been called the “hub” of the Willamette Valley due to its location at the junction of US Highways 20 and 99E, and Interstate 5.

The City provides a full range of municipal services including, but not limited to Police, Fire, Emergency Medical Service, Library, Parks and Recreation, Water, and Wastewater to a 2016 estimated population of 51,270. Nearly 86 percent of the City’s population resides in Linn County.

Rare metals provide the largest single source of employment within the city limits. The US Bureau of Mines, which opened a research facility in Albany in 1943, introduced rare metal technology. The primary rare metal industrial plants are Wah Chang, a subsidiary of Allegheny Technologies, and its sister company Allvac Albany.



From the City Manager



Each year the City of Albany is required to keep complete data on all our financial transactions and make that information available through a Comprehensive Annual

Financial Report or CAFR. The City goes far beyond legal requirements by also posting information to our website every day that shows how much has been spent in each line item of the budget. We recognize, however, that the volume and complexity of the financial data we report can work against understanding. Most of us are not accountants with unlimited time and few of us are familiar with the many rules governing local government finance. Our Popular Annual Financial Report or PAFR is published to provide summary information that should be easier for the majority of interested residents to navigate and understand.

Our goal is to present understandable information that conforms to reporting standards established by the Government Finance Officers Association (GFOA). Albany has a long history of observing these standards in our budgets and CAFR's to assure citizens that the information they receive is reliable. Additionally, an independent auditor examines the City's financial statements every year and issues an opinion about their accuracy.

City Revenues

Albany receives most of its money from a small number of sources. User fees for water and sewer services, property taxes, intergovernmental resources (primarily from the state), franchise fees and transient lodging tax revenue comprise almost all of what the City receives annually. Utility fees and property taxes are by far the largest sources of city income. The Popular Annual Financial Report (PAFR) will provide some detail both through text and graphs showing revenue sources and trends. The most obvious trend is that revenues are growing at a relatively slow rate while the demand for increased services and the expenses they entail grows.

From the City Manager

City Expenses

Albany's spending priorities are directed by the City's Strategic Plan and illustrated by our annual budget. Most of our money is spent on police, fire, water, sewer and transportation services. We also spend a significant amount on parks and recreation. The cost of keeping qualified responders available to address local emergencies is one of the fastest growing city expenses. Despite wage and benefit gains, it is growing harder to attract and retain qualified applicants to these very demanding professions.

Debt

Albany voters approved more than \$18 million to construct new police and fire stations in 2015, increasing the City's debt through the sale of bonds backed by property tax revenue. The City also has significant debt in our utilities after constructing new water and wastewater treatment plants over the past decade. Albany's credit rating through Moody's and Standard and Poor has been steadily improving during this time.

Conclusion

I believe this year's PAFR documents a continuing strong financial position for the City of Albany. The city council and staff have shown the discipline to align expenses to revenue when needed and avoid increasing staff without a corresponding increase in revenue. The result has been pressure to provide high quality services with fewer resources. The ongoing financial challenge to the City will be to find new and better ways to deliver services without increasing costs. The PAFR should illustrate the challenge and perhaps help provide the broader understanding necessary to move toward solutions.

Sincerely,

Wes Hare
City Manager

Albany's Governance

The City of Albany, founded in 1848, was incorporated in 1864 and adopted a home-rule charter in 1891. It operates under the provisions of its own Charter and applicable state law. The City has a Council - Manager form of government. The City Council consists of seven members, each elected by the citizens of Albany. Councilors are elected to serve overlapping four-year terms. There are three wards with two councilors representing each ward. The Mayor is elected at-large by the entire City and serves a two-year term. The Mayor presides over all Council meetings and may vote only in case of a tie. All Council members are part-time elected officials who exercise the legislative powers of the City and determine matters of policy.



2015-16 Albany City Council

Elected officials:

Sharon Konopa, Mayor
Dick Olsen, Councilor, Ward I
Floyd Collins, Councilor, Ward I
Ray Kopczynski, Councilor, Ward II
Bill Coburn, Councilor, Ward II
Bessie Johnson, Councilor, Ward III
Rich Kellum, Councilor, Ward III

Appointed official:

Wes Hare, City Manager

2014-2015 Audit Highlights

The following highlights are taken from the Management Discussion and Analysis section of the 2015-16 Comprehensive Annual Financial Report (CAFR) and represent all funds reported in the CAFR:

The CAFR for the year ended June 30, 2016, received an unqualified opinion from the audit firm Boldt, Carlisle, & Smith, LLC, and has been submitted to the Government Finance Officers Association of the United States & Canada (GFOA) for consideration of the Certificate of Achievement for Excellence in Financial Reporting. The City has received this award for the last 30 consecutive years (1984-2015).

- At June 30, 2016, the City's assets totaled \$438.0 million, consisting of \$330.6 in capital (non-consumable) assets, \$87.7 million in unrestricted (not ear-marked for a specific purpose) cash and investments, \$1.2 million in inventories and prepaid items, and \$18.5 million in receivables.
- The assets exceeded the liabilities of the City at June 30, 2016, by \$323.3 million. \$34.1 million may be used to meet the City's ongoing obligations to citizens and creditors. This represents a decrease of \$18.2 million in comparison to the previous year.
- The City's governmental activities generated \$8.1 million in charges for services and obtained \$8.0 million in operating (for day-to-day operations) and capital (for the purchase of capital assets) grants. Direct expenses, including interest on long-term debt for governmental activities, were \$71.8 million, resulting in \$55.7 million in net expenses.
- Fund balances (excess of assets over liabilities) in the City's governmental funds increased \$18.9 million to \$18.6 million as of June 30, 2016. Contributing to the change is: an increase in the General Fund balance of \$0.5 million as reserves are built up; a decrease in the Risk Management Fund of \$4.8 million as the settlement proceeds are used to fund capital projects; and an increase in the Capital Projects Fund of \$23.4 million reflecting the sale of bonds for the police and fire stations.

In the Spotlight

Shop With A Cop

Shop with a Cop has been held across the country for the past 21 years. Underprivileged children are identified through several sources and invited to participate in the program.



Children arrive at Wal-Mart in the morning and are paired with a uniformed officer as a shopping guide. The pairs of officers and children are then given \$50 gift cards, which come from Wal-Mart community grants as well as private donations.

In the Spotlight



The children shop for themselves and family members and commonly go a little over their \$50 budget.

Often officers jump in, opening their own wallets to make up the difference for any given wish list.

Once the shopping is complete, the children can take their purchases to a gift wrapping station which is also staffed by volunteers.

While their gifts are being wrapped, the children enjoy snacks and goodies, which are also provided by Wal-Mart, before leaving with their haul of packages.



Balance Sheet

A statement of financial position (Statement of Net Position) shows: 1) assets and the deferred outflows (consumed, but will benefit future period) of resources; 2) liabilities and the deferred inflows (acquired, but are applicable to future period) of resources; and 3) the difference between them (net position). At June 30, 2015, the City's assets exceeded its liabilities by \$127.9 million in governmental activities. Assets for business-type activities exceeded liabilities by \$182.9 million. The chart below shows a high-level summary of the City's financial position. For greater detail of the report please see the City's CAFR, which is available online at <http://www.cityofalbany.net>.

City of Albany ♦ Statement of Net Position (nearest thousands)

Assets	As of June 30, 2015		As of June 30, 2016	
	Governmental	Business-Type	Governmental	Business-Type
Current assets	\$ 50,600,000	\$ 49,084,000	\$ 62,867,000	\$ 44,553,000
Capital and other assets	103,624,000	228,115,000	102,874,000	227,713,000
Total assets	154,224,000	277,199,000	165,741,000	272,266,000
Liabilities				
Current liabilities (due <1 yr)	5,132,000	7,456,000	5,070,000	8,131,000
Long-term liabilities (due >1 yr)	12,325,000	83,728,000	47,280,000	84,238,000
Total liabilities	17,457,000	91,184,000	52,350,000	92,369,000
Deferred Outflows/Inflows				
Pension related items	9,699,000	3,119,000	(42,000)	40,000
Total Net Position	\$ 127,068,000	\$ 182,896,000	\$ 113,433,000	\$ 179,857,000



December 2016 Ice Storm, By Karen Beebe

Income Statement

City of Albany ♦ Statement of Activities (nearest thousands)

	2013	2014	2015	2016
Expenses				
Governmental	\$ 50,591,000	\$ 50,843,000	\$ 43,666,000	\$ 71,771,000
Business-type	26,396,000	26,290,000	24,220,000	32,379,000
Total Expenses	76,987,000	77,133,000	67,886,000	104,150,000
Program Revenues				
Governmental	\$ 14,855,000	\$ 17,298,000	\$ 16,819,000	\$ 16,061,000
Business-type	25,749,000	28,580,000	30,503,000	30,240,000
Total Program Revenues	40,604,000	45,878,000	47,322,000	46,301,000
General Revenues and Transfers				
Governmental	\$ 35,059,000	\$ 37,289,000	\$ 37,750,000	\$ 42,075,000
Business-type	5,037,000	(1,281,000)	(685,000)	(900,000)
Total General Revenues	40,096,000	36,008,000	37,065,000	41,175,000
Change in net position				
Governmental	\$ (677,000)	\$ 3,744,000	\$ 10,903,000	\$ (13,635,000)
Business-type	4,390,000	1,009,000	\$ 5,598,000	(3,039,000)
Total Change in net position	3,713,000	4,753,000	16,501,000	(16,674,000)
Net position - beginning				
Governmental	\$ 129,851,000	\$ 129,302,000	\$ 128,625,000	\$ 127,068,000
*Business-type	172,733,000	174,933,000	179,322,000	182,896,000
Net position - ending				
Governmental	\$ 129,174,000	\$ 133,046,000	\$ 139,528,000	\$ 113,433,000
*Business-type	177,123,000	175,941,000	184,920,000	179,857,000
Total net position - ending	\$ 306,297,000	\$ 308,987,000	\$ 324,448,000	\$ 293,290,000

*In 2012-13, the CAFR reported a prior period adjustment for business-type activities of \$1,003,000. GASB 65 allowed entities to write off debt issuance costs from prior years, which caused the ending net position

Governments are not motivated by profit, as are businesses. Instead, governments are interested mainly in providing services. The format of the income statement (Statement of Activities) focuses on the cost (expense) of doing business. The revenues are broken into two categories: 1) revenues directly associated with identifiable programs and 2) revenues that are not reported as program revenues (i.e., property taxes). The above report is a high-level summary of the City's resource flows. For a more detailed report, please see the City's CAFR, which is available at <http://www.cityofalbany.net>.

Overview of Revenues

The City utilizes 18 funds to account for governmental services. These funds are grouped into two separate categories: governmental activities and business-type activities. Governmental activities are the basic services provided by the City and include services such as public safety (police and fire), public works, parks and recreation, library, municipal airport, and general administration. Property taxes and franchise fees fund the majority of these services.

Business-type activities of the City are its water and sewer services. The City charges fees to customers to cover the costs of providing these services. The City Council reviews increases to the sewer and water rates on an annual basis to cover debt service for major construction projects and inflation.

Major Revenue Types:

Property taxes

The City of Albany levies the following property taxes:

- The City of Albany's permanent rate of \$6.3984 per \$1,000 of assessed value.
- In May of 2012, the citizens of Albany passed a five-year levy to fund police and fire services. The rate is \$1.15 per \$1,000 of assessed value. The budget passed for Fiscal Year 2014-15 is the fourth year of the levy.
- In May of 2015, the citizens of Albany approved an \$18,000,000 GO Bond to construct a new Police and Fire Station. In Fiscal Year 2015-16, \$1,050,294 was levied for payment of the bond.

Franchise fees

Fees charged to utilities for the use of public right-of-way.

Fees and charges for services

Fees received for services, including sewer, water, and park fees.

Licenses and fees

Revenue from the issuance of licenses such as permits, licenses, and fees, including court and library fines.

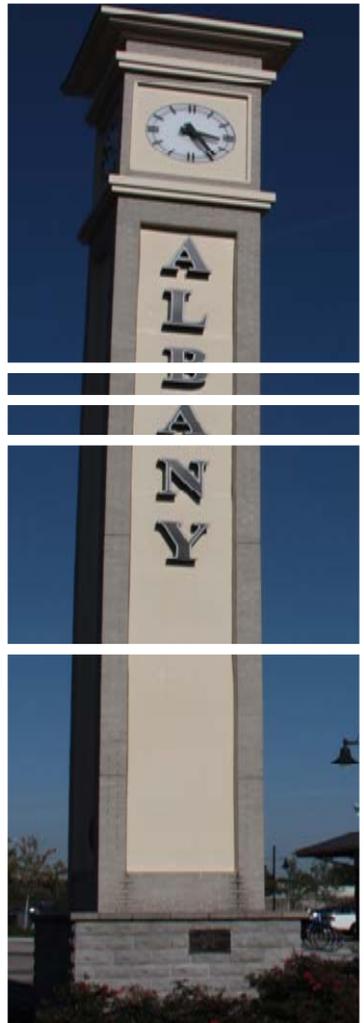
Intergovernmental revenue

Revenue received from other governments (federal, state, county) in the form of grants and shared revenues.

Property Taxes

Linn County assesses property taxes on behalf of all taxing jurisdictions within the county. In addition to the City, these include the county, schools, and special districts. For each dollar that is collected by the County, the City receives \$0.20 for general operations. The City also receives \$0.04 for the Public Safety Levy and debt service.

Miscellaneous*	1%
Education	35%
Albany Urban Renewal	3%
Albany Levy/Debt	4%
City of Albany	20%
Linn County	37%



*Miscellaneous includes Albany Rural Fire District and 4-H Extension Service

North Albany and Benton County

Residents of North Albany pay property taxes to Benton County as this portion of Albany lies across the Willamette River in Benton County.

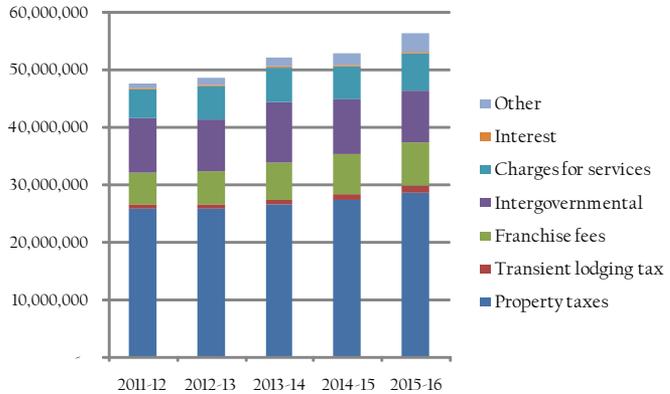
Benton County assessed the residents of North Albany \$5,291,474 for the 2015-16 fiscal year. This amount is not included in the graphic presented.

Revenue History

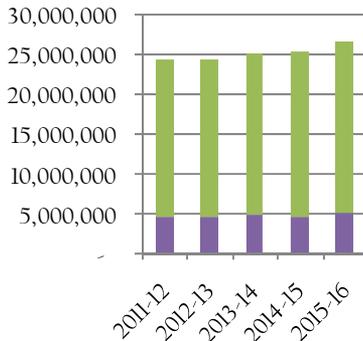
Governmental Activities Notes:

- Property taxes assessed increased 4.17 percent over the previous year, showing promising growth since the recession of 2008-2009. Collections have continued to rise with an increase of 2.73 percent over what was collected last fiscal year.
- Interest earned on investments and amounts held in the Local Government Investment Pool showed an increase of 42.91 percent from the previous year. Interest earned over the last five years has increased 31.73 percent from \$ 345,827 in 2011-12.
- Transient Lodging Tax continues to grow. Collections increased 46.0 percent over the \$ 927,172 collected in Fiscal Year 2014-15.

Revenue Collections



Property Taxes Assessed

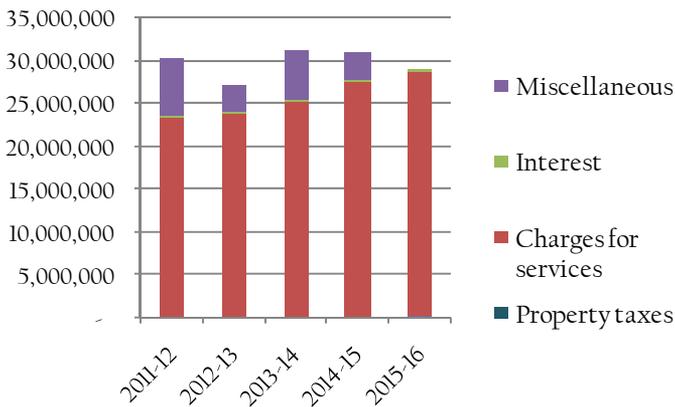


Property Taxes Assessed

Revenue History

Business-Type Activities Notes:

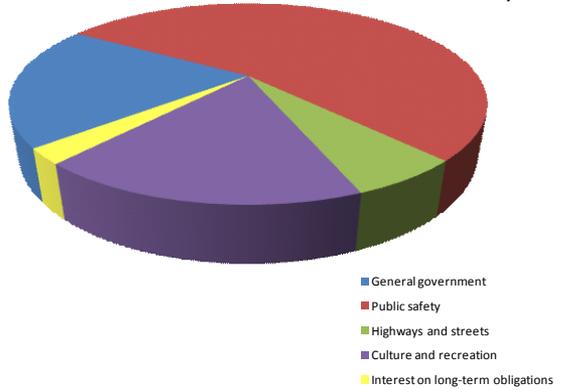
- In 1998 the City voted to issue \$7,865,000 of bonds secured by property tax revenue to pre-pay the Advance Refunding General Obligation Water Bonds, Series 1987. Since the bonds were paid in full during Fiscal Year 2009-10, the business-type funds only receive property tax revenue for certified sewer assessments.
- Interest earned on investments and amounts held in the Local Government Investment Pool (LGIP) have decreased 10.89 percent from 2011-12 to 2015-16.



Groundbreaking for Police Station

Overview of Expenditures

As of June 30, 2016



Governmental Activity Functions

General government - This function includes expenses incurred by the City Council, City Manager, Finance, Human Resources, Information Technology, and Planning.

Public safety - This function includes expenses incurred by the Fire and Police departments, including the Public Safety Levy.

Highways and streets - This function includes expenses of the Public Works department.

Culture and recreation - This function includes expenditures incurred by the Library and Parks & Recreation.

Interest on long-term obligations - This function includes interest payments on general obligation, special assessment, and revenue bond debt issues financed by property taxes, and property assessments.



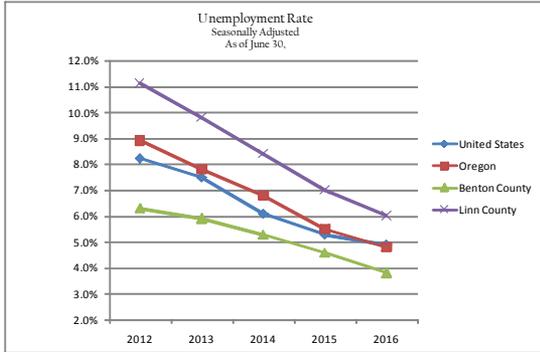
More than half of all governmental activity expenses are for public safety. Public safety accounts for 54.31 percent of expenses. Highways and streets represents 6.06 percent of total expenses, with general government at 19.82 percent.

Interest on long-term debt obligations accounts for 2.40 percent of governmental activity expenses, indicating a continuing favorable debt position for the City.

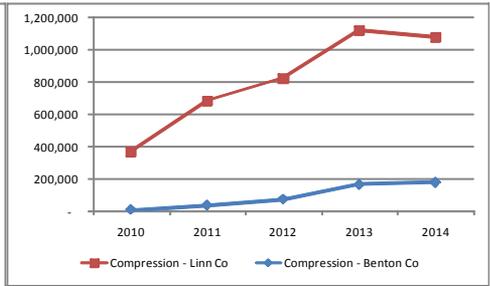
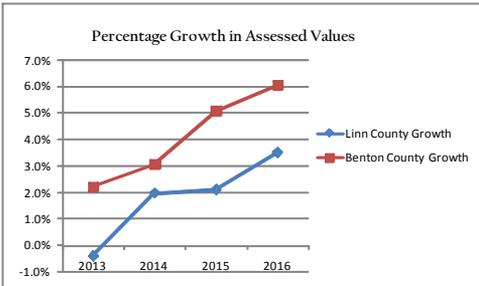
Economic Outlook

At June 30, 2016, Oregon's unemployment rate remains close to the national unemployment rate of 4.9 percent. In the last 12 months non-farm employment decreased by 60 jobs in Benton County and 170 jobs in Linn County.

Benton County's employment level has been outpaced by both the state and the nation during the last 12 months. The rate is 6 percent above its pre-recession level. Employment gains for Benton County in recent years can be attributed to record enrollment levels at Oregon State University. Private sector employment has grown 3.3 percent while the public sector grew slightly.



Employment growth for Linn County has continues to grow, but lags behind the state at 2.0 percent.



Property taxes are a major source of revenue for the City. Assessed value in Linn County increased 7.36 percent since Fiscal Year 2011-12 while Benton County increased 17.36 percent. Compression continues to be a problem in both Linn and Benton Counties. In Fiscal Year 2015-16, the City lost \$1,260,417 to compression. The majority of the loss is in the Public Safety Levy. Compression is starting to decline in Linn County, however, it continues to be a problem. New commercial dollars need to be added to the tax rolls. Commercial property isn't affected by the per-thousand-rate of Measure 50.

The Adopted Budget

Most local governments in Oregon must prepare and adopt an annual budget. Oregon Local Budget Law sets specific steps that must be followed during this process. The budget process must begin far enough in advance that all steps can be followed and the budget adopted before June 30. Without a budget for the new fiscal year in place on July 1, the City's authority to spend money expires and the ability to impose a property tax is gone.

The budget is the City's financial plan that contains estimates of revenues and expenses for the budgeted period. An adopted budget gives the City its authority to spend public money.

On May 19, 2015, the 14-member Budget Committee approved the City of Albany budget for Fiscal Year 2015-2016. On June 15, 2015, the Albany City Council adopted the budget in the amount of \$188,088,000. The adopted budgets for four fiscal years are detailed in the table below.

The overall budget for Fiscal Year 2015-2016 is 17.39 percent more than Fiscal Year 2014-2015. Contributing to the overall increase is an increase in capital expenditures of 33.09 percent, personnel services of 2.72 percent, and an increase in materials and services of 11.72 percent.

Personnel services is 42.20 percent of the operating budget and 25.13 percent of the total budget (an decrease over prior year of 3.59 percent of total budget).

The increase of \$1,006,900 in contingency over the previous year is a result of an excess of anticipated revenues and expenses less than budgeted.

	Fiscal Year 2012-13	Fiscal Year 2013-14	Fiscal Year 2014-15	Fiscal Year 2015-16
Personnel Services	\$ 42,547,700	\$ 44,754,400	\$ 46,014,900	\$ 47,265,300
Materials & Services	31,666,800	32,270,000	33,859,600	37,828,100
Debt Service	18,487,500	17,191,200	15,397,600	14,479,800
Transfers	6,894,200	7,066,500	6,993,500	12,438,300
Total Operating Budget	99,596,200	101,282,100	102,265,600	112,011,500
Capital	53,660,000	54,266,500	54,212,600	72,154,100
Contingency	2,444,000	2,612,800	3,619,700	3,791,400
Unappropriated	130,400	130,200	130,700	131,000
Total City Budget	\$155,830,600	\$158,291,600	\$160,228,600	\$188,088,000

The City of Albany Budget Document

The City's published budget document can be found online at

Changing the Budget

During the year, it is sometimes necessary to make changes to the adopted budget. It is not always possible to foresee every revenue received or expense to be incurred. Because Oregon Local Budget Law makes it illegal to spend more than what has been appropriated (adopted), a process called the Supplemental Budget is available. Circumstances such as receiving state, federal or local funds (grants) that weren't anticipated at the time the budget was prepared require a supplemental budget.

The City Council must adopt a resolution to increase the spending authority of the City before any expenditure exceeds the existing appropriation. A Supplemental Budget cannot increase the taxing authority (how much the City can charge property owners) of the government.

Presented below are the final budgets and corresponding actual expenses for the last two fiscal years by category and by department.

By Category

	2014 - 2015		2015 - 2016	
	Final Budget	Actual Expenses	Final Budget	Actual Expenses
Personnel Services	\$ 46,108,700	\$ 42,955,476	\$ 47,915,900	\$ 45,432,741
Materials & Services	34,034,700	29,360,804	37,895,300	33,325,520
Debt Service	15,397,600	9,616,017	14,479,800	9,327,187
Transfers	7,194,000	6,915,944	12,934,500	11,978,758
Total Operating Budget	102,735,000	88,848,241	113,225,500	100,064,206
*Capital	54,017,300	10,510,322	72,065,600	13,573,225
Contingency	3,469,000	-	3,478,400	
Total City Budget	\$ 160,221,300	\$ 99,358,563	\$ 188,769,500	\$ 113,637,431

By Department

	2014 - 2015		2015 - 2016	
	Final Budget	Actual Expenses	Final Budget	Actual Expenses
Finance	\$ 25,552,400	\$ 11,159,043	\$ 49,335,700	\$ 16,941,400
City Manager/Council	2,340,200	2,051,799	2,565,000	2,418,382
Information Technology	3,680,600	1,960,570	3,713,500	2,770,181
Human Resources	644,500	585,277	655,800	636,126
Fire	13,327,800	12,948,725	13,981,100	13,518,033
Police	13,579,500	12,836,611	14,056,500	13,475,158
Parks & Recreation	8,572,200	6,822,391	9,075,600	7,093,804
Community Development	3,488,500	2,538,410	4,230,900	2,872,097
Library	2,669,400	2,531,300	2,756,700	2,637,584
Public Works	86,366,200	45,924,437	88,398,700	51,274,666
Total City Budget	\$ 160,221,300	\$ 99,358,563	\$ 188,769,500	\$ 113,637,431

* In addition to budgeted projects not started/ completed, the difference in budgeted capital and actual is budgeted numbers include reserves for future projects of \$ 43,307,000 for 2014-15 and \$ 58,492,400 for 2015-16

Financial Policies

Financial Policy

It is the policy of the City of Albany to actively manage financial, operational, and budgetary affairs within established guidelines in order to maintain financial stability both now and in the future.

Investment Policy

It is the policy of the City that all funds shall be managed and invested with three primary objectives, listed in the following order of priority:

1. **Safety of Principal** - Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. **Liquidity** - The City's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements that might be reasonably anticipated.
3. **Yield-Return** - The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow of the portfolio. "Market rate of return" may be defined as the average yield of the current three-month U.S. Treasury bill or any other index that most closely matches the average maturity of the portfolio.

Risk Management Policy

It is the policy of the City of Albany to proactively identify and manage the inherent risks of providing municipal services. Potential losses will be mitigated through employee safety committees, loss prevention programs, property and liability insurances, workers' compensation, and employee health, life, and disability benefits.

The financial policy documents, in their entirety, can be found online at <http://www.cityofalbany.net> in the FY 2014-15 budget document.

General Financial Information

Most City services and projects are accounted for in a set of accounts known as governmental funds. The following are the funds (and descriptions) currently in use by the City:

- **General Fund** - Accounts for revenues and expenditures associated with the general operations of the City that are not required to be accounted for in separate funds.
- **Special Revenue Funds** - Account for proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than payment of debt or funding of capital projects. Special Revenue funds don't include resources held in trust for individuals, private organizations, or other governments.
- **Debt Service Fund** - Accounts for the accumulation of funds that are restricted, committed, or assigned to expenditure for principal and interest on debt.
- **Capital Projects Fund** - Accounts for resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition and construction of capital facilities and other capital assets. The Capital Projects Fund does not account for assets financed by proprietary funds, or for assets that will be held in trust for individuals, private organizations, or other governments.

Proprietary Funds - Account for activities the City operates similarly to a business. The City has two proprietary funds: the Sewer and Water Funds.

Fiduciary Funds - Used to report assets held in a trustee or agency capacity for others. These assets cannot be used by the City to support its own programs. The City has two fiduciary funds: the Senior Center Endowment Fund, which receives donations dedicated to the Senior Center; and the Library Trust Fund, which accounts for the Veda O. Torney Trust for the purchase of children's library books and the Manela Trust for the purchase of scientific, educational, and technical books.

The PAFR charts and graphs focus on the City's governmental activities and do not include proprietary or fiduciary funds or the City's component unit, the Albany Revitalization Agency.

Contact Us

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The financial statements of the City are intended to provide its citizens, investors, creditors, and customers with a general overview of the finances of the City. The financial statements also demonstrate the City's accountability for the resources it receives and expends.

The information in this report is taken from the audited Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2016. Financial data in this report are consistent with Generally Accepted Accounting Principles (GAAP).

For further detail of the information provided in this report, the CAFR and the Fiscal Year 2014-16 Budget Document can be viewed online. Physical copies can be requested by email or requested in person at :

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December 2016 Ice Storm, By Karen Beebe