



Annual Comprehensive Financial Report





CITY OF ALBANY

★ OREGON ★

Inc. 1864

City of Albany, Oregon

Annual Financial Report
for the Fiscal Year Ended
June 30, 2024

* * * * *

Peter Troedsson, City Manager
Jeanna Yeager, Finance Director

Prepared by:
City of Albany, Oregon
Finance Department



CITY OF ALBANY

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INTRODUCTORY

City of Albany, Oregon

333 Broadalbin Street SW

Albany, OR 97321

www.albanyoregon.gov

COUNCIL MEMBERS

Ward	Mayor and Councilors	Years of Service	Term Expires
	Alex Johnson II, Mayor	3	December 31, 2026
Ward 1	Steph Newton-Azorr	2	December 31, 2026
Ward 1	Matilda Novak	2	December 31, 2024
Ward 2	Jackie Montague	2	December 31, 2026
Ward 2	Ray Kopczynski	10	December 31, 2024
Ward 3	Ramycia McGhee	2	December 31, 2026
Ward 3	Marilyn Smith	2	December 31, 2024

CITY ADMINISTRATIVE STAFF

City Manager..... Peter Troedsson
 Community Development Director Matthew Ruetters
 Finance Director Jeanna Yeager
 Fire Chief Shane Wooton
 Human Resources Director Holly Roten
 Information Technology Director..... Sean Park
 Library Director Eric Ikenouye
 Parks & Recreation Director..... Kim Lyddane
 Police Chief Marcia Harnden
 Public Works Director Chris Bailey

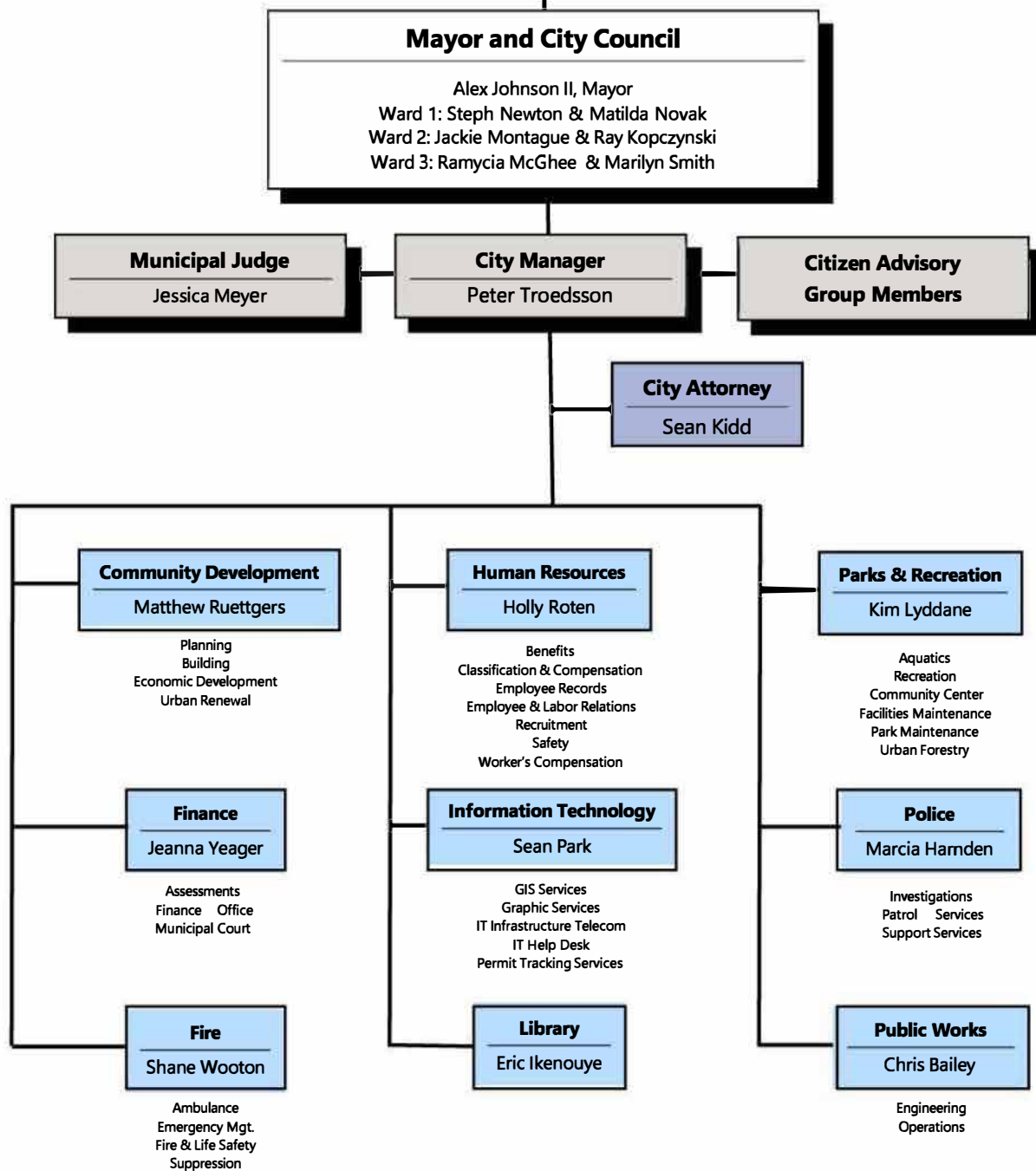
PRINCIPAL FINANCE STAFF

Finance Director Jeanna Yeager



CITYWIDE ORGANIZATIONAL CHART

Citizens of the City of Albany





LETTER OF TRANSMITTAL

March 4, 2026

Honorable Mayor Alex Johnson II
Members of the Albany City Council
Citizens of the City of Albany
City of Albany, Oregon

State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, unless extended, a complete set of audited financial statements. Thus, we are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Albany, Oregon (City), for the fiscal year ended June 30, 2024, together with the unqualified opinion therein of our independent certified public accountants, SingerLewak.

Management has full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for that purpose. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

In their audit, it is the responsibility of the independent accountants to express an opinion of the fairness of the basic financial statements. The independent accountants have attested to the fairness of the basic financial statements with an unmodified opinion as presented in the Report of Independent Accountants.

The Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A is located immediately following the report of the independent auditors, beginning on page 17.

ABOUT ALBANY, OREGON

Albany is located in the heart of the Willamette Valley 40 miles north of Eugene, the state's second largest city, and 24 miles south of Salem, the state capital. Home to 57,997 (July 1, 2023 PSU Certified Estimate), Albany is the 11th largest city in Oregon, the county seat of and largest city in Linn County (population: 131,984), and the second largest city in Benton County (population: 99,355).

LETTER OF TRANSMITTAL

Population:

Year	City of Albany	Linn County	Benton County
1980 Census	26,678	89,495	68,211
1990 Census	29,540	91,227	70,811
2000 Census	40,010	103,069	78,153
2010 Census	50,710	111,355	87,000
2020 Census	56,472	128,610	95,184

The City was founded in 1848, incorporated in 1864, and adopted its first charter in 1891. A directly elected nonpartisan mayor with a two-year term leads the seven-member city council. Six city councilors from three different wards are each elected to four-year overlapping terms. A full-time city manager administers the affairs of the City for the council and supervises a staff of nine department directors overseeing 409 regular employees.

The Albany community takes special pride in four historic districts within the city that are listed on the National Register for Historic Places. In 1984 and 1985, the "Albany Community" was awarded the All American City Award for its volunteer efforts by its citizens. The community has more than 240 volunteer groups.

ECONOMIC OUTLOOK AND CONDITION

The Willamette Mid-Valley work source region, in which Albany is located, includes Linn, Marion, Polk and Yamhill counties and has a diverse economic base. The four largest industries by employment are manufacturing, health care, transportation, and agriculture.

Oregon State University in nearby Corvallis, as well as Samaritan Health Services and ATI Wah Chang in Albany, employ over 16,100 people. The development of the U. S. Bureau of Mines in Albany in the 1940s led to the growth of a significant rare metals industry in the Albany area. Today, Albany is known as the "Rare Metals Capital of the World" due to the production volume of specialized metals. Manufacturing firms, such as ATI Wah Chang (estimated 1,650 full-time employees), create specialized products for aerospace, super conductivity, fiber optics, nuclear energy generation, and photography.

The Willamette Valley is one of the ten most productive agricultural areas of the world. The production, processing, and packaging of locally grown grass seeds, vegetable seeds, beans, corn, peas, strawberries, and many other crops continue to play a primary role in the strength of the Albany economy. Area food product manufacturers include unique freeze-drying operations as well as conventional freezing of seafood and produce.

Statistics published by the Oregon Employment Department show that as of June 30, 2024, the unemployment rates for Linn and Benton counties were 4.5 percent and 3.6 percent, respectively. A factor in measuring the economic condition of a community is its overall real market value. For properties within the city, the real market value increased 10 percent from \$6.15 billion to \$6.77 billion in the last fiscal year.

MAJOR INITIATIVES

Strategic Plan

The City of Albany is operating under a five-year strategic plan spanning 2022-2026. Each year staff reports out to the City Council on the performance of the plan, and the Council holds a retreat to review and reaffirm direction and priorities for the coming year. The four vision areas in this plan include: Great Neighborhoods, Safe City, Healthy Economy, and Effective Government. An annual report is published each year outlining key accomplishments in advancing that vision. Additional information regarding the plan including specific goals may be found [here](#).

Public Safety

The Albany Police Department handled approximately 47,000 calls for service through its dispatch center. The department processed a little over 9,000 cases and forwarded around 1,500 of those cases to the Linn and Benton County District Attorneys' Offices for prosecution. While there was a decline in violent crime, some property and drug-related offenses saw an increase.

During this period, the department achieved several key accomplishments. One of the notable changes was the opening of the East Substation at the Coastal Farm offices, which helped to reduce response times in busier areas of the city.

Additionally, the department introduced Online Crime Reporting, enabling victims and residents to report issues more efficiently without waiting for an officer to respond or make a call. Reports, including livability complaints, can now be submitted via computer, tablet, or smartphone.

Furthermore, the department sought state-level grant funding to establish a DUI Officer position specifically focused on impaired driving and other offenses that contribute to traffic injuries and fatalities.

The department also expanded its automated traffic enforcement program from one to four locations, concentrating on areas near schools and neighborhoods. This program was fully operational by July 2025, with the goal of reducing speeding, addressing red light violations, and increasing overall traffic safety.

The Albany Fire Department (AFD) responded to nearly 12,000 calls for service in fiscal year 2024–25 - a nearly 20% increase from five years ago.

After almost six years of work, AFD completed a major radio system upgrade made possible through a federal grant and a partnership with the Linn County Sheriff's Office. The new system has significantly improved the safety and reliability of communication for both personnel and the community served. AFD also installed an automated dispatch system in 2024-2025. Integrated through our 9-1-1 dispatch center and all AFD fire stations, this system is expected to enhance response times and increase operational reliability.

To support ongoing training and development, construction has begun on a long-awaited training tower. First envisioned in the late 1970s, this facility will help train current firefighters and future recruits. It will also be available for use by other agencies. Completion is scheduled for October 2025.

In late 2024, AFD received a grant from the Department of Human Services to launch a pilot program supporting seniors and citizens with disabilities. This grant will fund lifting devices to be distributed to care homes across the City of Albany. Lift-assistance and fall-related calls were a leading reason for service in 2024, and they remain prevalent. These devices are expected to reduce non-emergency 9-1-1 calls, while also helping to prevent injuries to AFD crews, care home staff, and patients.

The department's vehicle fleet is heavily used and as call volumes continue to rise, increased funding and planning is needed to replace aging apparatus. Two ambulances are currently being re-chassed, and a new engine purchased under a federal grant was put in service in 2024. Additional ambulances are needed, as well as a new ladder truck and additional engine to replace one that was destroyed during a fire response.

Parks and Recreation

In 2024, Albany Parks & Recreation Department (APRD) delivered significant improvements to the City's parks, facilities, programs, and community engagement. Major capital projects included the development and opening of Meadow Ridge Park—the first new park in Albany since 2009 and only the second east of I-5—completion of restroom renovations at Monteith Riverpark, and resealing parking lots at Grand Prairie, Maple Lawn, and Waverly Parks. Accessibility remained a priority, with \$200,000 invested in ADA ramps and pads, installation of three new accessible pool lifts, and completion of multiple ADA Transition Plan projects. Environmental and beautification initiatives ranged from planting 61 new trees to clearing invasive vegetation and improving sightlines for public safety in parks and along waterways.

APRD also strengthened community connections and expanded programming. The Department produced 18 free public events, including Summer Sounds, River Rhythms, Fun in the Park, and the Northwest Art & Air Festival, as well as several smaller, new events. Outreach efforts brought APRD into schools, civic clubs, and community celebrations, while social media and web communications reached more residents than ever. These achievements, supported by over \$436,000 in sponsorships and multiple grants, reflect APRD's ongoing commitment to providing safe, accessible, and vibrant spaces and experiences for all who live, work, and visit Albany.

Library

In 2024, the Albany Public Library staff worked hard to represent their values in everything they do. While the Main Library remains open 5 days a week, we have expanded our hours on Saturdays, providing more access to our patrons. Staffing levels have limited our hours at the Carnegie Library. We offer at least one program a day, almost every day the library is open.

Summer reading remains our most successful programming initiative. In the post-pandemic years, we have seen increases in patron registrations and completions of the Summer Reading program. Annually, over 4,000 residents of all ages participate in the Summer Reading program. Like previous years, much of the funding for summer reading comes from a State Library grant and support from the Friends of the Library and the Albany Public Library Foundation. The funds are used to provide programming and supply Summer Reading prizes. A majority of the prizes come from local businesses, to ensure we support our community.

Staff continues with outreach to Spanish-speaking patrons through events (Día De Los Muertos, Día De Libros) and partnerships with GAPS and the Linn/Benton County Hispanic Advisory Committee. We now have a Spanish language help line and offer Notary services in Spanish. The development and cultivation of the Spanish language collection is a highlight among our services.

The biggest addition to our services in the last year is to the Library of Things collection. The materials in the collection range from Mobile Hot-Spots and Board Games to Cake Pans and Pressure Washers. The Things collection provides our patrons with access to items that are out of reach or perhaps provide some fun. Circulation of items has been high, and feedback from patrons has been enthusiastic as this collection delivers on access and fun.

The Library provides 100s of programs a year on a variety of topics from crafting and resume help to flower crowns and gardening. The focus in 2024 was to increase the variety of programs, including more all-ages programming, so that residents of all ages in Albany can participate.

The majority of our materials funding comes from an endowment from the Scharpf Foundation.

Building

The Building Division processed permits with over \$63 million permit valuation from a wide variety of new construction and building alterations in fiscal year 2023-2024:

- New and altered commercial buildings accounted for \$32 million, approximately 51 percent of the total permit valuation for fiscal year 2023-2024.
- New one-two family dwelling units and townhomes accounted for \$31 million, approximately 49 percent of the total permit value for fiscal year 2023-2024.
- For FY 2023-2024, the division processed applications for 41 new apartment units.
- For FY 2023-2024, the division processed 116 applications for new single-family-homes/duplexes, townhomes, and manufactured homes units.
- 2,322 other miscellaneous permits not specifically based on value were processed in fiscal year 2023-2024.
- There were 6,031 inspections scheduled in fiscal year 2023-2024.

The Building Division is continuing to enhance the abilities for customer to make applications for all permits through the City's online permit systems. Since the last report, the division has implemented a one system approach for the customers to allow them to apply, upload plans, and pay the plan review fee as part of the application.

Planning

The Planning Division implements the Albany Development Code and supports the Planning, Landmarks, and Community Development Commissions. It administers the City's Community Development Block Grant (CDBG), Certified Local Government (CLG) historic preservation grant, and floodplain management programs.

Major accomplishments for FY 2023-2024 included:

- Current Planning: Reviewed 122 land use applications and held 87 pre-application conferences in FY 2023-2024. Staff also continued work with long range planning staff to identify code amendments intended to provide more certainty, flexibility, and timely reviews for the development community while still achieving desired outcomes for implementing community visions.
- Long Range/Comprehensive Planning: Staff worked with the planning commission and council to adopt the East Albany Plan resulting in changes to the Albany Development Code (ADC), Zoning Map and Comprehensive Plan. Staff continued efforts to comply with state Climate Friendly and Equitable Communities rules and began work with consultants and the public to identify candidate Climate Friendly Areas throughout the city that are or could be walkable mixed-use areas close to transit. Staff secured a state grant and began work to implement priority strategies identified in the Housing Implementation Plan (adopted June 2023). Staff processed minor amendments to the ADC and Comprehensive Plan and monitored state legislation for changes to state requirements related to land use and housing.

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- Community Development Block Grant (CDBG): In FY 2023-2024, Albany received an annual allocation of \$335,142 in CDBG funding from the Department of Housing and Urban Development to address community development needs of low- and moderate-income residents. CDBG funds provided services to 1,145 low- and moderate-income Albany individuals and households with the following programs: housing rehabilitation, emergency shelter and case management to homeless youth, outreach and resource connection to unsheltered residents, emergency motel stays for survivors of domestic violence, childcare scholarships, and senior companions for homebound seniors and persons with disabilities. Additionally, a prior year project for property clearance and building demolition has now resulted in 27 units of affordable housing for low-income residents. Progress was also made on Lehigh Park improvements using CDBG funds.
- Certified Local Government (CLG): The Certified Local Government (CLG) grant program is funded by a Federal apportionment to Oregon through the National Park Service. The funds may be used for projects promoting historic preservation including documentation, designation, and rehabilitation of historic properties, planning, review and compliance, and public education. The grant cycle is 17 months. The 2024-2025 CLG grant began in March 2024 and concluded in June 2025. The grant allocation was \$16,500. CLG funds were used for the repair of a window in the Cumberland Church Event Center. CLG funds were also used for public educational activities and events during historic preservation month and for historic preservation awards.
- Floodplain Management: Reviewed four Floodplain related permit projects and multiple reviews of Building Permits for potential flood plain impacts or required permitting. Staff continues to manage a floodplain program which currently maintains a Community Rating System (CRS) Class 5 Rating. This means flood insurance rates for structures in the floodplain will remain discounted up to 25 percent during the next rating cycle.

Economic Development

The Economic Development Department promotes a healthy economy and livable community through business retention and expansion, recruitments, placemaking, program development and administration, and strategic partnerships.

Major accomplishments in 2023-2024 include:

- Negotiated and executed an option agreement for unique downtown mixed-use project
- Facilitated partition and partial reconveyance of real property to ensure timely development
- Engaged with the Economic Development Advisory Commission to elicit intel, support, and recommendations for better supporting Albany's business community
- Facilitated loan payoff of major traded sector business to enable internal changes and future growth
- Managed transition of Albany-based business to create an additional new business and preserve current
- Managed demolition, listing, and negotiations with new developer for former Wells Fargo site
- Recruited Portland-based chemical company to purchase former W.R. Grace site for similar uses, avoiding major potential vacancy and loss of jobs and value.
- Initiated Thurston and Montgomery ROW vacation to allow for private development along Water Avenue.

LETTER OF TRANSMITTAL

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- Partnered with Oregon Cascades West Council of Governments on successful application for EPA funds to complete environmental assessment work on key brownfield sites to remove uncertainty and aid in future development.
- Completed feasibility study of new tax-increment finance districts in east and south Albany.
- Procured and executed 6-year contracts with Albany Downtown Association, Albany Visitors Association and the Historic Monteith House for economic development and tourism-related services.
- Facilitated and managed \$50,000 in collaborative tourism promotion grants to support new events and tourism-related businesses.
- Provided three companies (two new to Albany and one expanding in Albany) with Enterprise zone benefits; equates to \$44,236,765 in new investment and 33 new jobs.

Utility Billing

The Public Works Department analyzed and updated the five-year rate forecast for the water, sewer, and stormwater utilities. These are used to inform City Council decisions on annual utility rate adjustments. This comprehensive look at the rate revenue requirements is an important tool for the department to use and informs Albany citizens about the use of rate revenue and needs within each utility. Utility Billing staff continued implementation of a billing software upgrade anticipated to be complete in 2025.

Engineering

In Fiscal Year 2024 the Public Works Engineering team initiated the design and construction of approximately \$14 million in public infrastructure projects. Key improvement projects included:

- Design and construction of street, stormwater, drinking water, and accessibility improvements on Queen Avenue between Highway 99E and the city limits
- Design and construction of the second phase of the Cox Creek Interceptor sewer project
- Design and construction of improvements to replace over 3,000 feet of sewer mains using trenchless technologies at various locations selected using a system-wide condition assessment process

In addition to capital project design and construction, staff reviewed and processed permits for the Erosion Prevention and Sediment Control program and the Stormwater program, and for the private construction of public improvements. Engineering staff completed approximately 60 development reviews and issued approximately 600 permits in Fiscal Year 2024. Finally, the city's Water Master Plan was updated and adopted in Fiscal Year 2024. The new plan which was last updated in 2004, is an updated evaluation of the city's existing water system with recommendations for improvements to meet current and future development within the community as well as current and pending regulatory requirements.

Information Technology

In FY 2024 IT processed 5,845 support requests across all departments, recruited for 3 vacant positions, and completed 38 improvement and cybersecurity initiatives.

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System Improvements

Citywide

- Completed map and GIS management system upgrade
- Deployed workflow automation licensing for all supervisors
- Migrated the City email system to albanyoregon.gov
- Migrated the City website to the albanyoregon.gov domain and new hosting system
- Upgraded the City Hall camera system
- Upgraded the City Hall wireless network

Community Development

- Upgraded the Infohub map system
- Upgraded service counter security cameras

Finance

- Deployed a finance helpdesk system
- Implemented online payment system for transient lodging tax

Fire

- Automated ambulance billing payment processing
- Automated Firemed insurance registration workflow

Human Resources

- Personnel actions process automation
- Leave request process automation
- Salary table process automation

Library

- Implemented proximity card login for Library service counters
- Upgraded security cameras at main library

Parks

- Deployed security cameras for Monteith Park
- Parks permit process automation
- Upgraded the RCC wireless network

Police

- Deployed eastside substation business systems and network infrastructure
- Upgraded APD body-worn camera infrastructure
- Replaced APD dispatch call recording system
- Upgraded APD property and evidence management system

Public Works

Implemented a new transit management and dispatch system

- Implemented a new utility billing management system
- Implemented online ordering and payment process for compost sales
- Deployed Transit bus barn business systems and network infrastructure

Cybersecurity Enhancements

- Completed the annual NCSR (National Cybersecurity Review) assessment
- Conducted a wireless network cost audit (cellular services)
- Deployed a privileged access management system
- Implemented a comprehensive security vulnerability tracking system
- Migrated to secure multifactor authentication for M365 services
- Performed penetration testing across internal network and M365 environments
- Replaced the cloud-based email security system
- Replaced datacenter backup storage systems
- Replaced the on-premise email security system
- Transitioned the IT password management from cloud to internal network

FINANCIAL INFORMATION

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and judgments by management. To assure that credible and timely information is prepared in the most efficient manner possible, accounting policies, procedures, and systems, together with related internal controls, are monitored and reviewed when necessary to meet changing requirements.

Financial and Accounting Policies

This report is prepared in conformance with the guidelines for financial reporting developed by Government Finance Officers Association and the Governmental Accounting Standards Board (GASB), including all effective GASB pronouncements. It presents fairly the financial position of the various funds of the City as of June 30, 2024, the results of operations of such funds, and cash flow of the proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

During FY 2023-2024, the City utilized a total of 21 funds, of which 17 are governmental fund types and 4 are proprietary fund types. The modified accrual basis of accounting is used for the governmental fund types (General, Special Revenue, Debt Service, Capital Project, and Permanent). The accrual basis is used for the proprietary fund types (Enterprise and Internal Service).

Risk Management

The City is responsible not only for ensuring the provision of basic, affordable public services, but also for protecting its capital assets, property, and employees. This protection is the insurance purchased according to the risk management policy, which is reviewed and updated every fiscal year. As part of the annual review, the city council sets the parameters for the departments' responsibilities, retention and transfer of risk, allocation of insurance to departments, and accident and loss reporting. For further details concerning risk management, see the notes to the financial statements.

Cash Management

The City's investment transactions are governed by a written investment policy. This policy, like the risk management policy, is reviewed annually by the city council and periodically by the Oregon Short-Term Fund Board. The policy regulates the City's investment objectives, diversification, limitations, and reporting requirements. The City contracts with Government Portfolio Advisors, LLC for advice on the management of its investment portfolio. Additional cash and investment information is included in the notes to the financial statements.

Independent Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of SingerLewak, performed the audit for the fiscal year ended June 30, 2024. This audit is conducted in accordance with generally accepted accounting standards, Government Auditing Standards, and Minimum Standards for Audits of Oregon Municipal Corporations as prescribed by the Secretary of State. The auditor must determine whether the City followed generally accepted accounting and reporting principles.

Acknowledgements

The preparation of the ACFR was made possible through the dedicated efforts of the entire staff of the Finance Department and the certified public accountants of SingerLewak. Their professionalism and commitment to excellence are sincerely appreciated. I would like to extend a special thank you to Christina Saechao, Accounting Manager, and Jane Sievers, Senior Accountant, for their leadership and technical expertise in preparing the financial statements and coordinating the audit process. Their diligence and attention to detail play a critical role in ensuring the accuracy and integrity of the City's financial reporting.

Finally, the preparation of this report would not have been possible without the leadership and continued support of the Albany City Council.

Respectfully submitted,



Jeanna Yeager
Finance Director



CITY OF ALBANY

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FINANCIAL SECTION



CITY OF ALBANY

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of City Council
City of Albany
Albany, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Albany, Oregon (the "City") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the City adopted the provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections*, effective July 1, 2023. Our opinions are not modified with respect to this matter.

As discussed in Note 4 to the basic financial statements, the beginning net position of the governmental activities and the beginning fund balance of the Capital Projects Fund have been restated to correct a misstatement. Our opinions are not modified with respect to this matter.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect material misstatements when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages a - o and the schedules of net pension liability and changes in net position liability, employee contributions (city retirement plan), investment returns (city of Newberg retirement plan), proportionate share of the net liability (OPERS), employee contributions (OPERS), changes in total OPEB liability and related ratios (CIS), proportionate share of the net OPEB liability (NWFRA), proportionate share of the net OPEB liability (OPERS-RHIA) and city OPEB contributions (OPERS-RHIA) on pages 73 - 81 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The budgetary comparison schedules on pages 85 - 88 for the General, Street, Grants and Albany Revitalization Agency funds are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the budgetary comparison schedules for the General, Street, Grants and Albany Revitalization Agency are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and other budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and other budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Mayor and Members of City Council
City of Albany
Independent Auditor's Report
March 4, 2026

Other Information

Management is responsible for the other information included in the Annual Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2026, on our considerations of the City's internal control over financial reporting and on our tests of its compliance with certain laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Other Reporting Required by Oregon State Regulations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated March 4, 2026, on our considerations of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Singer Lewak LLP

March 4, 2026

By:



Brad Bingenheimer, Partner



MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) is presented to facilitate financial analysis and provide an overview of the financial activities of the City of Albany, Oregon (the City) for the fiscal year ended June 30, 2024. Information in the MD&A is based on currently known facts, decisions, and conditions. We encourage readers to review and consider the information here in conjunction with the transmittal letter, the basic financial statements, and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of fiscal year by 396.4 million (net position). As shown on Table 1, 63.9 million is unrestricted and may be used to meet the City's ongoing obligations and pay for daily operations. This reflects an increase of 24.8 million from 2022-23. This includes prior period adjustments totaling 1.1 million. This prior period adjustment relates to a correction of error in the Capital Projects fund, a nonmajor governmental fund, of \$1.1 million to record a note receivable related to an installment sale.

The City's liabilities and deferred inflows totaled 178.3 million at fiscal year-end. This reflects a decrease of (9.5) million from the prior year, which is primarily due mainly to a reduction in deferred inflows from pension obligations.

The City's governmental funds reported combined ending fund balances of 92.3 million, a decrease of (2.6) million from the prior year, which includes prior period adjustments of 1.1 million. Of the combined ending governmental fund balance, 13.0 million is available at the City's discretion subject to Council-approved policies (assigned and unassigned fund balances).

The unassigned fund balance for the General Fund amounts to 13.1 million, or 27.4% of total general fund expenditures.

Overview of the Financial Statements

The Basic Financial Statements and Supplementary Information are presented using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. The Basic Financial Statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

The Basic Financial Statements present financial information about the City as a whole and about its activities. Following the Basic Financial Statements are Required Supplementary Information and Other Supplementary Information, which provide budgetary comparisons for each fund. Finally, completing the document is a series of other financial and statistical schedules and the compliance section. All financial statements are presented in whole dollars. Actual amounts may vary due to rounding.

Government-wide Financial Statements

The government-wide financial statements are designed to present the financial picture of the City in a manner similar to a private-sector business, i.e. from the economic resources measurement focus using the accrual basis of accounting.

The Statement of Net Position presents information on all the City's assets, deferred outflows, liabilities, and deferred inflows. Net position is the difference between assets and deferred outflows and liabilities and deferred inflows. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities reports all revenues when earned and expenses when incurred regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave). Since the focus of the Statement of Activities is to present the major program costs, matching major resources with each, it will summarize and simplify the user's analysis in determining the extent to which programs are self-supporting and/or subsidized by general revenues.

Both government-wide financial statements distinguish programs/functions of the City that are governmental (principally supported by taxes and intergovernmental revenues) from those that are business-type (intended to recover all or a significant portion of their costs through user fees and charges). Governmental activities of the City are categorized as follows:

- *General government* – includes administration and financial services, information technology, municipal court, facility management, general management, and other general functions not separately identified as a program
- *Community development* – includes building inspections and economic development activities.
- *Public safety* – includes police, fire, and emergency medical services.
- *Streets and highways* – includes the City's street maintenance operations, and street and local improvement construction.
- *Culture and recreation* – includes the City's parks and recreation activities, as well as library activities.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate urban renewal district, known as the Albany Revitalization Agency (ARA), for which the City is financially accountable and which functions for all practical purposes as a department of the City. Financial information for this blended component unit has been included as an integral part of the primary government.

Business-type activities include the following:

- Water
- Sanitary Sewer
- Stormwater

The government-wide financial statements can be found on pages 29-30 of this report.

Fund Financial Statements

Following the government-wide statements is a section containing fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements include statements for governmental funds and proprietary funds. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental Funds are used for essentially the same functions as governmental activities in the government-wide financial statements. Governmental fund statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. They are prepared using the current financial resources measurement focus and modified accrual basis of accounting. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term funding decisions.

The following reconciliations are provided to facilitate a comparison between governmental funds as reported in the fund financial statements and governmental activities as reported in the government-wide financial statements:

- A reconciliation of the fund balance reported in the governmental funds Balance Sheet to the net position reported on the government-wide Statement of Net Position, and
- A reconciliation of the change in fund balances reported in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances to the change in net position reported in the government-wide Statement of Activities.

The City maintains 14 governmental funds. Information is presented separately on the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the [General, Streets, Grants, and the Albany Revitalization Agency Funds](#), all of which are considered major governmental funds. Financial information for the remaining nonmajor governmental funds is combined into a single aggregated presentation. Combining statements and budgetary comparisons for governmental and business-type funds can be found starting on page 96 of this report.

Proprietary Funds

Proprietary funds are used to account for activities supported by user charges and where the emphasis is on the sufficiency of revenues to cover expenses. There are two types of proprietary funds: enterprise funds and internal service funds. The basic proprietary fund financial statements can be found on pages 35-37 of this report.

An internal service fund is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses two internal service funds: Central Services and Public Works Services. Programs within the Central Services are City Council, City Manager's Office, Finance, Human Resources, Information Technology, Geographic Information Services, Permit Tracking, and Building Maintenance. The Central Services Fund, which predominantly benefits governmental functions, has been included with the governmental activities in the government-wide financial statements.

Public Works Administration, Operations, Engineering Services, Water Quality Control Services, Public Works Customer Services, and Facilities and Maintenance Engineering are programs in the Public Works Services Fund. The Public Works Services Fund, which predominantly benefits business-type functions, has been included with the business-type activities in the government-wide financial statements. The basic proprietary fund financial statements can be found starting on page 35.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide information that is essential for a full understanding of the data presented in the government-wide and fund financial statements (the basic financial statements). Information such as significant accounting policies and detail of certain assets, liabilities, and deferred inflows/outflows are included in the notes, which should be read in conjunction with the basic financial statements. The notes to the financial statements can be found on pages 38-84 of this report.

Required Supplementary Information

The Governmental Accounting Standards Board requires the presentation of historical schedules relating to the City's net pension liability and its liability for other postemployment benefits.

Supplementary Data

The combining statements, referred to earlier in connection with nonmajor governmental funds, can be found starting on page 96.

Statistical Information

The City would like to direct the reader's attention to the Statistical Section, starting on page 123, for additional information about the City, including graphs, tables, and analysis of current and historical information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This section discusses and analyzes significant changes from the prior fiscal year in the government-wide financials.

Analysis of Net Position

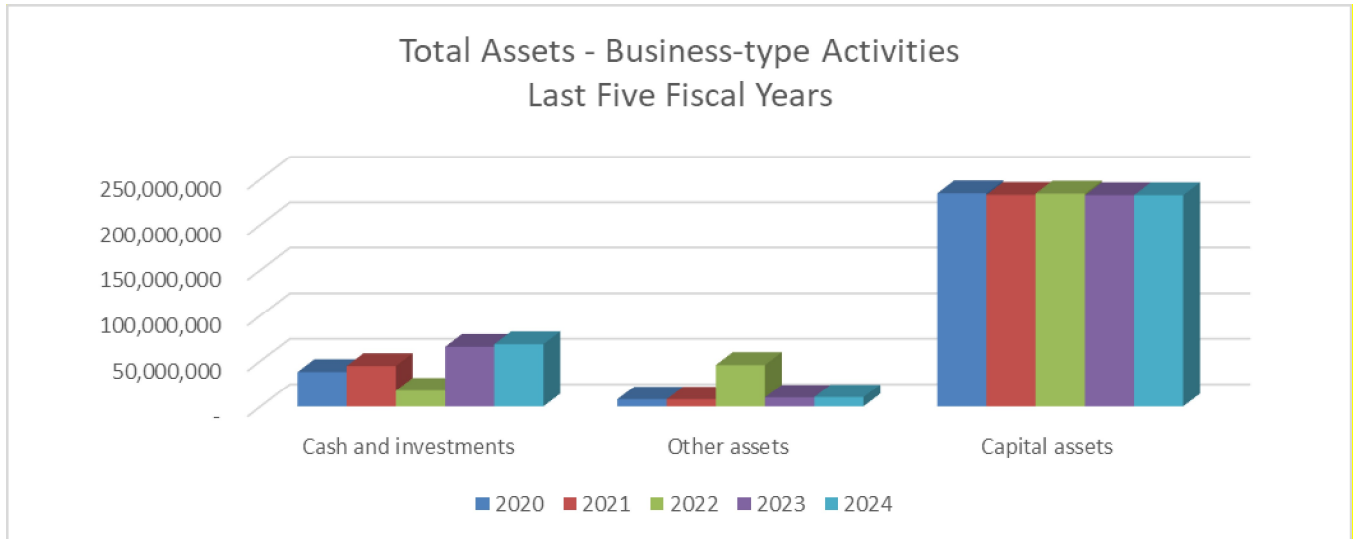
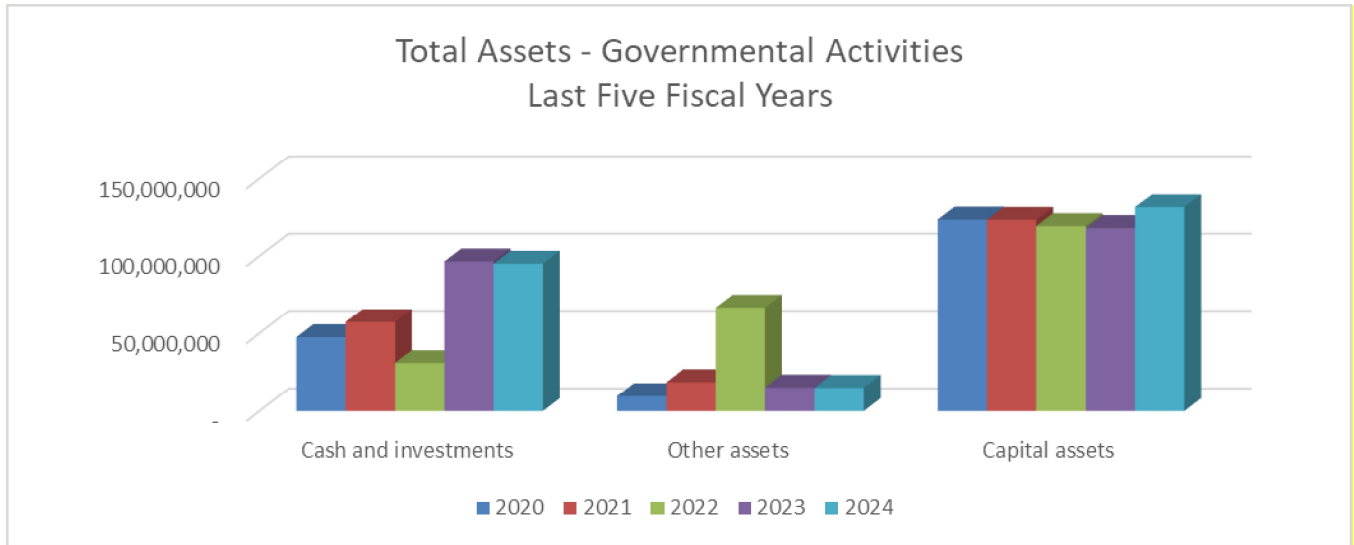
As previously mentioned, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$370.5 million at June 30, 2024, an increase of \$23.8 million from the prior year. The following is a condensed statement of net position and an analysis of the change in the City's financial position from the previous year.

**Table 1 - Net Position Summary
Governmental and Business-type Activities
For the Years Ended June 30, 2024 and 2023**

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<u>2023-24</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2022-23</u>
Cash and investments	\$ 95,159,978	\$ 96,620,140	\$ 68,546,665	\$ 65,791,048	\$ 163,706,643	\$ 162,411,188
Other assets	14,969,081	15,197,471	10,203,039	9,848,451	25,172,120	25,045,922
Capital assets	131,528,778	118,067,211	232,535,856	232,503,172	364,064,634	350,570,383
<i>tal Assets</i>	<u>241,657,837</u>	<u>229,884,822</u>	<u>311,285,560</u>	<u>308,142,671</u>	<u>552,943,397</u>	<u>538,027,493</u>
Deferred outflows of	17,343,681	16,331,818	4,414,043	3,932,819	21,757,724	20,264,637
Other liabilities	\$ 9,282,038	\$ 9,361,559	\$ 3,609,735	\$ 6,244,570	\$ 12,891,773	\$ 15,606,129
Long-term liabilities	92,833,254	86,200,662	64,324,755	66,333,173	157,158,009	152,533,835
<i>Total Liabilities</i>	<u>102,115,292</u>	<u>95,562,221</u>	<u>67,934,490</u>	<u>72,577,743</u>	<u>170,049,782</u>	<u>168,139,964</u>
Deferred inflows of	6,586,202	14,962,118	1,676,218	4,736,415	8,262,420	19,698,533
Net Position:						
Net investment in capital	94,190,969	90,708,051	182,227,650	174,814,693	276,418,619	265,522,744
Restricted	46,557,884	\$ 56,298,428	\$ 9,482,709	\$ 9,567,755	56,040,593	65,866,183
Unrestricted	9,551,171	(11,314,178)	54,378,536	50,378,884	63,929,707	39,064,706
<i>Total Net Position</i>	<u>\$ 150,300,024</u>	<u>\$ 135,692,301</u>	<u>\$ 246,088,895</u>	<u>\$ 234,761,332</u>	<u>\$ 396,388,919</u>	<u>\$ 370,453,633</u>

By far the largest portion of the City's net position (69.73 percent) is the investment in capital assets (land, buildings, infrastructure, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses capital assets to provide services to its citizens; consequently, the assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt. An additional portion of net position \$(56.0 million or 14.14 percent) represents resources that are subject to restrictions on how they may be used.

Restricted net position decreased by \$(9.8) million and unrestricted net position increased by \$24.9 million.



Debt [increased](#) by \$4.6 million as discussed in further detail in the debt administration section on page 27.

Analysis of Changes in Net Position

The following is a comparison between the June 30, 2024 and 2023 Statement of Activities.

**Table 2 - Statement of Activities Summary
Governmental and Business-Type Activities
For the Years Ended June 30, 2024 and 2023**

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<i>Revenues:</i>						
<i>Program Revenues:</i>						
Charges for services	\$ 21,938,856	\$ 19,358,228	\$ 55,178,692	\$ 51,109,489	\$ 77,117,548	\$ 70,467,717
<i>Grants and contributions:</i>						
Operating	16,804,141	23,417,189	-	-	16,804,141	23,417,189
Capital	-	250,000	1,645,989	5,859,993	1,645,989	6,109,993
<i>General Revenues:</i>						
Taxes	52,794,720	49,642,875	-	-	52,794,720	49,642,875
Investment earnings	4,552,649	2,110,946	2,923,341	1,300,063	7,475,990	3,411,009
Other	2,015,355	2,126,231	188,661	105,178	2,204,016	2,231,409
<i>Total Revenues</i>	<u>98,105,721</u>	<u>96,905,469</u>	<u>59,936,683</u>	<u>58,374,723</u>	<u>158,042,404</u>	<u>155,280,192</u>
<i>Expenses:</i>						
<i>Governmental activities:</i>						
General government	(5,693,024)	(4,811,281)	-	-	(5,693,024)	(4,811,281)
Community development	(6,899,785)	(6,327,237)	-	-	(6,899,785)	(6,327,237)
Public safety	(48,038,868)	(43,249,573)	-	-	(48,038,868)	(43,249,573)
Highways and street	(13,685,923)	(12,072,312)	-	-	(13,685,923)	(12,072,312)
Culture and recreation	(11,926,701)	(10,823,250)	-	-	(11,926,701)	(10,823,250)
Interest on long-term debt	(1,197,209)	(1,301,519)	-	-	(1,197,209)	(1,301,519)
<i>Business-type activities:</i>						
Water	-	-	(19,041,806)	(17,580,552)	(19,041,806)	(17,580,552)
Sewer	-	-	(23,567,305)	(20,679,855)	(23,567,305)	(20,679,855)
Stormwater	-	-	(3,179,056)	(3,001,020)	(3,179,056)	(3,001,020)
<i>Total Expenses</i>	<u>(87,441,510)</u>	<u>(78,585,172)</u>	<u>(45,788,167)</u>	<u>(41,261,427)</u>	<u>(133,229,677)</u>	<u>(119,846,599)</u>
Increase (decrease) in net position before transfers	10,664,211	18,320,297	14,148,516	17,113,296	24,812,727	35,433,593
Transfers in (out)	2,820,953	2,654,613	(2,820,953)	(2,654,613)	-	-
Change in net position	13,485,164	20,974,910	11,327,563	14,458,683	24,812,727	35,433,593
Net position - beginning	135,692,300	113,862,975	234,761,332	220,588,649	370,453,632	334,451,624
Prior period adjustment	1,122,560	854,415	-	(286,000)	1,122,560	568,415
Net position - ending	<u>\$ 150,300,024</u>	<u>\$ 135,692,300</u>	<u>\$ 246,088,895</u>	<u>\$ 234,761,332</u>	<u>\$ 396,388,919</u>	<u>\$ 370,453,632</u>

Governmental Activities

Governmental activities **increased** the City's net position by \$14.6 million for the year ended June 30, 2024, which included a prior period adjustment that **increased** net position by \$1.1 million. Key elements of the **increase** are as follows:

- Program revenues **decreased** by \$(4.3) million, due primarily to a decrease in grant funding of \$(6.9) million. Other significant changes from the prior year include of \$2.6 million in charges for services, largely attributable to transit related services.
 - The biggest driver for the **decrease** in operating grants and contributions was related to federal ARPA funding. The City recognized over \$7 million in ARPA funding during the 2022-23 fiscal year, and just over \$1.2 million in the current fiscal year. ARPA funds were utilized primarily for capital infrastructure projects.
- Taxes **increased** \$3.2 million. Property taxes accounted for \$2.3 million, with other taxes **increasing** \$.9 million.
- Investment income **increased** due to market gains in fiscal year 2024.
- Governmental expenses **increased** by \$8.9 million. This includes an **increase** of \$4.8 million in public safety due to **increased** costs in police and fire safety services. General government expenses **increased** by \$.9 million, most significantly related to changes in pension and OPEB costs.

Taxes include property taxes; privilege taxes for natural gas and electricity; and state shared revenues, including state-imposed liquor, marijuana, and cigarette taxes; and City- imposed transient lodging taxes.

Charges for service include city services fees; franchise fees; ambulance fees; and parks and recreation fees.

Grants and contributions include transportation grants, American Rescue Plan (COVID-19 relief funds), staffing capacity grants, and community development funds.

General government activities include planning, risk management, community development, economic development, capital projects, administration and financial services, and information technology.

The Public Safety functions (police, fire and emergency services, municipal court) generates revenues, but property taxes and state shared revenues fund the majority of City costs.

Highways and streets are funded with intergovernmental revenues (primarily state gas taxes), developer contributions, and SDCs.

Culture and recreation programs, including library and parks and recreation, are funded with property taxes, donations/sponsorships and program revenues.

Business-type Activities

Charges for services accounted for 92.1% of total business-type revenue in fiscal year 2023-2024 compared to 87.6% in fiscal year 2022-2023. These include water, sewer, and stormwater charges, as well as charges to the City of Millersburg for their share of the operating and maintenance of both water and wastewater treatment plants.

FUND ANALYSIS

The City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The focus of the governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and Permanent Funds.

As stated above, the City's governmental funds had combined ending fund balances of \$92.3 million, a decrease of \$(2.6) million, which includes a prior period adjustment that increased fund balance \$1.1 million. Some nonmajor governmental fund balances decreased, the most significant of which was a decrease in the public transit fund of \$(.5) million.

The overall decrease in fund balance for the governmental funds largely is attributed to a decrease in fund balance in the Albany Revitalization Agency of \$(8.9) million, which is due to \$12.1 million in capital outlay for ongoing projects, including the Waterfront Revitalization project.

Of the combined ending fund balance of \$92.3 million, \$.2 million was considered nonspendable for inventory, and the Library Trust permanent fund; \$42.1 million was restricted by creditors, grantors or by law; \$37.05 million was committed to specific purposes through City Council adopted resolution or ordinance; and \$13.0 million was unassigned and available for spending by the City within the purposes specified for the City's funds.

The General Fund is the primary operating fund of the City. At the end of the fiscal year, the unassigned fund balance of the General Fund was \$13.1 million, up \$3.1 million from the previous year. The unassigned fund balance represents 27.4% of total General Fund requirements.

The other major governmental funds are the Street Fund, the Grants Fund, and the Albany Revitalization Agency Fund.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements where the focus is on the sufficiency of revenues to cover expenses. The City's two major proprietary funds are the Water Fund, Sewer Fund, and the Stormwater Fund is presented as non-major.

The unrestricted net position of the Water Fund at the end of the year was \$20.6 million, an increase of \$.3 million. Net investment in capital assets increased by \$2.9 million. Overall net position increased \$2.9 million to \$92.5 million.

The Sewer Fund's overall net position increased by \$4.9 million to \$152.5 million. Unrestricted net position increased by \$.7 million largely due to increased charges for services related to increased rates. Net investment in capital assets increased by \$4.0 million.

Other factors concerning the finances of the proprietary funds can be found in the previous discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget

The budgetary statement for the General Fund, which is located on page 48, shows the original budget, final budget, actual revenues and expenditures, and transfers in and out for the fiscal year ended June 30, 2024. This audit presents financials for the first year of a two year budget cycle. During the 2023-2025 biennial budget cycle thus far, General Fund budgeted resources have changed as follows:

- Budgeted resources increased by \$.5 million, which included an increase of \$.4 million Intergovernmental revenues, and a \$.1 million increase in Miscellaneous revenues.
- Budgeted expenditures increased by \$1.5 million, the largest change relates to a \$.9 million increase to abatement costs.

CAPITAL ASSETS

As of June 30, 2024, the City had \$364.1 million invested in capital assets as reflected in the table below. Additional information concerning capital assets can be found in the notes to the basic financial statements, starting on page 50.

Table 3 - Capital Assets at Year-end, Net of Accumulated Depreciation
Governmental and Business-Type Activities
For the Years Ended June 30, 2024 and 2023

	Governmental Activities		Business-type		Total	
	2024	2023	2024	2023	2024	2023
Land, land rights, & land improvements	\$ 15,611,233	\$ 15,611,233	\$ 6,404,149	\$ 6,404,149	\$ 22,015,382	\$ 22,015,382
Construction in progress	23,859,721	7,732,684	7,166,082	11,286,015	31,025,803	19,018,699
Buildings and improvements	33,556,837	33,030,345	88,351,031	91,417,473	121,907,868	124,447,818
Vehicles and equipment	8,091,437	7,051,319	2,960,305	2,575,599	11,051,742	9,626,918
Infrastructure	49,117,895	53,439,732	127,557,800	120,819,936	176,675,695	174,259,668
SBITA agreements	941,625	820,195	-	-	941,625	820,195
Intangible assets	350,030	381,703	96,489	-	446,519	381,703
Total	\$ 131,528,778	\$ 118,067,211	\$ 232,535,856	\$ 232,503,172	\$ 364,064,634	\$ 350,570,383

DEBT ADMINISTRATION

As of June 30, 2024, the City had \$157.2 million in long-term debt, unamortized premiums and discounts, net pension and other postemployment benefit obligations, and other long-term obligations. This represents an increase of \$4.6 million from the prior year. The City has an unamortized balance of premiums on long-term debt issuances of \$1.2 million that are amortized over the life of the associated debt. Debt outstanding by type at year-end is as follows:

Table 4 - Outstanding Debt at Year-end
Governmental and Business-Type Activities
For the Years Ended June 30, 2024 and 2023

	2024	2023
<u>Governmental Activities</u>		
General obligation bonds	\$ 13,205,000	\$ 13,950,000
Limited tax pension obligations	2,335,000	3,020,000
Urban Renewal bonds	13,364,850	14,643,693
Unamortized premium	349,942	381,755
Total bonds	<u>29,254,792</u>	<u>31,995,448</u>
Direct borrowings and placements	6,327,325	6,914,396
Net pension liability	51,101,724	41,006,068
Total OPEB liability	3,490,056	3,372,781
Subscription liability	641,958	496,285
Compensated absences	2,017,399	2,415,684
Total governmental activities	<u>92,833,254</u>	<u>86,200,662</u>
<u>Business-type Activities</u>		
Bonds payable	16,550,000	17,840,000
Unamortized premium	839,134	931,522
Total bonds	<u>17,389,134</u>	<u>18,771,522</u>
Direct borrowings and placements	32,482,767	36,979,742
Net pension liability	13,005,613	9,132,106
Total OPEB liability	888,235	841,324
Compensated absences	559,006	608,479
Total business-type activities	<u>64,324,755</u>	<u>66,333,173</u>
Total long-term liabilities	<u>\$ 157,158,009</u>	<u>\$ 152,533,835</u>

The significant changes in long-term debt were attributed to principal payments made during the year and increases in long-term pension obligations.

Debt Limitation Ratings

Oregon Revised Statutes 287A.050 provides a limit on general obligation bonded indebtedness in excess of three percent of the real market value of all taxable property within the City. Based on the fiscal year 2023-23 value, the City's debt limitation is \$283.4 million. The City is well within its debt limitation with an amount of outstanding debt subject to this limitation of \$12.5 million.

Additional information on the City's long-term debt can be found in the notes to the basic financial statements, starting on page 55.

ECONOMIC FACTORS AND OUTLOOK FOR NEXT BIENNIUM

Oregon's unemployment rate was 4.1 percent on June 30, 2024. The unemployment rates for Linn and Benton Counties were 5.0 percent and 3.6 percent, respectively.

The 2023-2025 Budget was prepared in accordance with the City's Strategic Plan (the Plan), adopted by Council in 2019. As such, the budget becomes the implementing document for the Plan. The four themes of the Plan are Great Neighborhoods, Safe City, Healthy Economy, and Effective Government. Specific goals, objectives, and activities are determined by each department director and incorporated into their budgets to achieve each theme. The Plan is reviewed annually by the City Council.

Staff continues to work with the City Council to address community priorities while maintaining the financial health of our organization and being good stewards of the public funds that are entrusted to us.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances and to demonstrate the City's accountability. Questions should be directed to the Finance Department, City of Albany, 333 Broadalbin Street SW, Albany, Oregon 97321.

CITY OF ALBANY, OREGON
STATEMENT OF NET POSITION
June 30, 2024

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and cash equivalents	\$ 14,157,324	\$ 7,930,448	\$ 22,087,772
Investments	79,967,805	60,616,217	140,584,022
Restricted cash and cash equivalents	9,966	-	9,966
Restricted investments	1,024,883	-	1,024,883
Internal balances	(282,715)	282,715	-
Receivables, net			
Property taxes	1,775,615	-	1,775,615
Accounts	8,096,097	6,513,942	14,610,039
Assessments	465,795	-	465,795
Interest	477,659	357,487	835,146
Loans, net of allowance for uncollectible	3,503,207	1,906,433	5,409,640
Inventory	61,144	920,464	981,608
Net other postemployment benefit asset	872,279	221,998	1,094,277
Capital assets:			
Capital assets, nondepreciable	39,470,954	13,570,231	53,041,185
Capital assets, net of accumulated depreciation	<u>92,057,824</u>	<u>218,965,625</u>	<u>311,023,449</u>
 Total assets	 <u>241,657,837</u>	 <u>311,285,560</u>	 <u>552,943,397</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	16,914,301	4,304,765	21,219,066
Other postemployment benefit related items	<u>429,380</u>	<u>109,278</u>	<u>538,658</u>
 Total deferred outflows of resources	 <u>17,343,681</u>	 <u>4,414,043</u>	 <u>21,757,724</u>
LIABILITIES			
Accounts payable and accrued liabilities	7,381,462	2,164,807	9,546,269
Accrued interest payable	149,300	424,959	574,259
Retainage payable	681,469	48,088	729,557
Deposits	314,923	115,363	430,286
Unearned revenue	754,884	856,518	1,611,402
Long-term liabilities:			
Due within one year	4,131,086	6,287,532	10,418,618
Due in more than one year	<u>88,702,168</u>	<u>58,037,223</u>	<u>146,739,391</u>
 Total liabilities	 <u>102,115,292</u>	 <u>67,934,490</u>	 <u>170,049,782</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related items	4,794,672	1,220,265	6,014,937
Other postemployment benefit related items	<u>1,791,530</u>	<u>455,953</u>	<u>2,247,483</u>
 Total deferred inflows of resources	 <u>6,586,202</u>	 <u>1,676,218</u>	 <u>8,262,420</u>
NET POSITION			
Net investment in capital assets	94,190,969	182,227,650	276,418,619
Restricted for:			
Other postemployment benefits	872,279	221,998	1,094,277
Capital projects	-	3,905,890	3,905,890
Debt service	875,568	5,354,821	6,230,389
Highways and streets	7,906,737	-	7,906,737
Public safety	2,207,738	-	2,207,738
Grant programs	7,646,695	-	7,646,695
Parks and recreation	2,308,541	-	2,308,541
Community development	19,318,577	-	19,318,577
Building inspections	3,609,397	-	3,609,397
Economic development	1,721,009	-	1,721,009
Library endowment - nonexpendable	91,343	-	91,343
Unrestricted (deficit)	<u>9,551,171</u>	<u>54,378,536</u>	<u>63,929,707</u>
 Total net position	 <u>\$ 150,300,024</u>	 <u>\$ 246,088,895</u>	 <u>\$ 396,388,919</u>

See notes to financial statements.

CITY OF ALBANY, OREGON
STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 5,693,024	\$ 5,083,246	\$ 1,186,311	\$ -	\$ 576,533	\$ -	\$ 576,533
Community development	6,899,785	2,658,596	364,581	-	(3,876,608)	-	(3,876,608)
Public safety	48,038,868	8,860,223	5,780,528	-	(33,398,117)	-	(33,398,117)
Highways and streets	13,685,923	3,247,004	9,208,830	-	(1,230,089)	-	(1,230,089)
Culture and recreation	11,926,701	2,089,787	263,891	-	(9,573,023)	-	(9,573,023)
Interest	1,197,209	-	-	-	(1,197,209)	-	(1,197,209)
Total governmental activities	87,441,510	21,938,856	16,804,141	-	(48,698,513)	-	(48,698,513)
Business-type activities:							
Water	19,041,806	21,952,573	-	307,963	-	3,218,730	3,218,730
Sewer	23,567,305	27,627,639	-	1,331,078	-	5,391,412	5,391,412
Stormwater	3,179,056	5,598,480	-	6,948	-	2,426,372	2,426,372
Total business-type activities	45,788,167	55,178,692	-	1,645,989	-	11,036,514	11,036,514
Total primary government	\$ 133,229,677	\$ 77,117,548	\$ 16,804,141	\$ 1,645,989	(48,698,513)	11,036,514	(37,661,999)
General revenues:							
Property taxes							
General purposes					24,377,300	-	24,377,300
Specific purposes					18,463,562	-	18,463,562
Franchise fees and privilege taxes					7,116,008	-	7,116,008
Transient room taxes					1,271,587	-	1,271,587
Other taxes					1,566,263	-	1,566,263
Unrestricted investment earnings					4,552,649	2,923,341	7,475,990
Miscellaneous					2,015,355	188,661	2,204,016
Transfers					2,820,953	(2,820,953)	-
Total general revenues and transfers					62,183,677	291,049	62,474,726
Change in net position					13,485,164	11,327,563	24,812,727
Net position at beginning of year, as previously reported					135,692,300	234,761,332	370,453,632
Error correction					1,122,560	-	1,122,560
Net position at beginning of year, as restated					136,814,860	234,761,332	371,576,192
Net position at end of year					\$ 150,300,024	\$ 246,088,895	\$ 396,388,919

See notes to financial statements.

CITY OF ALBANY, OREGON

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024**

	General	Street	Grants	Albany Revitalization Agency	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 1,929,592	\$ 2,423,718	\$ 567,535	\$ 2,100,001	\$ 6,725,265	\$ 13,746,111
Investments	13,025,937	19,226,036	5,111,888	17,046,638	23,991,904	78,402,403
Receivables:						
Property taxes	1,019,951	-	-	228,320	527,344	1,775,615
Accounts, net	2,379,044	660,272	2,859,099	6,527	2,187,703	8,092,645
Assessments, net	457,442	-	-	-	8,353	465,795
Interest	76,103	113,387	30,148	100,533	142,212	462,383
Loans, net of allowance for uncollectible	-	-	-	1,247,782	2,255,425	3,503,207
Interfund loan receivable	-	-	-	-	588,144	588,144
Inventory	-	61,144	-	-	-	61,144
Advances to other funds	136,688	-	-	-	-	136,688
Total assets	\$ 19,024,757	\$ 22,484,557	\$ 8,568,670	\$ 20,729,801	\$ 36,426,350	\$ 107,234,135
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable and accrued liabilities	\$ 3,657,048	\$ 680,809	\$ 353,602	\$ 763,779	\$ 1,318,408	\$ 6,773,646
Retainage payable	-	22,622	-	647,445	11,402	681,469
Deposits	58,653	1,000	-	-	255,270	314,923
Unearned revenue	-	-	568,373	-	186,511	754,884
Advances from other funds	-	-	-	-	136,688	136,688
Interfund loan payable	-	-	-	-	588,144	588,144
Total liabilities	3,715,701	704,431	921,975	1,411,224	2,496,423	9,249,754
Deferred inflows of resources						
Unavailable revenue	2,179,910	244,385	2,604,174	209,015	495,623	5,733,107
Total deferred inflows of resources	2,179,910	244,385	2,604,174	209,015	495,623	5,733,107
Fund balances						
Nonspendable	-	61,144	-	-	91,343	152,487
Restricted	-	7,662,352	5,042,521	19,109,562	10,239,104	42,053,539
Committed	-	13,812,245	-	-	23,240,545	37,052,790
Unassigned	13,129,146	-	-	-	(136,688)	12,992,458
Total fund balances	13,129,146	21,535,741	5,042,521	19,109,562	33,434,304	92,251,274
Total liabilities, deferred inflows of resources and fund balances	\$ 19,024,757	\$ 22,484,557	\$ 8,568,670	\$ 20,729,801	\$ 36,426,350	\$ 107,234,135

See notes to financial statements.

CITY OF ALBANY, OREGON
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
June 30, 2024

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - total governmental funds		\$ 92,251,274
Capital assets, including right to use assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		129,655,598
The statement of net position reports a net other postemployment benefit asset for its participation in the OPERS retirement plan.		772,073
Other long-term assets that are not available to pay for current period expenditures and therefore, are deferred or unavailable revenue in the funds.		
Unavailable revenue	5,733,107	
Deferred outflows of resources - pension	14,971,203	
Deferred outflows of resources - OPEB	380,053	
		21,084,363
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	(35,232,175)	
Premium liability	(349,942)	
Net pension liability	(45,231,209)	
Total OPEB liability	(3,089,122)	
Compensated absences	(1,751,715)	
Accrued interest payable	(149,300)	
Deferred inflows of resources - pension	(4,243,865)	
Deferred inflows of resources - OPEB	(1,585,721)	
		(91,633,049)
Internal service funds are used by management to charge the costs of information systems services, central services and geographic information system services to individual funds. A portion of the assets and liabilities of the internal service funds is included in governmental activities in the Statement of Net Position.		(1,830,235)
Net position of governmental activities		<u>\$ 150,300,024</u>

See notes to financial statements.

CITY OF ALBANY, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2024

	General	Risk Management	Street	Grants	Albany Revitalization Agency	Total Nonmajor Funds	Total Governmental Funds
Revenues							
Taxes:							
Property	\$ 24,036,697	\$ -	\$ -	\$ -	\$ 5,560,440	\$ 12,634,067	\$ 42,231,204
Transient room	-	-	-	-	-	1,271,587	1,271,587
Construction excise	-	-	-	-	-	450,964	450,964
Franchise fees and privilege taxes	7,116,008	-	-	-	-	-	7,116,008
Licenses and permits	3,133,362	-	1,351,707	28,474	-	2,418,050	6,931,593
Fines, forfeitures and assessments	970,403	-	-	-	-	-	970,403
Charges for services	4,135,484	-	-	8,037	-	3,461,095	7,604,616
Intergovernmental	5,142,078	-	4,728,223	4,238,323	-	4,438,241	18,546,865
Investment earnings	1,824,886	-	790,295	10,859	554,572	1,241,127	4,421,739
Miscellaneous	318,218	-	562,943	122,254	71,559	905,491	1,980,465
Total revenues	46,677,136	-	7,433,168	4,407,947	6,186,571	26,820,622	91,525,444
Expenditures							
Current							
General government	1,741,296	-	-	249,450	-	6,016,473	8,007,219
Community development	1,643,158	-	-	899,352	309,580	2,921,123	5,773,213
Public safety	41,119,713	-	-	1,633,512	-	369,299	43,122,524
Highways and streets	-	-	3,441,882	-	-	-	3,441,882
Culture and recreation	3,451,215	-	-	577,610	-	7,421,101	11,449,926
Debt service							
Principal	-	-	-	-	1,811,852	1,484,063	3,295,915
Interest	-	-	-	-	526,042	718,756	1,244,798
Capital outlay	10,986	-	4,915,913	1,251,339	12,126,217	3,397,569	21,702,024
Total expenditures	47,966,368	-	8,357,795	4,611,263	14,773,691	22,328,384	98,037,501
Excess (deficiency) of revenues over expenditures	(1,289,232)	-	(924,627)	(203,316)	(8,587,120)	4,492,238	(6,512,057)
Other financing sources (uses)							
Sale of capital assets	-	-	-	-	-	532	532
Transfers in	4,694,022	-	2,261,837	-	-	1,659,798	8,615,657
Transfers out	(273,408)	-	(80,000)	(201,028)	(297,400)	(4,933,168)	(5,785,004)
Total other financing sources (uses)	4,420,614	-	2,181,837	(201,028)	(297,400)	(3,272,838)	2,831,185
Net change in fund balances	3,131,382	-	1,257,210	(404,344)	(8,884,520)	1,219,400	(3,680,872)
Fund balances at beginning of year as previously reported	9,997,764	3,044,134	20,278,531	5,446,865	27,994,082	28,048,210	94,809,586
Change within financial reporting entity (major to non-major)	-	(3,044,134)	-	-	-	3,044,134	-
Error correction	-	-	-	-	-	1,122,560	1,122,560
Fund balances at beginning of year, as restated	9,997,764	-	20,278,531	5,446,865	27,994,082	32,214,904	95,932,146
Fund balances at end of year	\$ 13,129,146	\$ -	\$ 21,535,741	\$ 5,042,521	\$ 19,109,562	\$ 33,434,304	\$ 92,251,274

See notes to financial statements.

CITY OF ALBANY, OREGON
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds		\$ (3,680,872)
<p>Governmental funds report the acquisition of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. The difference between those two amounts is:</p>		
Acquisition of capital assets (excluding internal service funds)	22,049,231	
Depreciation and amortization (excluding internal service funds)	<u>(8,864,160)</u>	
		13,185,071
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		10,089
The changes in net pension liability (asset) and deferred inflows and outflows are reported as pension expense on the statement of activities.		(1,820,483)
The changes in other postemployment benefit liability (asset) and deferred outflows are reported as other postemployment benefit expense on the statement of activities.		227,405
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Amortization of bond premiums	31,813	
Change in accrued interest payable	15,776	
Change in compensated absences	<u>397,325</u>	
		444,914
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>		
Debt principal payments	<u>3,295,914</u>	
		3,295,914
<p>The internal service funds are used by management to charge the costs of central services to individual funds. The net expense of certain activities of internal service funds is reported with governmental activities.</p>		
		<u>1,823,126</u>
Change in Net Position of Governmental Activities		\$ <u>13,485,164</u>

See notes to financial statements.

CITY OF ALBANY, OREGON
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024

	Business-type Activities			Total Enterprise Funds	Internal Service Funds
	Water	Sewer	Nonmajor Stormwater		
ASSETS					
Current assets					
Cash and cash equivalents	\$ 2,753,848	\$ 4,579,497	\$ 277,056	\$ 7,610,401	\$ 741,226
Investments	20,745,692	34,056,387	4,578,628	59,380,707	3,825,795
Receivables:					
Accounts	3,259,775	2,766,250	487,892	6,513,917	3,477
Interest	122,349	200,849	27,003	350,201	22,562
Inventory	696,677	223,787	-	920,464	-
Total current assets	<u>27,578,341</u>	<u>41,826,770</u>	<u>5,370,579</u>	<u>74,775,690</u>	<u>4,593,060</u>
Noncurrent assets					
Capital assets:					
Capital assets, nondepreciable	4,074,454	9,058,229	406,288	13,538,971	31,260
Capital assets, net of accumulated depreciation	82,927,686	135,404,340	378,051	218,710,077	2,128,728
Total capital assets	87,002,140	144,462,569	784,339	232,249,048	2,159,988
Loans receivable	-	1,906,433	-	1,906,433	-
Net OPEB asset	48,725	46,447	3,066	98,238	223,966
Total noncurrent assets	<u>87,050,865</u>	<u>146,415,449</u>	<u>787,405</u>	<u>234,253,719</u>	<u>2,383,954</u>
Total assets	<u>114,629,206</u>	<u>188,242,219</u>	<u>6,157,984</u>	<u>309,029,409</u>	<u>6,977,014</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	944,830	900,649	59,457	1,904,936	4,342,927
Other postemployment benefit related items	23,985	22,863	1,509	48,357	110,248
Total deferred outflows of resources	<u>968,815</u>	<u>923,512</u>	<u>60,966</u>	<u>1,953,293</u>	<u>4,453,175</u>
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	892,420	644,244	81,620	1,618,284	1,154,339
Accrued interest payable	249,599	175,360	-	424,959	-
Retainage payable	46,688	1,400	-	48,088	-
Deposits	114,554	809	-	115,363	-
Unearned revenue	856,518	-	-	856,518	-
Compensated absences, current portion	55,561	53,709	1,591	110,861	301,484
Subscriptions payable, current portion	-	-	-	-	361,491
Loans payable, current portion	-	4,570,641	-	4,570,641	-
Bonds payable, current portion	1,437,388	-	-	1,437,388	-
Total current liabilities	<u>3,652,728</u>	<u>5,446,163</u>	<u>83,211</u>	<u>9,182,102</u>	<u>1,817,314</u>
Noncurrent liabilities					
Compensated absences	55,561	53,708	1,591	110,860	301,485
Subscriptions payable	-	-	-	-	280,467
Loans payable	-	27,912,126	-	27,912,126	-
Bonds payable	15,951,746	-	-	15,951,746	-
Net pension liability	2,854,532	2,721,053	179,632	5,755,217	13,120,911
Total OPEB liability	194,954	185,838	12,268	393,060	896,109
Total noncurrent liabilities	<u>19,056,793</u>	<u>30,872,725</u>	<u>193,491</u>	<u>50,123,009</u>	<u>14,598,972</u>
Total liabilities	<u>22,709,521</u>	<u>36,318,888</u>	<u>276,702</u>	<u>59,305,111</u>	<u>16,416,286</u>
DEFERRED INFLOWS OF RESOURCES					
Pension related items	267,829	255,306	16,854	539,989	1,231,083
Other postemployment benefit related items	100,075	95,395	6,298	201,768	459,994
Total deferred inflows of resources	<u>367,904</u>	<u>350,701</u>	<u>23,152</u>	<u>741,757</u>	<u>1,691,077</u>
NET POSITION (DEFICIT)					
Net investment in capital assets	69,503,204	111,940,107	784,339	182,227,650	1,518,030
Restricted for:					
Other postemployment benefits	48,725	46,447	3,066	98,238	223,966
Capital construction	885,793	3,020,097	-	3,905,890	-
Debt service	1,447,862	3,906,959	-	5,354,821	-
Unrestricted (deficit)	<u>20,635,012</u>	<u>33,582,532</u>	<u>5,131,691</u>	<u>59,349,235</u>	<u>(8,419,170)</u>

Reconciliation to business-type activities:

Adjustment to reflect internal service fund balances
related to business-type activities (4,846,939)

See notes to financial statements

CITY OF ALBANY, OREGON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2024

	Business-type Activities			Total Enterprise Funds	Internal Service Funds
	Water	Sewer	Nonmajor Stormwater		
Operating revenues					
Service charges and fees	\$ 17,664,090	\$ 22,479,059	\$ 4,173,004	\$ 44,316,153	\$ 20,056,833
Miscellaneous	99,684	108,420	2,145	210,249	44,752
Total operating revenues	<u>17,763,774</u>	<u>22,587,479</u>	<u>4,175,149</u>	<u>44,526,402</u>	<u>20,101,585</u>
Operating expenses					
Personnel services	3,513,893	3,596,180	288,366	7,398,439	12,084,455
Materials and services	7,280,978	8,579,556	1,545,331	17,405,865	4,823,038
Depreciation and amortization	3,848,231	5,932,002	38,850	9,819,083	516,116
Total operating expenses	<u>14,643,102</u>	<u>18,107,738</u>	<u>1,872,547</u>	<u>34,623,387</u>	<u>17,423,609</u>
Operating income (loss)	<u>3,120,672</u>	<u>4,479,741</u>	<u>2,302,602</u>	<u>9,903,015</u>	<u>2,677,976</u>
Nonoperating revenues (expenses)					
Investment earnings, net	1,083,482	1,632,308	171,300	2,887,090	180,381
Gain on sale of capital assets	-	-	-	-	11,543
Interest expense	(518,161)	(793,271)	-	(1,311,432)	(13,220)
Total nonoperating revenues (expenses)	<u>565,321</u>	<u>839,037</u>	<u>171,300</u>	<u>1,575,658</u>	<u>178,704</u>
Income (loss) before capital contributions and transfers	3,685,993	5,318,778	2,473,902	11,478,673	2,856,680
Capital contributions	307,963	1,331,078	6,948	1,645,989	-
Transfers in	-	-	-	-	6,300
Transfers out	(1,065,391)	(1,755,562)	-	(2,820,953)	(16,000)
Change in net position	<u>2,928,565</u>	<u>4,894,294</u>	<u>2,480,850</u>	<u>10,303,709</u>	<u>2,846,980</u>
Net position (deficit) at beginning of year	<u>89,592,031</u>	<u>147,601,848</u>	<u>3,438,246</u>	<u>240,632,125</u>	<u>(9,524,154)</u>
Net position (deficit) at end of year	<u>\$ 92,520,596</u>	<u>\$ 152,496,142</u>	<u>\$ 5,919,096</u>	<u>\$ 250,935,834</u>	<u>\$ (6,677,174)</u>

Reconciliation to business-type activities:

Change in net position - total enterprise funds	\$ 10,303,709
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds	<u>1,023,854</u>
Change in net position of the business-type activities	<u>\$ 11,327,563</u>

See notes to financial statements

CITY OF ALBANY, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2024

	Business-type Activities			Total Enterprise Funds	Internal Service Funds
	Water	Sewer	Nonmajor Stormwater		
Cash flows from operating activities					
Receipts from customers and users	\$ 17,574,011	\$ 22,296,699	\$ 4,076,348	\$ 43,947,058	\$ 20,081,034
Receipts from loans	-	327,420	-	327,420	-
Payments to suppliers	(7,647,311)	(9,731,142)	(1,499,941)	(18,878,394)	(4,889,335)
Payments to employees	(3,105,051)	(2,714,942)	(543,671)	(6,363,664)	(13,651,513)
Other receipts	99,684	108,420	2,145	210,249	44,752
Net cash provided by (used in) operating activities	<u>6,921,333</u>	<u>10,286,455</u>	<u>2,034,881</u>	<u>19,242,669</u>	<u>1,584,938</u>
Cash flows from noncapital financing activities					
Transfers in	-	-	-	-	6,300
Transfers out	(1,065,391)	(1,755,562)	-	(2,820,953)	(16,000)
Net cash provided by (used in) noncapital financing activities	<u>(1,065,391)</u>	<u>(1,755,562)</u>	<u>-</u>	<u>(2,820,953)</u>	<u>(9,700)</u>
Cash flows from capital and related financing activities					
System development charges received	307,963	1,331,078	6,948	1,645,989	-
Acquisition of capital assets	(4,855,704)	(4,248,564)	(574,846)	(9,679,114)	(911,194)
Proceeds from sale of capital assets	-	-	-	-	11,543
Principal paid on long-term obligations	(1,290,000)	(4,496,975)	-	(5,786,975)	(358,297)
Interest paid on long-term obligations	(631,494)	(763,702)	-	(1,395,196)	(13,220)
Net cash provided by (used in) capital and related financing activities	<u>(6,469,235)</u>	<u>(8,178,163)</u>	<u>(567,898)</u>	<u>(15,215,296)</u>	<u>(1,271,168)</u>
Cash flows from investing activities					
Interest on investments	745,534	1,114,447	146,287	2,006,268	228,085
Purchase of investments	(11,094,958)	(18,213,907)	(2,446,192)	(31,755,057)	(727,042)
Proceeds from sales of investments	8,789,570	14,429,294	1,937,905	25,156,769	575,972
Transfers in (out) - investments	667,114	111,609	(1,413,924)	(635,201)	(3,172,999)
Net cash provided by (used in) investing activities	<u>(892,740)</u>	<u>(2,558,557)</u>	<u>(1,775,924)</u>	<u>(5,227,221)</u>	<u>(3,095,984)</u>
Net increase (decrease) in cash and cash equivalents	(1,506,033)	(2,205,827)	(308,941)	(4,020,801)	(2,791,914)
Cash and cash equivalents at beginning of year	4,259,881	6,785,324	585,997	11,631,202	3,533,140
Cash and cash equivalents at end of year	<u>\$ 2,753,848</u>	<u>\$ 4,579,497</u>	<u>\$ 277,056</u>	<u>\$ 7,610,401</u>	<u>\$ 741,226</u>
Reconciliation of operating income (loss) to net cash provide by (used in) operating activities					
Operating income (loss)	\$ 3,120,672	\$ 4,479,741	\$ 2,302,602	\$ 9,903,015	\$ 2,677,976
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation and amortization	3,848,231	5,932,002	38,850	9,819,083	516,116
(Increase) decrease in assets and deferred outflows:					
Accounts receivables, net	24,275	(182,360)	(96,656)	(254,741)	24,201
Loans receivables, net	-	327,420	-	327,420	-
Inventories	(13,060)	235	-	(12,825)	-
Prepaid items	-	-	-	-	350
Net OPEB asset	(12,880)	(11,295)	(1,647)	(25,822)	(54,695)
Deferred outflows - Pension related items	(279,013)	(539,212)	132,427	(685,798)	672,502
Deferred outflows - OPEB related items	3,743	4,329	(411)	7,661	20,693
Increase (decrease) in liabilities and deferred inflows:					
Accounts payable and accrued liabilities	(353,273)	(1,135,096)	50,083	(1,438,286)	66,574
Consumer deposits	(114,354)	-	-	(114,354)	-
Compensated absences liability	(1,466)	(7,515)	162	(8,819)	(41,614)
Net pension liability	1,314,794	1,769,430	(187,921)	2,896,303	846,620
Total OPEB liability	16,555	10,884	5,204	32,643	53,649
Deferred inflows - Pension related items	(625,617)	(352,228)	(209,860)	(1,187,705)	(3,150,493)
Deferred inflows - OPEB related items	(7,274)	(9,880)	2,048	(15,106)	(46,941)
Net cash provided by (used in) operating activities	<u>\$ 6,921,333</u>	<u>\$ 10,286,455</u>	<u>\$ 2,034,881</u>	<u>\$ 19,242,669</u>	<u>\$ 1,584,938</u>

See notes to financial statements

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Albany, Oregon (the City) have been prepared in accordance with generally accepted accounting principles (GAAP). GAAP statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reporting Entity

The City of Albany is a municipal corporation governed by an elected mayor and six-member council. As required by GAAP, these financial statements present the City and its one component unit, an entity for which the City is considered to be financially accountable. A blended component unit, although a legally separate entity, is, in substance, part of the City's operations and, therefore, data from the unit is combined with the data of the City of Albany. The City's component unit operates on a June 30 year-end.

Blended Component Unit

The Albany Revitalization Agency (a component unit of the City of Albany, Oregon) was organized on August 8, 2001, as the Central Albany Revitalization Area, and commenced operations during fiscal year 2001 under the provisions of Oregon Revised Statutes, Chapter 457, to provide for rehabilitation of blighted and deteriorated areas within the City's designated urban renewal area. As provided by ORS 457, the City Council is the governing body of the Agency. The principal funding source is from bond sales, which will be repaid from property tax increment revenues and interest earnings. The Personnel of the City provide project management and administration. The Agency's complete financial statement may be obtained at the City's administrative offices, City of Albany, PO Box 490, Albany, OR 97321.

Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support.

Government-wide financial statements display information about the City as a whole. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basic Financial Statements (Continued)

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate entity. Funds are classified and summarized as governmental, proprietary, or fiduciary. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements. Non-major funds are aggregated into a single column in the financial section of the basic financial statements. The City does not have any fiduciary fund types.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is necessary to explain the adjustments needed to transform the fund-based financial statements into the governmental column of the government-wide presentation. This reconciliation is part of the financial statements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sanitary sewer and stormwater enterprise funds and the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

In the government-wide and proprietary fund financial statements, when both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The City reports the following major governmental funds:

General

This is the City's primary operating fund. It accounts for all the financial resources of the general government, except those required to be accounted for in another fund. Principal sources of revenues are property taxes, franchise fees, privilege taxes, rural fire protection district fees, municipal court fines, licenses, and permits. Primary expenditures are for general government (planning and housing), public safety (municipal court, police, fire, fire suppression, and fire life safety), and culture and recreation (library).

Street

The major activities of the Street Fund are pavement management, traffic control, bridge maintenance, right-of-way maintenance, and capital improvements of the City's transportation system. The primary sources of revenue are the state gasoline tax, franchise fees charged to the City's water and sewer utilities, and transportation systems development charges.

Grants

This fund accounts for the City's grant activities. Major sources of revenues are federal, state and local grants and donations. Expenditures are for primarily based on the specified use per the grant agreements.

Albany Revitalization Agency

This fund accounts for the City's grant activities. Major sources of revenues are property taxes. Expenditures are for rehabilitation of blighted and deteriorated areas within the City's designated urban renewal area and related debt service costs.

The City reports the following major proprietary funds:

Water

All operating (treatment and distribution), capital construction, and debt service activities of the City's water system are reported in this fund.

Sewer

All operating (collection and treatment), capital construction, and debt service activities of the City's sanitary sewer system are reported in this fund.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Additionally, the City reports the following nonmajor fund types:

Special Revenue

A governmental fund type used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service

The City utilizes these funds to account for debt service on bonds issued by the governmental funds. General obligation bonds are funded by property taxes. Other debt service is funded from departmental charges through payroll expenditures.

Capital Projects

A governmental fund type used to account for the acquisition or construction of capital facilities and equipment other than those financed by proprietary funds. Sources of funds include local, state, and federal support; donations; transfers and contributions from other funds.

Permanent

A governmental fund type used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

Stormwater

All operating and capital construction activities of the City's stormwater system are reported in this fund.

The City also reports internal service funds which are a proprietary fund type that is used to account for central services provided to all funds, and public works services primarily to enterprise funds, which are charged a fee for those services on a cost reimbursement basis.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payments from other funds for City Hall space rental to the General Fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Cash and Cash Equivalents

The City's cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition are considered to be cash and cash equivalents. This includes state authorized investment in the State Treasurer's Local Government Investment Pool.

Investments

State statutes authorize the City to invest in obligations of the U. S. Treasury, commercial paper, and repurchase agreements. Investments with a maturity greater than one year when purchased are stated at fair value. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment earnings.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Assets

Certain assets are classified as restricted because their use is limited. Restricted assets whose use is limited includes debt service proceeds not yet expended and assets restricted per an agreement.

Inventories and prepaid items

Inventories are stated at cost (first-in, first-out method) and consist of materials and supplies maintained for system maintenance and operation.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government and fund financial statements.

Receivables

Property taxes receivable for the governmental fund types which are collected within 60 days following the year end are considered measurable and available and, accordingly, are recognized as revenues in the respective funds. All other property taxes receivable for the governmental fund types are offset by unavailable revenues and, accordingly, have not been recorded as revenues. Uncollected property taxes, including delinquent accounts, are deemed to be substantially collectible or recoverable through foreclosure. The major sources of revenues which are subject to accrual include property taxes, user charges, property assessments, and interest.

Property taxes become a lien against the property as of July 1 in the year in which they are due and are assessed in October through billing by the counties to the property owner. Payments are due in three equal installments on November 15, February 15, and May 15, with a three percent discount available for payment in full on November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Assessments receivable in the general and capital projects funds are recorded at the time the property owners are assessed for property improvements. Assessments receivable are offset by an allowance for uncollectible accounts and unavailable revenues and, accordingly, are not recorded as revenue until received. Total uncollectible amounts related to assessments amounted to \$9,539,060 at June 30, 2024.

Federal and state grants and state, county, and local shared revenues are recorded as revenues in all fund types as earned.

Proprietary funds record revenues as they are earned, including services not yet billed.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements and capitalized in the proprietary fund statements. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets are defined by the City as assets with an estimated useful life of greater than one year and an initial individual cost of \$10,000 or more. In the case of purchases which will be federally reimbursed the cost threshold is \$5,000 or more. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset, are capitalized. Other costs for repairs and maintenance are expensed as incurred.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Asset Type	Useful Lives
Vehicles and equipment	3 – 25 years
Buildings and improvements	25 – 75 years
Infrastructure	20 – 50 years

Compensated Absences

It is the City's policy to permit employees to earn vacation, compensatory time, holidays, and sick leave. No liability is reported for accumulated sick leave, as it does not vest when earned. Vacation leave is accrued as it is earned and is reported as a fund liability. All vacation and eligible leave is accrued when earned in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured; for example, as a result of employee resignations and retirements.

Long-term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term liabilities are reported in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds and loans payable are reported net of the unamortized bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period of issuance. The face amount of the debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The items that qualify for reporting in this category are related to pensions and other postemployment benefits in the government-wide and proprietary fund Statement of Net Position.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflows relating to pensions and other postemployment benefits reported in the government-wide and proprietary fund Statement of Net Position.

In addition to liabilities, the Balance Sheet reports a separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflows relating to delinquent property tax collections, ambulance collections, uncollected assessments and system development charges.

Leases and Subscription-Based Technology Arrangements (SBITA)

Lease contracts that provide the City with control of a non-financial asset, such as land, buildings, equipment, or SBITA, for a period of time in excess of 12 months are reported as a right of use - lease asset with a related lease liability. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible right of use - lease asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Right of use - lease assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment.

SBITA contracts that provide the City with control of a software or similar asset for a period of time in excess of 12 months are reported as a right to use asset with a related SBITA liability. The SBITA liability is recorded at the present value of future payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible right to use asset is recorded for the same amount as the related SBITA liability plus any prepayments and initial direct costs to place the asset in service. SBITA assets are amortized over the shorter of the useful life of the asset or the contract term. The SBITA liability is reduced for payments made, less the interest portion of the contract payment.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

In the government-wide and proprietary fund financial statements equity is classified as net position and displayed in three components:

- 1) Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- 2) Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law, through constitutional provisions or enabling legislation.
- 3) Unrestricted net position – All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the governmental fund financial statements equity is reported using the five fund balance categories listed below:

- 1) Nonspendable – Amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.
- 2) Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- 3) Committed – Amounts are those constrained by City Council through resolution or ordinance before the end of the fiscal year. The State of Oregon recognizes resolutions and ordinances as being equally binding, and the process for establishing, modifying, and rescinding resolutions and ordinances are substantively the same. Therefore, the City uses both to commit funds.
- 4) Assigned – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The City Council has granted authority to the City's Finance Director to assign fund balance amounts.
- 5) Unassigned – The residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Additionally, other funds may report negative unassigned fund balance in certain circumstances.

The City will use resources in the following order: restricted, committed, assigned, and unassigned, unless the City Council has provided otherwise in its commitment or assignment actions.

The City of Albany has adopted this order of categories in Resolution 6015 on June 22, 2011, and has classified equity in the proper category.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Newly Issued Accounting Standards

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The statement establishes accounting and financial reporting requirements for a) accounting changes and b) the correction of an error in previously issued financial statements (error correction). Implementation of this standard resulted in the City reporting an error correction and change in financial reporting entity for June 30, 2024.

2. DETAILED NOTES

Cash, Cash Equivalents and Investments

As of June 30, 2024, the City's cash, cash equivalents and investments are as follows:

Deposits with financial institutions	\$ 3,419,872
State of Oregon Treasurer's short-term investment pool	17,795,010
Cash in escrow	853,465
Cash on hand	<u>29,391</u>
 Total cash and cash equivalents	 <u>\$ 22,097,738</u>
 Cash and investments are reflected on the Statement of Net Position as:	
Cash and cash equivalents - unrestricted and restricted	\$ 22,097,738
Investments - unrestricted and restricted	<u>141,608,905</u>
 Total cash, cash equivalents, and investments	 <u>\$ 163,706,643</u>

Financial Institutions

Deposits with financial institutions are comprised of bank demand deposits and savings accounts. At year end, the carrying amount of the City's net balance was \$3,419,872 and the bank balance was \$4,078,533.

State of Oregon Treasurer's short-term investment pool

The Oregon Short-Term Investment Pool is an external investment pool as defined in GASB Statement No. 31. The Oregon Short-term Fund is not registered with the SEC as an investment company. The State's investment policies are governed by the Oregon Revised Statutes and the Oregon Investment Council.

Equity in Pooled Cash and Investments

Oregon Revised Statutes, Chapter 294 authorize the City to invest in obligations of the U. S. Treasury, U. S. government agencies, bankers' acceptances issued by Oregon financial institutions, repurchase agreements, Oregon Short-term Fund, certain high-grade commercial paper, and various interest-bearing bonds of Oregon municipalities, among others. In addition, the City's investments are governed by written investment policy. The policy, which is reviewed by the Oregon Short-term Fund Board and adopted by the City Council, specifies the City's investment objectives, requires diversification within certain limitations, and sets forth security, safekeeping, and reporting requirements. The equity position of each fund participating in an internal investment pool is reported as assets of those funds. The City reports all investments at fair value.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)

Cash, Cash Equivalents and Investments (Continued)

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

At June 30, 2024, the City had the following recurring fair value measurements:

<u>Investments by Fair Value Level</u>	<u>6/30/2024</u>	<u>Fair Value Measurements Using</u>	
		<u>Level 1</u>	<u>Level 2</u>
U.S. Government agency obligations:			
U.S. Treasury Notes	\$ 51,919,197	\$ 51,919,197	\$ -
Federal Farm Credit Bank	23,426,320	-	23,426,320
Federal Home Loan Mortgage Corporation	945,120	-	945,120
Federal National Mortgage Association	942,250	-	942,250
Federal Home Loan Banks	21,405,180	-	21,405,180
Corporate Bonds			
Amazon	3,857,585	-	3,857,585
Apple	1,926,730	-	1,926,730
Bank of America	1,988,000	-	1,988,000
Bank of New York Mellon Corp	1,970,280	-	1,970,280
Citibank	4,065,520	-	4,065,520
JP Morgan	2,964,990	-	2,964,990
Proctor & Gamble	2,962,530	-	2,962,530
Walmart	1,461,465	-	1,461,465
Wells Fargo	2,504,560	-	2,504,560
Municipal bonds	12,443,568	-	12,443,568
Foreign bonds - Canadian banks	6,743,110	-	6,743,110
Uninvested cash	82,500	82,500	-
Totals	\$ 141,608,905	\$ 52,001,697	\$ 89,607,208

The City's U.S. Treasury notes are classified as Level 1, and have values based on institutional bond quotes – evaluations based on various market and industry inputs.

Level 2 are valued using the following approaches: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities that are not active; and inputs other than quoted prices that are observable for an asset. The City's U.S. government agency mortgage-backed pools are based on mortgage-backed securities pricing, with evaluations based on various market and industry inputs. Corporate bond values are based on institutional bond quotes, with evaluations based on various market and industry inputs.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)

Cash, Cash Equivalents and Investments (Continued)

Level 3 inputs are unobservable and should reflect the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. The City does not currently hold any Level 3 investments.

There were no transfers of assets or liabilities among the three levels of the fair value hierarchy for the year ended June 30, 2024.

As of June 30, 2024, the City had the following investments:

<u>Investment type</u>	<u>Moody's Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (yrs)</u>	<u>Percent of Total Portfolio</u>
U.S. Government agency obligations:				
U.S. Treasury Notes	Aaa	51,919,197	0.62	33%
Federal Farm Credit Bank	AAA	23,426,320	0.44	15%
Federal Home Loan Mortgage Corporation	AAA	945,120	0.01	1%
Federal National Mortgage Association	AAA	942,250	0.01	1%
Federal Home Loan Banks	AAA	21,405,180	0.36	13%
Corporate Bonds				
Amazon	A1	3,857,585	0.07	2%
Apple	Aaa	1,926,730	0.01	0%
Bank of America	A1	1,988,000	0.03	1%
Bank of New York Mellon Corp	A1	1,970,280	0.00	1%
Citibank	Aa3	4,065,520	0.09	3%
JP Morgan	A1	2,964,990	0.01	2%
Proctor & Gamble	Aa3	2,962,530	0.03	1%
Walmart	Aa2	1,461,465	0.03	2%
Wells Fargo	Aa2	2,504,560	0.04	2%
Municipal Bonds	Aaa	2,310,825	0.03	1%
Municipal Bonds	Aa1	5,179,789	0.08	2%
Municipal Bonds	Aa2	4,952,954	0.09	0%
Foreign bonds - Canadian banks	A1	6,743,110	0.09	4%
Uninvested cash	NR	82,500	-	0%
Totals		<u>\$ 141,608,905</u>		<u>84%</u>
Portfolio Weighted Average Maturity			<u>2.058</u>	

Interest Rate Risk

The City's investment policy does not allow investments of more than five and a quarter years. At least 25 percent of the total portfolio must mature in under one year. The weighted maturity of the total portfolio shall not exceed 2.0 years. The City's weighted average maturity as of June 30, 2024, was 2.058 years.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

2. DETAILED NOTES (CONTINUED)

Cash, Cash Equivalents and Investments (Continued)

Credit and Concentration of Credit Risk

The City has adopted within its investment policy the State statutes which authorize the City to invest primarily in general obligations of the U. S. Government and its agencies; certain bonded obligations of Oregon, Washington, Idaho, and California municipalities; bank repurchase agreements; bankers' acceptances; certain commercial papers; and the Oregon Short-term Fund investment pool.

Diversification constraints of the City's investment policy are:

Issuer Type	Percent of Total Portfolio
U.S. Treasury Obligations	100%
U.S. Agency Primary Securities	100%
Per Issuer	35%
U.S. Agency Secondary Securities	10%
Municipal Bonds	25%
Corporate Bonds*	35%
Commercial Paper*	35%
Bank Time Deposits/Savings Accounts	20%
Certificates of Deposit	10%
Banker's Acceptance	10%
Oregon Intermediate Fund	10%

*35% maximum combined corporate and commercial paper per ORS

Custodial Risk – Investments

The laws of the State require that all purchased securities be bought on a delivery versus payment basis and be held in safekeeping by the City, an independent third-party financial institution, or in the City's designated depository. All safekeeping arrangements shall be designated by the Finance Director and an agreement of the terms executed in writing. The third-party custodian shall be required to issue original safekeeping receipts to the City listing each specific security, rate, description, maturity, and CUSIP number. Each safekeeping receipt will clearly state that the security is held for the City or pledged to the City. The safekeeping bank may not be within the same holding company as the bank from which the securities are pledged.

Custodial Risk – Deposits

This is the risk that in the event of a bank failure, the City's deposits might not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the City's deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest-bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2024, none of the City's deposits were exposed to custodial credit risk.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)

Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

	Balance at July 1, 2023	Additions	Deletions	Transfers/ Reclassifications	Balance at June 30, 2024
<u>Governmental activities</u>					
Capital assets not being depreciated					
Land	\$ 15,611,233	\$ -	\$ -	\$ -	\$ 15,611,233
Construction in progress	7,732,684	16,964,162	-	(837,125)	23,859,721
Total capital Assets, not being depreciated	<u>23,343,917</u>	<u>16,964,162</u>	<u>-</u>	<u>(837,125)</u>	<u>39,470,954</u>
Capital assets being depreciated					
Buildings and improvements	44,598,206	1,538,261	-	-	46,136,467
Vehicles and equipment	27,564,039	2,345,759	-	-	29,909,798
Infrastructure	173,438,544	1,432,527	-	837,125	175,708,196
SBITA right of use assets	1,027,342	501,768	-	-	1,529,110
Intangible assets	813,450	10,000	-	-	823,450
Total capital assets being depreciated	<u>247,441,581</u>	<u>5,828,315</u>	<u>-</u>	<u>837,125</u>	<u>254,107,021</u>
Less accumulated depreciation and amortization for:					
Buildings and improvements	11,567,861	1,011,769	-	-	12,579,630
Vehicles and equipment	20,512,720	1,305,641	-	-	21,818,361
Infrastructure	119,998,812	6,591,489	-	-	126,590,301
SBITA right of use assets	207,147	380,338	-	-	587,485
Intangible assets	431,747	41,673	-	-	473,420
Total accumulated depreciation and amortization	<u>152,718,287</u>	<u>9,330,910</u>	<u>-</u>	<u>-</u>	<u>162,049,197</u>
Total capital assets being depreciated, net	<u>94,723,294</u>	<u>(3,502,595)</u>	<u>-</u>	<u>837,125</u>	<u>92,057,824</u>
Governmental activities capital assets, net	<u>\$ 118,067,211</u>	<u>\$ 13,461,567</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 131,528,778</u>
<u>Business-type activities</u>					
Capital assets, not being depreciated:					
Land	\$ 6,404,149	\$ -	\$ -	\$ -	\$ 6,404,149
Construction in progress	11,286,015	7,980,813	-	(12,100,746)	7,166,082
Total capital assets, not being depreciated	<u>17,690,164</u>	<u>7,980,813</u>	<u>-</u>	<u>(12,100,746)</u>	<u>13,570,231</u>
Capital assets being depreciated					
Land rights	19,794	-	-	-	19,794
Land improvements	82,335	-	-	-	82,335
Building and improvements	157,810,375	800,854	-	-	158,611,229
Vehicles and equipment	12,087,837	1,002,670	-	-	13,090,507
Infrastructure	205,762,170	-	-	12,100,746	217,862,916
Intangible assets	-	107,210	-	-	107,210
Total capital assets being depreciated, net	<u>375,762,511</u>	<u>1,910,734</u>	<u>-</u>	<u>12,100,746</u>	<u>389,773,991</u>
Less accumulated depreciation for:					
Land rights	19,794	-	-	-	19,794
Land improvements	82,335	-	-	-	82,335
Building and improvements	66,392,902	3,867,296	-	-	70,260,198
Vehicles and equipment	9,512,238	617,964	-	-	10,130,202
Infrastructure	84,942,234	5,362,882	-	-	90,305,116
Intangible assets	-	10,721	-	-	10,721
Total accumulated depreciation	<u>160,949,503</u>	<u>9,858,863</u>	<u>-</u>	<u>-</u>	<u>170,808,366</u>
Total capital assets being depreciated, net	<u>214,813,008</u>	<u>(7,948,129)</u>	<u>-</u>	<u>12,100,746</u>	<u>218,965,625</u>
Business-type activities capital assets, net	<u>\$ 232,503,172</u>	<u>\$ 32,684</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 232,535,856</u>

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)
Capital Assets (Continued)

Depreciation expense has been charged as follows:

Governmental activities

General government	\$ 2,357,167
Public safety	1,115,297
Highway and streets	4,970,820
Culture and recreation	<u>887,626</u>
Total depreciation expense - governmental activities	<u>\$ 9,330,910</u>

Business-type activities

Water	\$ 3,863,821
Sewer	5,956,035
Stormwater	<u>39,007</u>
Total depreciation - business-type activities	<u>\$ 9,858,863</u>

Assessment Liens Receivable

Assessment liens receivable represent the uncollected amounts levied against property for the cost of local improvements. Total delinquent assessments receivable at June 30, 2024, amounted to \$10,004,855, net of an allowance for uncollectible accounts totaling \$9,539,060 for a net receivable of \$465,795. Assessments are payable for a period of five to twenty years and bear an interest rate of nine percent for unbonded assessments and the bond rate plus 1.5 percent for financed assessments.

Loans Receivable

The listing which follows outlines the loans receivable as of June 30, 2024.

	Balance at July 1, 2023 (restated)	Increase	Decrease	Balance at June 30, 2024
Governmental activities				
Albany Revitalization Agency (ARA) Regular Loans	\$ 1,318,838	\$ -	\$ 71,056	\$ 1,247,782
Capital Projects	1,122,560	-	-	1,122,560
Economic Development	<u>1,864,531</u>	-	<u>731,666</u>	<u>1,132,865</u>
Total governmental activities	4,305,929	-	802,722	3,503,207
Business-type activities				
Sewer	<u>2,233,853</u>	-	<u>327,420</u>	<u>1,906,433</u>
Total loans receivable	<u>\$ 6,539,782</u>	<u>\$ -</u>	<u>\$ 1,130,142</u>	<u>\$ 5,409,640</u>

Albany Revitalization Area (ARA) Regular Loans

The ARA has made loans to individuals or corporations to help offset the costs of building and remodeling projects within the urban renewal district.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

2. DETAILED NOTES (CONTINUED)

Loans Receivable (Continued)

In fiscal year 2016, the ARA approved a zero-interest twenty-year loan of \$175,000, to Novak’s Hungarian Restaurant (Sweet Red Bistro), for further improvements to the property located at 208 Second Avenue. This loan is secured by a promissory note and trust deed. Monthly payments of \$729 began on January 15, 2016. Due to COVID-19 the City deferred some payments for future consideration. The outstanding balance on June 30, 2024, totaled \$117,720.

In fiscal year 2016, the ARA approved a twenty-year loan of \$500,000, to Rick Mikesell, for renovations to the 1st Avenue Century Building. This no-interest loan is secured by a promissory note and trust deed. Monthly payments of \$2,083 started in September 2016, resulting in an outstanding balance of \$304,167 on June 30, 2024.

ARA converted a \$200,000 forgivable loan to R3 Development to a repayable loan in July 2016. The twenty-year loan has zero interest and monthly payments of \$833. Payments began in August 2016, resulting in an ending balance of \$120,834 on June 30, 2024.

Natural Sprinkles Bakery received a five-year \$50,000 loan from the ARA on January 5, 2018. This loan is secured by a promissory note and all tangible and intangible assets of the business. Annual interest-only payments are due in January of each year. The full principal balance was due January 5, 2023, however due to difficulties, the business was unable to make the payment. The City is currently renegotiating a payment schedule. The outstanding balance on June 30, 2024 was \$50,000.

In fiscal year 2021 the ARA approved a 20-year loan of \$744,000 to Van Vleet Properties, LLC, with an annual interest rate of 4.0 percent. This loan is secured by a promissory note and trust deed. Monthly payments of \$4,508 began on March 15, 2021. The outstanding balance on June 30, 2024 was \$655,061.

Albany Revitalization Area (ARA) Fund - Forgivable Loans

The following table is a schedule of loans that the ARA has made which are forgivable if certain conditions are met. The ARA believes that these conditions will be met, and thus does not report them as loans receivable.

<u>Borrower</u>	<u>Balance at July 1, 2023</u>	<u>Additions</u>	<u>Forgiven</u>	<u>Balance at June 30, 2024</u>
Edgewater Village	\$ 1,018,800	\$ -	\$ 182,800	\$ 836,000
Ameri-Tool	20,000	-	5,000	15,000
C.H.A.N.C.E	75,000	-	-	75,000
Sable Drive LLC	749,000	-	-	749,000
Glorietta Bay LLC	749,000	-	-	749,000
Total forgivable loans	<u>\$ 2,611,800</u>	<u>\$ -</u>	<u>\$ 187,800</u>	<u>\$ 2,424,000</u>

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

2. DETAILED NOTES (CONTINUED)

Loans Receivable (Continued)

Economic Development Loans

In fiscal year 2020 the City approved a loan of \$745,000, to Stack HIP LLC, with an annual interest rate of 2.5 percent. This loan is secured by a promissory note and trust deed. Monthly payments of \$3,948 began on January 2, 2020. The balance was paid in full during the year.

In fiscal year 2021 the City contracted with Community LendingWorks to administer loans to Albany small businesses. A total of 15 businesses received loans totaling \$200,000 in fiscal year 2021. At June 30, 2024, 13 businesses had an outstanding balance and the amount of principal outstanding totaled \$73,610.

In fiscal year 2021, the City's loaned \$1,216,351.97 to Sno-temp related to Lochner Rd with a variable interest rate ranging from 0.27% to 2.57%. This loan is expected to mature in December 2040. The outstanding balance at June 30, 2024 totaled \$1,059,255.

Capital Project Loan

In fiscal year 2020, the City sold property to Montagne Development Inc. under an installment sale totaling \$1,280,000. The loan calls for interest only payments at 6% with a principal payment of \$157,440 due February 2023, and a balloon payment of \$1,122,560 due March 2027. The outstanding balance at June 30, 2024 totaled \$1,122,560.

Sewer Fund - Wastewater Treatment Plant Loan - City of Millersburg

In August 2007, the City of Albany and the City of Millersburg approved an intergovernmental agreement for expansion and improvement of Albany's Davidson Street wastewater treatment plant. Costs of the project will be shared ninety percent for Albany and ten percent for Millersburg. The initial cost estimate was \$70 million. The project went online in 2010-11 and final project costs, plus adjustments totaled \$77,854,374. The loan balance was set to be paid back over a 19-year period at the same interest rate charged for the Albany loan from the Clean Water State Revolving Fund but in fiscal year 2017-18, this loan was refinanced at a lower interest rate decreasing the interest owed. As of June 30, 2024, Millersburg's loan balance was \$1,906,433.

Deferred Inflows of Resources

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	General	Street	Grants	Albany Revitalization Agency	Non-major	Total Governmental Funds
Accounts	\$ 789,948	\$ -	\$ 2,604,174	\$ -	\$ -	\$ 3,394,122
Assessments	457,445	-	-	-	12,474	469,919
Property taxes	932,517	-	-	209,015	481,925	1,623,457
System development charges	-	244,385	-	-	1,224	245,609
Total unavailable revenue	\$ 2,179,910	\$ 244,385	\$ 2,604,174	\$ 209,015	\$ 495,623	\$ 5,733,107

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

2. DETAILED NOTES (CONTINUED)

Restricted Net Position From Enabling Legislation

Total restricted net position of \$56,040,593 includes \$13,642,565 restricted by enabling legislation or by agreement with other external entities as follows:

Governmental activities	\$	9,736,675
Business-type activities		<u>3,905,890</u>
 Total	 \$	 <u><u>13,642,565</u></u>

Contract Commitments

The City has active contractual commitments as of June 30, 2024 as follows:

Description	Fund	Initial Commitment	Spent to Date	Remaining Commitment
<i>Consultant contracts:</i>				
USACE Drawdown & Dam Management	Water	\$ 70,000	\$ 39,317	30,683
Hydroelectric Licensing Surrender Review	Water	25,000	5,280	19,720
Utility Billing Management Software	Central Services	<u>285,550</u>	<u>163,700</u>	<u>121,850</u>
Total consulting contracts		380,550	208,297	172,253
 <i>Construction contracts:</i>				
Waterfront project	ARA	17,769,653	14,718,378	3,051,275
Water Treatment Plant Wetwell and Sedimentation Basin Cleanout	Water	100,000	55,752	44,248
Skyline Drive Water Line	Water	<u>219,699</u>	<u>199,066</u>	<u>20,633</u>
Total construction contracts		<u>18,089,352</u>	<u>14,973,196</u>	<u>3,116,156</u>
 Total contract commitments		 <u>\$18,469,902</u>	 <u>\$15,181,493</u>	 <u>\$ 3,288,409</u>

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)

Long-term Liabilities

Changes in long-term liabilities for the year ended June 30, 2024 and the amounts due within one year are presented below:

	Balance at July 1, 2023	Increase	Decrease	Balance at June 30, 2024	Due Within One Year
Governmental Activities					
Long-term debt:					
Bonds payable					
General obligation bonds,					
2015 Public Safety Facilities Bonds	\$ 13,950,000	\$ -	\$ 745,000	\$ 13,205,000	\$ 815,000
Limited tax pension obligations,					
Series 2002	3,020,000	-	685,000	2,335,000	-
Urban Renewal Bonds					
CARA Series 2022	14,643,693	-	1,278,843	13,364,850	1,313,372
Unamortized premium	381,755	-	31,813	349,942	31,813
Total bonds payable	<u>31,995,448</u>	<u>-</u>	<u>2,740,656</u>	<u>29,254,792</u>	<u>2,160,185</u>
Direct borrowings and placements					
2021 SPWF Lochner Road	1,113,318	-	54,063	1,059,255	54,111
Oregon IFA	5,801,078	-	533,008	5,268,070	546,600
Total direct borrowings and placements	<u>6,914,396</u>	<u>-</u>	<u>587,071</u>	<u>6,327,325</u>	<u>600,711</u>
Total long-term debt	<u>38,909,844</u>	<u>-</u>	<u>3,327,727</u>	<u>35,582,117</u>	<u>2,760,896</u>
Net pension liability	41,006,068	10,095,656	-	51,101,724	-
Total OPEB liability	3,372,781	117,275	-	3,490,056	-
Subscription liability	496,285	503,970	358,297	641,958	361,491
Compensated absences	2,415,684	2,974,357	3,372,642	2,017,399	1,008,699
Total Governmental Activities	<u>86,200,662</u>	<u>13,691,258</u>	<u>7,058,666</u>	<u>92,833,254</u>	<u>4,131,086</u>
Business-type Activities					
Long-term debt:					
Bonds payable					
2013 Water Refunding Bonds	17,840,000	-	1,290,000	16,550,000	1,345,000
Unamortized premium	931,522	-	92,388	839,134	92,388
Total bonds payable	<u>18,771,522</u>	<u>-</u>	<u>1,382,388</u>	<u>17,389,134</u>	<u>1,437,388</u>
Direct borrowings and placements					
2018 SRF - WWTP	26,729,915	-	3,917,856	22,812,059	3,986,720
2012 SRF	850,000	-	100,000	750,000	100,000
2021 SRF - Riverfront Interceptor	9,399,827	-	479,119	8,920,708	483,921
Total direct borrowings and placements	<u>36,979,742</u>	<u>-</u>	<u>4,496,975</u>	<u>32,482,767</u>	<u>4,570,641</u>
Total long-term debt	<u>55,751,264</u>	<u>-</u>	<u>5,879,363</u>	<u>49,871,901</u>	<u>6,008,029</u>
Net pension liability	9,132,106	3,873,507	-	13,005,613	-
Total OPEB liability	841,324	46,911	-	888,235	-
Compensated absences	608,479	816,416	865,889	559,006	279,503
Total Business-Type Activities	<u>66,333,173</u>	<u>4,736,834</u>	<u>6,745,252</u>	<u>64,324,755</u>	<u>6,287,532</u>
Total	<u>\$ 152,533,835</u>	<u>\$ 18,428,092</u>	<u>\$ 13,803,918</u>	<u>\$ 157,158,009</u>	<u>\$ 10,418,618</u>

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)

Long-term Liabilities (Continued)

Compensated Absences

Compensated absences, pension liabilities and other postemployment benefit liabilities are generally liquidated by the fund in which they were incurred, including the General, Parks and Recreation, Building Inspection, Street, Economic Development, and Public Transit Funds, and the respective proprietary funds.

Governmental Activities

General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

The City issued \$18,000,000 in general obligation bonds in August 2015 to finance construction of new public safety facilities. Interest rates range from three to five percent for the 20-year bonds. Final maturity is June 15, 2035. The balance outstanding at June 30, 2024, is \$13,205,000.

For the year ending June 30,	Principal	Interest	Total
2025	\$ 815,000	\$ 454,625	\$ 1,269,625
2026	890,000	413,875	1,303,875
2027	970,000	369,375	1,339,375
2028	1,050,000	330,575	1,380,575
2029	1,115,000	299,075	1,414,075
2030-2034	6,750,000	936,194	7,686,194
2035-2039	<u>1,615,000</u>	<u>52,488</u>	<u>1,667,488</u>
Totals	<u>\$ 13,205,000</u>	<u>\$ 2,856,207</u>	<u>\$ 16,061,207</u>

Limited Tax Pension Obligations

In March 2002, the City sold \$6,851,826 of Limited Tax Pension Obligations. Net proceeds in the amount of \$6,700,000 were used to finance a portion of the City's estimated unfunded liability in the Oregon Public Employees Retirement System. Debt service requirements are payable from available General Fund resources including property taxes. Interest rates range from 2 percent to 7.36 percent for the 26-year bonds. Final maturity is June 1, 2028. The City prepaid one bond in the amount of \$790,000, which led to interest being defeased in the amount of \$737,003. The balance outstanding at June 30, 2024, is \$2,335,000.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)

Long-term Liabilities (Continued)

Governmental Activities (Continued)

Annual debt service requirements to maturity for the limited tax pension obligations are as follows:

For the year ending June 30,	Principal	Interest	Total
2025	\$ -	\$ 159,947	\$ 159,947
2026	865,000	159,948	1,024,948
2027	970,000	100,695	1,070,695
2028	500,000	34,250	534,250
Totals	<u>\$ 2,335,000</u>	<u>\$ 454,840</u>	<u>\$ 2,789,840</u>

Albany Revitalization Agency Urban Renewal Bonds - 2022

In April 2022, the Albany Revitalization Agency, an urban renewal district, issued bonds totaling \$15,114,767 to finance authorized projects in the urban renewal area. Debt service requirements are payable from tax increment revenues. The interest rate is 2.70 percent for the 10-year bonds. Final maturity is December 1, 2032. The balance outstanding at June 30, 2024, is \$13,364,850. Annual debt service requirements to maturity are as follows:

For the year ending June 30,	Principal	Interest	Total
2025	\$ 1,313,372	\$ 343,120	\$ 1,656,492
2026	1,348,832	307,181	1,656,013
2027	1,385,251	270,271	1,655,522
2028	1,422,653	232,364	1,655,017
2029	1,461,064	193,434	1,654,498
2030-2034	6,433,678	360,495	6,794,173
Totals	<u>\$ 13,364,850</u>	<u>\$ 1,706,865</u>	<u>\$ 15,071,715</u>

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)

Long-term Liabilities (Continued)

Governmental Activities (Continued)

Special Public Works Fund Loan – Lochner Road development project

In June 2021, the City entered into the first amendment to an infrastructure funding agreement for \$1,216,352 to be repaid over a 20-year period. The interest rate is 2.054 percent with a final maturity of December 1, 2040. The balance outstanding at June 30, 2024 is \$1,059,255.

For the year ending June 30,	Principal	Interest	Total
2025	\$ 54,111	\$ 19,726	\$ 73,837
2026	54,170	19,373	73,543
2027	54,243	18,940	73,183
2028	59,337	18,392	77,729
2029	59,450	17,674	77,124
2030-2034	299,553	74,140	373,693
2035-2039	334,605	43,539	378,144
2040-2044	<u>143,786</u>	<u>5,547</u>	<u>149,333</u>
Totals	<u>\$ 1,059,255</u>	<u>\$ 217,331</u>	<u>\$ 1,276,586</u>

Oregon Infrastructure Authority (IFA) - Streetscape loan

In October 2016, Council approved through resolution a \$8,400,000 loan from the Oregon Infrastructure Authority (IFA) for the financing of projects in the Central Albany Revitalization Area. The interest rate is 2.55 percent and payment is made from the transfer of ARA incremental tax receipts. Final maturity is December 1, 2032. The balance outstanding at June 30, 2024, is \$5,268,070. In the event of default, the IFA may declare all payments immediately due and payable. Annual debt service requirements to maturity are as follows:

For the year ending June 30,	Principal	Interest	Total
2025	\$ 546,600	\$ 134,336	\$ 680,936
2026	560,539	120,397	680,936
2027	574,832	106,104	680,936
2028	589,491	91,446	680,937
2029	604,523	76,414	680,937
2030-2034	<u>2,392,085</u>	<u>147,519</u>	<u>2,539,604</u>
Totals	<u>\$ 5,268,070</u>	<u>\$ 676,216</u>	<u>\$ 5,944,286</u>

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)
Long-term Liabilities (Continued)

Business-Type Activities

Revenue Bonds

In March 2013, the City issued \$28,405,000 of Water Refunding Bonds, Series 2013, to refund the 2003 Series Water Revenue and Refunding Bonds. The 2013 Series bonds are collateralized by City's pledge of its full faith and credit and taxing powers, plus are secured by a lien on the net revenues of the City's Water System. Debt service requirements are payable from pledged water system revenues, i.e. water service charges and system development charges. Interest rates range from three percent to five percent for the 20-year bonds. Final maturity is August 1, 2033. The balance outstanding of the bonds at June 30, 2024, is \$16,550,000.

For the year ending June 30,	Principal	Interest	Total
2025	\$ 1,345,000	\$ 572,069	\$ 1,917,069
2026	1,420,000	502,944	1,922,944
2027	1,500,000	437,444	1,937,444
2028	1,560,000	376,244	1,936,244
2029	1,625,000	312,544	1,937,544
2030-2034	9,100,000	725,166	9,825,166
Totals	<u>\$ 16,550,000</u>	<u>\$ 2,926,411</u>	<u>\$ 19,476,411</u>

Loans Payable

The City was approved for two loans totaling \$69,000,000 from the Clean Water State Revolving Fund (CWSRF) to assist in the payment of construction costs to build a new wastewater treatment plant. The loan amounts are \$35,183,559 at a rate of 2.90 percent and \$33,816,441 at 3.14 percent. Debt service requirements are payable from pledged sewer system revenues, i.e. sewer service charges and a payment from the City of Millersburg. In fiscal year 2017-18 the City refinanced and consolidated the two loans into one with a rate of 1.75 percent. The loan payment schedule includes a 0.5% loan fee, effectively increasing the loan rate to 2.25 percent. In the event of default, the CWSRF may declare the outstanding loan amount plus any unpaid accrued interest immediately due and payable. As of June 30, 2024, the balance outstanding is \$22,812,059. The final maturity date is October 1, 2029.

For the year ending June 30,	Principal	Interest	Total
2025	\$ 3,986,720	\$ 495,906	\$ 4,482,626
2026	4,056,793	405,899	4,462,692
2027	4,128,097	314,309	4,442,406
2028	4,200,655	221,112	4,421,767
2029	4,274,489	126,278	4,400,767
2030-2034	2,165,305	29,773	2,195,078
Totals	<u>\$ 22,812,059</u>	<u>\$ 1,593,277</u>	<u>\$ 24,405,336</u>

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)

Long-term Liabilities (Continued)

Business-type Activities (Continued)

Loans Payable (Continued)

The City of Albany has received a \$4,000,000 loan from the Special Public Works Revolving Fund (SPWRF) which was funded by American Recovery and Reinvestment Act (ARRA) and was used to fund a portion of the Talking Water Garden project. The City of Millersburg forwarded their \$4,000,000 loan from SPWRF to use against the same project. These two loans are forgivable; 75% for the City of Millersburg and 50% for the City of Albany. The balance outstanding as of June 30, 2024, is \$750,000. Debt service requirements are payable from pledged sewer system revenues, i.e. sewer service charges. The loan is interest free with the exception of the annual fee of 0.50%; the final maturity is August 1, 2031. The amortization schedule is as follows:

For the year ending June 30,	Principal	Interest	Total
2025	\$ 100,000	\$ 3,750	\$ 103,750
2026	100,000	3,250	103,250
2027	100,000	2,750	102,750
2028	100,000	2,250	102,250
2029	100,000	1,750	101,750
2030-2034	<u>250,000</u>	<u>2,250</u>	<u>252,250</u>
Totals	<u>\$ 750,000</u>	<u>\$ 16,000</u>	<u>\$ 766,000</u>

The City was approved for a loan totaling \$10,109,603 from the Clean Water State Revolving Fund (CWSRF) to assist in the payment of construction costs to build a new riverfront interceptor and lift station. Debt service requirements are payable from pledged sewer system revenues. The loan payment schedule includes a 0.5 percent loan fee on top of the 1.00 percent interest rate, effectively increasing the loan rate to 1.50 percent. In the event of default, the CWSRF may declare the outstanding loan amount plus any unpaid accrued interest immediately due and payable. As of June 30, 2024, the balance outstanding is \$8,920,708. The final maturity date is April 1, 2041.

For the year ending June 30,	Principal	Interest	Total
2025	\$ 483,921	\$ 88,001	\$ 571,922
2026	488,773	83,149	571,922
2027	493,673	78,249	571,922
2028	498,622	73,300	571,922
2029	503,620	68,302	571,922
2030-2034	2,594,856	264,754	2,859,610
2035-2039	2,727,557	132,053	2,859,610
2040-2044	<u>1,129,686</u>	<u>14,156</u>	<u>1,143,842</u>
Totals	<u>\$ 8,920,708</u>	<u>\$ 801,964</u>	<u>\$ 9,722,672</u>

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2. DETAILED NOTES (CONTINUED)

Subscription-based Information Technology Arrangements (SBITA)

The City has entered into various software agreements on a subscription basis. The subscription liability related to these SBITAs was initially recognized on July 1, 2022, with the adoption of GASB Statement No. 96. The City determined that it was not practicable to retroactively implement GASB 96, accordingly the SBITA asset and SBITA liability were equal at adoption. The subscription periods of these agreements expire between November 2024 and May 2027.

Interest rates on these agreements range from 2.02% to 3.74%. Annual payments for the current year range from \$5,703 to \$83,888.

Future annual subscription commitments as of June 30, 2024 are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2025	\$ 361,491	\$ 16,394
2026	222,121	6,683
2027	35,727	1,426
2028	<u>22,619</u>	<u>536</u>
Total	<u>\$ 641,958</u>	<u>\$ 25,039</u>

Interfund Transfers

During the year ended June 30, 2024, interfund transfers were as follows:

Transfers out:	Transfers in				Total
	<i>Governmental Activities</i>				
	General	Street	Nonmajor Governmental Funds	Internal Service - Central Services	
<i>Governmental Activities</i>					
General	\$ -	\$ -	\$ 273,408	\$ -	\$ 273,408
Streets	-	-	80,000	-	80,000
Grants	66,028	-	135,000	-	201,028
Albany Revitalization Agency	-	-	297,400	-	297,400
Nonmajor Governmental	4,627,994	6,574	292,300	6,300	4,933,168
Internal Service - Central Services	-	-	16,000	-	16,000
<i>Business-Type Activities</i>					
Water	-	1,065,391	-	-	1,065,391
Sewer	-	<u>1,189,872</u>	<u>565,690</u>	-	<u>1,755,562</u>
Total	<u>\$ 4,694,022</u>	<u>\$ 2,261,837</u>	<u>\$ 1,659,798</u>	<u>\$ 6,300</u>	<u>\$ 8,621,957</u>

Interfund transfers are used to provide operational support, capital projects and equipment replacement programs, and grant support.

**CITY OF ALBANY, OREGON
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024**

2. DETAILED NOTES (CONTINUED)

Interfund Transfers (Continued)

Transfers from the Public Safety Levy Police and Fire Funds to the General Fund totaled \$4,741,045 for the related programs. Also, the Sewer and Water Funds transferred \$1,095,897 and \$962,240, respectively, to the Streets Fund to assist with street costs with ILFF (in lieu of franchise fees) money, and the Stormwater Fund transferred \$1,100,000 for capital projects.

Interfund Loans and Advances

At June 30, 2024, interfund loans were as follows:

	Receivable
Payable	Economic Development Fund
Capital Projects Fund	\$ <u>588,144</u>

The loan of \$3,458,997 to the Risk Management Fund from the Capital Projects Fund will be paid back over time. This loan receivable was changed to the Economic Development Fund as the program that supported the loan was reformed as the Economic Development Opportunity Fund with a balance owing of \$588,144 at the end of the year. The anticipated pledged revenue stream will be from LID assessments levied against the projects in the Timber Ridge School area.

Additionally, the General fund made a short-term advance to the Debt Service fund of \$136,688 during the year ended June 30, 2024.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

2. DETAILED NOTES (CONTINUED)

Governmental Fund Balances

As of June 30, 2024, the fund balance amounts for governmental funds have been reported in the categories listed below as follows:

	General	Street	Grants	Albany Revitalization Agency	Nonmajor Governmental Funds	Total
<u>Nonspendable:</u>						
Permanent fund principal	\$ -	\$ -	\$ -	\$ -	\$ 91,343	\$ 91,343
Inventory	-	61,144	-	-	-	61,144
Total Nonspendable	-	61,144	-	-	91,343	152,487
<u>Restricted:</u>						
Park and Recreation SDCs	-	-	-	-	2,074,274	2,074,274
Senior Center Foundation	-	-	-	-	49	49
Building Inspection	-	-	-	-	3,038,086	3,038,086
Electrical Inspection	-	-	-	-	571,311	571,311
Public Safety Levy	-	-	-	-	2,006,899	2,006,899
Transportation SDC Projects	-	7,662,352	-	-	-	7,662,352
Albany Revitalization Agency	-	-	-	19,109,562	-	19,109,562
Other Grants	-	-	5,042,521	-	-	5,042,521
2015 Public Safety Facilities	-	-	-	-	827,476	827,476
Economic Development	-	-	-	-	1,721,009	1,721,009
Total Restricted	-	7,662,352	5,042,521	19,109,562	10,239,104	42,053,539
<u>Committed:</u>						
Parks and Recreation Operations	-	-	-	-	6,756,824	6,756,824
Risk Management Reserve	-	-	-	-	1,040,445	1,040,445
PERS Reserve	-	-	-	-	2,643,624	2,643,624
Economic Development	-	-	-	-	1,337,197	1,337,197
Street Operations	-	581,626	-	-	-	581,626
Street Capital and Restoration	-	12,620,782	-	-	-	12,620,782
Capital Projects	-	-	-	-	1,753,372	1,753,372
ADA Capital Projects	-	209,770	-	-	-	209,770
Economic Development Opportunity	-	-	-	-	2,344,726	2,344,726
Albany Municipal Airport	-	-	-	-	80,781	80,781
Municipal Airport Capital Projects	-	-	-	-	451,943	451,943
Albany Transit	-	-	-	-	840,238	840,238
Paratransit System	-	-	-	-	267,048	267,048
Linn-Benton Loop	-	-	-	-	421,213	421,213
Equipment Replacement	-	386,395	-	-	3,579,885	3,966,280
IT Equipment Replacement	-	13,672	-	-	726,856	740,528
Public Works Facilities	-	-	-	-	996,393	996,393
Total Committed	-	13,812,245	-	-	23,240,545	37,052,790
<u>Unassigned:</u>						
General Fund	13,129,146	-	-	-	(136,688)	12,992,458
Total Fund Balances	\$ 13,129,146	\$ 21,535,741	\$ 5,042,521	\$ 19,109,562	\$ 33,434,304	\$ 92,251,274

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3. OTHER INFORMATION

Defined Benefit Pension Plan

Plan Description

Employees of the City are provided with pensions through the Oregon Public Employees Retirement Systems (OPERS).

The OPERS consists of a single cost-sharing multiple employer defined benefit pension plan. The Oregon Legislature has delegated the authority to the Public Employees Retirement Board to administer and manage the system.

OPERS produces an independently audited Annual Comprehensive Financial Report which includes detailed information about the pension plan's fiduciary net position. The report can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2023-ACFR.pdf>

Description Of Benefit Terms

All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A.

PERS Pension (Chapter 238) (Tier 1/Tier 2 retirement benefit)

Tier 1/Tier 2 Retirement Benefit Plan is closed to new members hired on or after August 29, 2003.

Pension Benefits

The OPERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (1.67% for general service employees and 2% for police and fire employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55, and police and fire members after age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier 2 members are eligible for full benefits at age 60.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

Defined Benefit Pension Plan (Continued)

Death Benefits (Continued)

- the member was employed by an OPERS employer at the time of death,
- the member died within 120 days after termination of OPERS-covered employment,
- the member died as a result of injury sustained while employed in an OPERS-covered job, or
- the member was on an official leave of absence from an OPERS-covered job at the time of death.

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including OPERS judge members) for disability benefits regardless of the length of OPERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 for general service members and age 55 for police and fire members when determining the monthly benefit.

Benefit changes after retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes.

Oregon Public Service Retirement Plan (Chapter 238A) (OPSRP)

The OPSRP pension program provides benefits to members hired on or after August 29, 2003.

Pension Benefits

This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

General service: 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

Police and fire: 1.8% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 60, or age 53 with 25 years of retirement credit.

A member of the OPSRP pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3. OTHER INFORMATION (CONTINUED)

Defined Benefit Pension Plan (continued)

Pension Benefits (Continued)

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50% of the pension that would otherwise have been paid to the deceased member.

Disability Benefits

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes.

Contributions and funding policy

OPERS funding policy provides for periodic member and employer contributions at actuarial determined rates, subject to limits set in statute. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation.

Tier 1/Tier 2 employer contribution rates are 27.06% and the OPSRP employer contribution rates are 20.66% for general service employees and 25.45% for police and fire employees. Employer contributions for the year ended June 30, 2024 were \$9,012,079.

Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

Net Pension Liability

At June 30, 2024, the City reported a liability of \$64,107,337 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The City's proportion of the net pension liability was actuarially determined based on a projection of the City's long-term contributions effort to the pension plan relative to the long-term projected contributions effort of all participating employers. The projected long-term contribution effort is equal to the sum of the present value of future normal costs (PVFNC) and the unfunded actuarial liability (UAL).

Normal Cost Rate:

The PVFNC represents the portion of the projected long-term contribution effort related to future service. An employer's PVFNC depends on both the normal cost rates charged on the employer's payrolls, and on the underlying demographics of the respective payrolls. For OPERS funding, employers have up to three different payrolls, each with a different normal cost rate: (1) Tier 1/Tier 2 payroll, (2) OPSRP general service payroll, and (3) OPSRP police and fire payroll.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

**3. OTHER INFORMATION (CONTINUED)
Defined Benefit Pension Plan (Continued)**

UAL Rate:

A UAL can arise when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises over a fixed period of time if future experience follows assumption. The UAL Rate is the upcoming year's component of the cumulative amortization schedules, stated as a percent of payroll. The UAL represents the portion of the projected long-term contribution effort related to past service.

After the employer's projected long-term contribution effort is calculated, that amount is reduced by the value of the employer's supplemental lump-sum payments, known as side accounts, transition surpluses and pre-SLGRP (State and Local Government Rate Pool) surpluses as of the valuation date. Side accounts decrease the employer's projected long-term contribution effort because side accounts are effectively prepaid contributions. The employer's projected long-term contribution effort does not include payments toward the current value of transition liabilities and pre-SLGRP liabilities.

At June 30, 2023, the City's proportion was 0.34225835%, which was an increase of 0.01481482% from its proportion measured as of June 30, 2022.

Pension Expense

For the year ended June 30, 2024, the City recognized pension expense of \$1,211,912.

Deferred Inflows of Resources and Deferred Outflows of Resources

Deferred inflows of resources and deferred outflows of resources are calculated at the plan level and are allocated to employers based on their proportionate share.

Deferred Inflows of Resources and Deferred Outflows of Resources (Continued)

Differences between expected and actual experience, changes in assumptions and changes in employer proportionate are amortized over the average remaining service lives of all plan participants, including retirees, determined at the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period "layers" attributable to each measurement period.

The net difference between projected and actual investment earnings attributable to each measurement period is amortized over a closed five-year period.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

**3. OTHER INFORMATION (CONTINUED)
Defined Benefit Pension Plan (Continued)**

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,135,044	\$ 254,191
Changes of assumptions	5,694,917	42,462
Net difference between projected and actual earnings on investments	1,152,271	-
Changes in proportionate share	1,944,866	1,754,961
Differences between employer contributions and proportionate share of contributions	279,889	3,963,323
Total (prior to post-MD contributions)	12,206,987	6,014,937
Contributions subsequent to the MD	9,012,079	-
Total	\$ 21,219,066	\$ 6,014,937

Deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement in the amount of \$9,012,079 will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ends June 30,	
2025	\$ 304,113
2026	(2,612,655)
2027	5,937,574
2028	2,230,190
2029	332,828
Total	\$ 6,192,050

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

Defined Benefit Pension Plan (Continued)

Actuarial Methods and Assumptions Used in Developing the Total Pension Liability

The total pension liability measured as of June 30, 2023 was based on an actuarial valuation as of December 31, 2021 using the following methods and assumptions:

Experience study report	2020, published July 20, 2021
Actuarial cost method	Entry age normal
Inflation rate	2.4%
Long-term expected rate of return	6.9%
Discount rate	6.9%
Administrative expenses – Tier 1/Tier 2	\$59 million per year added to normal cost and allocated between Tier One/Tier Two and OPSRP based on valuation payroll
Projected salary increases	3.4%
Cost of living adjustments (COLA)	Blend of 2% COLA and graded COLA (1.25%/.015) in accordance with <i>Moro</i> decision; blend based on service
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Health Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

Defined Benefit Pension Plan (Continued)

UAL Amortization

The Tier 1/Tier 2 UAL amortization period was reset to 20 years as of December 31, 2013. Gains and losses between subsequent odd-year valuations will be amortized as a level percentage of projected combined valuation payroll (Tier 1/ Tier 2 plus OPSRP payroll) over a closed 20-year period from the valuation in which they are first recognized. Senate Bill 1049 was signed into law in June 2019 and required a one-time reamortization of Tier One/Tier Two UAL over a closed 22-year period at the December 31, 2019 rate-setting actuarial valuation, which set actuarially determined contribution rates for the 2021-2023 biennium. Future Tier One/Tier Two UAL gains or losses will be amortized over 20 years. The closed period amortization under Senate Bill 1049 will continue to decline, and has 20 years remaining as of the December 31, 2022 valuation.

The OPSRP UAL as of December 31, 2007 is amortized as a level percentage of projected combined valuation payroll (Tier 1/ Tier 2 plus OPSRP payroll) over a closed period 16-year period. Gains and losses between subsequent odd-year valuations are amortized as a level percentage of combined valuation payroll over 16 years from the valuation in which they are first recognized.

Discount Rate

The discount rate used to measure the total pension liability was 6.9%, a reduction from 7.2% from the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Assumed Asset Allocation

Asset Class	Target Allocation
Cash	0.00%
Debt securities	25.00%
Public equity	27.50%
Private equity	20.00%
Real estate	12.50%
Real assets	7.50%
Diversifying strategies	<u>7.50%</u>
Total	<u>100.00%</u>

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3. OTHER INFORMATION (CONTINUED)

Defined Benefit Pension Plan (Continued)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both the actuary's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on forward-looking capital market economic model.

<u>Long-Term Expected Rate of Return</u>	20-Year ¹			
	Target Allocation	Annual Arithmetic Return ²	Annualized Geometric Mean	Annual Standard Deviation
Asset Class				
Global Equity	27.50 %	8.57 %	7.07 %	17.99 %
Private Equity	25.50	12.89	8.83	30.00
Core Fixed Income	25.00	4.59	4.50	4.22
Real Estate	12.25	6.90	5.83	15.13
Master Limited Partnerships	0.75	9.41	6.02	27.04
Infrastructure	1.5	7.88	6.51	17.11
Hedge Fund of Funds - Multistrategy	1.25	6.81	6.27	9.04
Hedge Fund Equity - Hedge	0.63	7.39	6.48	12.04
Hedge Fund - Macro	5.62	5.44	4.83	7.49
Assumed Inflation - Mean			2.35 %	1.41 %

¹ Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on January 25, 2023.

² The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3. OTHER INFORMATION (CONTINUED)

Defined Benefit Pension Plan (Continued)

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's fiduciary net position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 68 does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for OPERS:

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is OPERS independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Changes in actuarial methods and assumptions

There have been no changes in actuarial methods or assumptions since the December 31, 2021 valuation.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

Defined Benefit Pension Plan (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.9%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability (asset)	\$ 105,893,250	\$ 64,107,337	\$ 29,136,956

Defined Contribution Plan

OPSRP Individual Account Program (OPSRP IAP)

Plan Description

Individual account program (IAP) - Participants in OPERS defined benefit pension plan also participate in the defined contribution plan.

Pension Benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3. OTHER INFORMATION (CONTINUED)

Defined Contribution Plan (Continued)

Contributions

Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit Pension Plan. If the member earns more than \$2,500 per month (increased to \$3,570 per month on January 1, 2022) 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

The City makes the employee contributions of 6% of covered payroll to the IAP. Contributions for the year ended June 30, 2024 were \$2,151,450.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

Other Postemployment Benefits

Oregon Public Employees Retirement System (PERS) Defined Benefit OPEB Plan

Plan Description

The City contributes to the Oregon PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. The RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. Contributions are mandatory for each employer that is a member of PERS.

The Oregon Legislature has delegated the authority to the Public Employees Retirement Board to administer and manage the system.

OPERS produces an independently audited Annual Comprehensive Financial Report which includes detailed information about the pension plan's fiduciary net position. The report can be found at: <https://www.oregon.gov/pers/Documents/Financials/ACFR/2023-ACFR.pdf>

Description of Benefit Terms

All benefits of the System are established by the legislature pursuant to Oregon Revised Statutes Chapters 238 and 238A.

The RHIA is closed to new members hired on or after August 29, 2003.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3. OTHER INFORMATION (CONTINUED)

Other Postemployment Benefits (Continued)

Oregon Public Employees Retirement System (PERS) Defined (Continued)

Other Postemployment Healthcare Benefits

Eligible retired members receive a monthly healthcare benefit for life up to \$60 toward the monthly cost health insurance.

To be eligible, the member must:

- 1) Have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS
- 2) Receive both Medicare Parts A and B coverage
- 3) Enroll in a PERS-sponsored health plan

Surviving spouse or dependent benefits

A surviving spouse or dependent of a deceased retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she is receiving a retirement benefit or allowance from PERS or was insured at the time the member died and the member retired before May 1, 1991.

Contributions

OPERS funding policy provides for periodic member and employer contributions at the rates established by the Public Employees Retirement Board, subject to limits set in statute. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation.

The City contributed 0.04% of PERS-covered salaries for Tier 1 and Tier 2 members to fund the normal cost portion of RHIA benefits. Since the funded status of the RHIA UAL is in excess of 100%, no contributions were required to fund the RHIA UAL. For the year ended June 30, 2024, the City made contributions in the amount of \$268 to the RHIA.

Net OPEB Liability/(Asset), Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Postemployment Benefits

Net OPEB Liability (Asset)

At June 30, 2024, the City reported an (asset) of \$(1,094,277) for its proportionate share of the net OPEB liability/(asset). The net OPEB liability/(asset) was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2021. The City's proportion of the net OPEB liability/(asset) was based on its actual, legally required contributions made during the fiscal year with the total actual contributions of all employers during the fiscal year.

At June 30, 2023, the City's proportion was 0.29884732%, which was an increase of 0.06056054% from its proportion measured as of June 30, 2022.

OPEB Expense

For the year ended June 30, 2023, the City recognized a credit to OPEB expense of \$174,619.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

Other Postemployment Benefits (Continued)

Oregon Public Employees Retirement System (PERS) Defined (Continued)

Deferred inflows of resources and deferred outflows of resources

Deferred inflows of resources and deferred outflows of resources are calculated at the plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2023, employers will report the following deferred inflows or resources and/or deferred outflows of resources:

- Difference between expected and actual experience
- Changes in assumptions
- Changes in employer proportion since the prior measurement date
- Net difference between projected and actual investment earnings
- Contributions subsequent to the measurement date

Differences between expected and actual experience, changes in assumptions and changes in employer proportionate are amortized over the average remaining service lives of all plan participants, including retirees, determined at the beginning of the respective measurement period. Employers are required to recognize OPEB expense based on the balance of the closed period “layers” attributable to each measurement period. The average remaining service lives determined as of the beginning of each measurement period are described below:

The net difference between projected and actual investment earnings attributable to each measurement period is amortized over a closed five-year period.

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ -	\$ 27,472
Changes of assumptions	-	11,799
Net difference between projected and actual earnings on investments	3,103	-
Changes in proportionate share	<u>19,712</u>	<u>105,957</u>
Total (prior to post-MD contributions)	22,815	145,228
Contributions subsequent to the MD	<u>268</u>	-
 Total	 <u>\$ 23,083</u>	 <u>\$ 145,228</u>

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

Other Postemployment Benefits (Continued)

Oregon Public Employees Retirement System (PERS) Defined (Continued)

Deferred outflows of resources related to OPEB resulting from the City’s contributions subsequent to the measurement date in the amount of \$268 will be recognized as an adjustment to the net OPEB (asset) in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended	
2025	\$ (111,755)
2026	(65,602)
2027	40,441
2028	14,503
Total	\$ (122,413)

Actuarial Methods and Assumptions Used in Developing Total OPEB Liability

Except as identified below, actuarial methods and assumptions used in developing the total OPEB liability are the same as those used to develop the total PERS pension liability as discussed in the defined pension plan footnote.

Retiree Healthcare Participation

Healthy retirees are assumed to participate 27.5% of the time while disabled retirees are assumed to participate 15% of the time.

Healthcare Cost Trend Rate

A healthcare cost trend rate is not utilized in the actuarial valuation as statute stipulates a \$60 monthly payment to retirees for health insurance.

Depletion Date Projection

GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan’s fiduciary net position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 75 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 75 does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

Other Postemployment Benefits (Continued)

Oregon Public Employees Retirement System (PERS) Defined (Continued)

The following circumstances justify an alternative evaluation of sufficiency for Oregon PERS (OPERS):

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 75 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan’s funded position.

Based on these circumstances, it is OPERS independent actuary’s opinion that the detailed depletion date projections outlined in GASB 75 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Sensitivity of the Proportionate Share of the Net OPEB Liability/(Asset) to Changes in the Discount Rate

The following presents the proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 6.9%, as well as what the proportionate share of the net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current rate:

	1 Percentage Point Lower	Current Discount Rate	1 Percentage Point Higher
Net OPEB Asset	\$ (994,700)	\$ (1,094,277)	\$ (1,179,713)

City of Albany Other Postemployment Benefits Plan

Plan Description and Benefits Provided

The City provides other postemployment benefits (OPEB) for employees, retirees, spouses and dependents through a single employer defined benefit plan in the form of group health insurance benefits. As required by ORS 243.303(2), retirees who were hired after July 1, 2003 are allowed to continue, at the retirees’ expense, coverage under the group health insurance plan until age 65. The difference between the premium actually paid by the retirees under the group insurance plan and the premium that they would pay if they were not included in the plan is considered to be an implicit subsidy under the provisions of GASB 75. The plan does not issue a separate stand-alone financial report.

Plan Membership

As of July 1, 2022, there were 391 active employees, 14 eligible retirees, and 2 spouses of eligible retirees for a total of 407 plan members.

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3. OTHER INFORMATION (CONTINUED)

City of Albany Other Postemployment Benefits Plan (Continued)

Contributions

The City funds the plan only to the extent of current year insurance premium requirements on a pay-as-you-go basis. The average monthly premium requirements for the City are as follows:

For retirees	\$	852
For spouses of retirees		967

Total OPEB Liability, Changes in Total OPEB Liability, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related To OPEB

At June 30, 2024, the City reported a total OPEB liability of \$4,378,291. The total OPEB liability was measured as of June 30, 2023 and determined by an actuarial valuation as of that date.

Changes in the total OPEB liability is as follows:

	<u>Total OPEB Liability</u>
Balance as of June 30, 2023	\$ 4,214,105
Changes for the year:	
Service cost	263,564
Interest on total OPEB liability	154,743
Effect of assumptions changes or inputs	(39,484)
Benefit payments	<u>(214,637)</u>
 Balance as of June 30, 2024	 <u><u>\$ 4,378,291</u></u>

For the year ended June 30, 2024, the City recognized OPEB expense of \$118,685. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 111,714	\$ 370,139
Changes of assumptions	<u>205,242</u>	<u>1,732,116</u>
Total (prior to post-MD contributions)	316,956	2,102,255
Contributions subsequent to the MD	<u>198,619</u>	<u>-</u>
 Total	 <u><u>\$ 515,575</u></u>	 <u><u>\$ 2,102,255</u></u>

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

City of Albany Other Postemployment Benefits Plan (Continued)

Deferred outflows of resources related to OPEB resulting from the City's benefit payments in the amount of \$198,619 will be recognized as an adjustment to the Total OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2025	\$ (299,622)
2026	(299,622)
2027	(285,354)
2028	(246,650)
2029	(180,697)
Thereafter	(473,354)
Total	<u>\$ (1,785,299)</u>

Actuarial Valuation

The City contributions are based on the accruing benefit costs measured using the individual entry age normal actuarial cost method. The present value of benefits is allocated over the service for each active employee from their date of hire to their expected retirement age, as a level percent of the employee's pay. This level percent times pay is referred to as the service cost and is that portion of the present value of benefits attributable to an employee's service in a current year. The service cost equals \$0 for retired members. The total OPEB liability is the present value of benefits less the actuarial present value of future normal costs and represents the liabilities allocated to service up to the valuation date. For retirees, the total OPEB liability is equal to the present value of benefits.

Actuarial Methods and Assumptions Used in Developing Total OPEB Liability

Valuation Date	July 1, 2022
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40%
Projected Salary Increases	3.40%
Mortality	December 31, 2021 Oregon PERS valuation
Election and Lapse Rates	40% of eligible employees 60% of male members and 35% of female members will elect spouse coverage 5% annual lapse rate

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

City of Albany Other Postemployment Benefits Plan (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 3.65%. The discount rate is based on the Bond Buyer 20-year General Obligation Bond Index. The discount rate at the prior measurement date was 3.54%.

Healthcare Cost Trend Rate

The assumed healthcare cost trend for medical and vision costs is as follows:

Years	Pre-65 Trend
2022	4.25%
2023	6.75
2024	6.50
2025	6.00
2026	5.25
2027	5.00
2028 - 2029	4.75
2030	4.50
2031 - 2065	4.25
2066 - 2071	4.00
2072+	3.75

Dental costs are assumed to increase 4.00 percent until 2072, then 3.75% thereafter.

Sensitivity of the City's Total OPEB Liability to Changes in the Discount and Healthcare Cost Trend Rates

The following presents the City's total OPEB liability calculated using the discount rate of 3.65%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

Discount Rate:

	1 Percentage Point Lower	Current Discount Rate	1 Percentage Point Higher
Total OPEB Liability	\$ 4,751,031	\$ 4,378,291	\$ 4,034,670

Healthcare Cost Trend:

	1 Percentage Point Lower	Current Trend Rate	1 Percentage Point Higher
Total OPEB Liability	\$ 3,903,126	\$ 4,378,291	\$ 4,938,184

CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

3. OTHER INFORMATION (CONTINUED)

Commitments and Contingent Liabilities

The City is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operation. Claims are generally covered by insurance. In the opinion of management, based on the advice of Counsel with respect to such litigation and claims, the ultimate disposition of these matters will not have a material adverse effect on the financial position, results of operations, or cash flows of the City's funds.

Joint Ventures

In 1993, the City entered into an intergovernmental agreement to build, operate, and maintain the Linn Regional Fueling Facility (LRFF) along with Greater Albany Public School District 8J, Linn County, Linn-Benton-Lincoln Educational Service District, and Linn-Benton Community College. At that time, the City's sales estimate was 28.9%. The agreement specifies that the land and improvements constituting the regional fueling facility shall be owned by Linn County and that the capital costs of designing and building the facility will be repaid by all parties through surcharges and capital cost payments. The capital cost payments will end when the total capital cost of the facility has been recovered.

After five years' participation in the Agreement, a party becomes vested as a capital cost shareholder. If, after the five-year point, a party withdraws from the Agreement, the remaining parties agree to pay the withdrawing party an amount equal to 80 percent of that party's total capital cost payments. Operation and maintenance costs are shared by the parties proportionately in accordance with each party's usage of the facility. These costs are covered through surcharges and fees set by the LRFF Board.

At June 30, 2024, the Linn Regional Fueling Facility's equity balance as reported in its audited financial statements totaled \$434,836. A copy of the Linn Regional Fueling Facility audit report may be obtained from Linn County, P.O. Box 100, Albany, Oregon 97321.

Intergovernmental Agreements

Water Supply System

On July 25, 2002, the City entered into an intergovernmental agreement with the City of Millersburg to plan, design, permit, construct, operate, and maintain a joint water supply system. The agreement specifies that the ownership of the joint water supply system will be allocated initially based on the facility's capacity sizing but may be reallocated based on future capacity expansions made by one or both parties.

The Agreement further states that the City of Albany will serve as the operating entity and shall be responsible for conducting the day-to-day business affairs of the joint water supply system, including payment of invoices, accounting, budgeting, operation, planning, project management, records maintenance, providing public notices, and other duties as are required for operations. Each party is required to budget and appropriate its proportionate share of the operation and maintenance costs of the system, which shall be based on the actual percentage of total water consumption by each party.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

Intergovernmental Agreements (Continued)

Either party may elect to terminate all or part of its participation in this agreement by giving written notice to the other party and stating a date for termination, which shall not be less than two years from the date of notice. The nonterminating party shall have the option to purchase the terminating interest with the price being established within 90 days following the receipt of notice of termination. The payment price for the subject interest shall be paid in full within 18 months following the date of termination with interest on the amount owed at the Local Government Investment Pool rate.

Wastewater Treatment Facility

In August, 2007, the cities of Albany and Millersburg entered into an agreement setting forth terms and conditions for a joint venture to plan, design, permit, construct, operate, and maintain the Davidson Street Wastewater Treatment Plant (Davidson Plant) and future wastewater management facilities that will treat residential, commercial, and industrial wastewater needs of both communities. Each city has a specific undivided ownership interest in the Davidson Plant: Albany, 90 percent and Millersburg, 10 percent. The agreement provides that the City is responsible for operation and maintenance of the plant. Each city is required to budget for its share of the operation and maintenance costs of the system.

The Davidson Plant improvements will be constructed in phases to meet the growing treatment needs of Albany and Millersburg. Phase I improvements were estimated to cost \$70 million, shared \$63 million by Albany and \$7 million by Millersburg. Phase I was completed in December 2009. Phase I improvements provide an average dry weather flow capacity of 12.3 million gallons per day (MGD), maximum month wet weather flow capacity of 29 MGD, and peak wet weather flow of 68 MGD. Capacity of maximum month biochemical oxygen demand is 14,600 pounds per day. Capacity of maximum total suspended solids will be 19,100 pounds per day.

Either party may elect to terminate all or part of its participation in the agreement by giving written notice of its desire to terminate to the other party and stating the date of termination, which will not be less than six months from the date of notice. Upon termination, Albany will become the sole owner of the Davidson Plant and all other structures, equipment, and facilities. Following termination, Millersburg shall have a contractual right to continue to receive domestic and industrial wastewater treatment services from Albany. Albany is obligated to provide wastewater treatment services to Millersburg, up to the amount of treatment/disposal capacity paid for by Millersburg pursuant to the terms of the agreement, prior to its termination.

Tax Abatements

Linn County has established a tax abatement program for nonprofit low-income rental housing under ORS 307.541. As a result, the property taxes that the City will receive for the 2023-24 levy year has been reduced by \$33,891.

Linn County has established an enterprise zone under ORS 285C.175 that abates property taxes on new business development within zone. As a result, the property taxes that the City will receive for the 2023-24 levy year has been reduced by \$354,618.

**CITY OF ALBANY, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3. OTHER INFORMATION (CONTINUED)

Correction of Error and Changes in Reporting Entity

During fiscal year 2024, the correction of an error resulted in restatement of governmental activities beginning net position and nonmajor governmental funds beginning fund balance. The City identified and corrected the following errors in prior year financial statements:

- (a) A note receivable for an installment sale totaling \$1,122,560 should have been recognized in the Capital Projects fund

Additionally, the Risk Management fund was reported as a major fund in 2023 but is reported as a nonmajor fund in 2024.

The effects of these changes are as follows:

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances		
	Risk Management	Nonmajor Governmental	Governmental Activities
Fund balance/net position beginning balances, as previously presented	\$ 3,044,134	\$ 28,048,210	\$135,692,300
Error corrections			
Note receivable	-	1,122,560	1,122,560
Change within financial reporting entity (major to nonmajor fund)	(3,044,134)	3,044,134	-
Fund balance/net position beginning balances, as restated	<u>\$ -</u>	<u>\$ 32,214,904</u>	<u>\$136,814,860</u>

Deficit Net Position

The City reported deficit net position in the Central Services Fund of \$1,547,520 and the Public Works Services Fund of \$5,129,654.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ALBANY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget		Actual	
	Original	Final	FY 2023-24	Variance
Revenues				
Property taxes	\$ 49,000,000	\$ 49,000,000	\$ 24,036,697	\$ (24,963,303)
Franchise fees and privilege taxes	10,715,000	10,715,000	7,116,008	(3,598,992)
Licenses and permits	6,058,500	6,058,500	3,133,362	(2,925,138)
Fines, forfeitures & assessments	1,549,600	1,549,600	970,403	(579,197)
Charges for services	7,827,000	7,827,000	4,135,484	(3,691,516)
Intergovernmental	9,606,000	10,045,000	5,142,078	(4,902,922)
Investment earnings	200,600	200,600	1,757,517	1,556,917
Miscellaneous	160,000	259,000	318,218	59,218
Total revenues	85,116,700	85,654,700	46,609,767	(39,044,933)
Expenditures				
Administration	801,200	1,051,200	526,694	524,506
Municipal court	2,672,200	2,672,200	1,218,340	1,453,860
Planning	3,446,000	3,446,000	1,644,658	1,801,342
Police	35,635,500	35,824,500	18,456,819	17,367,681
Public safety levy - police	5,138,800	5,138,800	1,288,040	3,850,760
Public safety levy - fire	5,138,800	5,138,800	2,690,585	2,448,215
Fire emergency services	36,684,000	36,684,000	18,804,305	17,879,695
Library	7,035,900	7,134,900	3,462,265	3,672,635
Abatement	184,400	1,159,400	16,262	1,143,138
Contingency	4,004,900	4,004,900	-	4,004,900
Total expenditures	100,741,700	102,254,700	48,107,968	54,146,732
Excess (deficiency) of revenues over expenditures	(15,625,000)	(16,600,000)	(1,498,201)	15,101,799
Other financing sources (uses)				
Transfers in	10,505,800	11,480,800	4,694,022	(6,786,778)
Transfers out	(255,800)	(255,800)	(131,808)	123,992
Total other financing sources (uses)	10,250,000	11,225,000	4,562,214	(6,662,786)
Net change in fund balance	(5,375,000)	(5,375,000)	3,064,013	8,439,013
Fund balance at beginning of period	5,375,000	5,375,000	10,304,354	4,929,354
Fund balance at end of period	\$ -	\$ -	13,368,367	\$ 13,368,367
Reconciliation to generally accepted accounting principles				
Fair value adjustment on investments			(239,221)	
Fund balance (GAAP basis) - ending			\$ 13,129,146	

CITY OF ALBANY
STREET FUND - SPECIAL REVENUE (MAJOR FUND)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget		Actual	Variance
	Original	Final	FY 2023-24	
Revenues				
Licenses, permits and fees	\$ 1,646,400	\$ 1,646,400	\$ 1,351,707	\$ (294,693)
Charges for services	202,200	202,200	101,100	(101,100)
Intergovernmental	12,922,000	13,022,000	4,728,223	(8,293,777)
Interest	158,200	158,200	545,678	387,478
Miscellaneous	4,000	4,000	562,943	558,943
Total revenues	14,932,800	15,032,800	7,289,651	(7,743,149)
Expenditures				
Street administration	2,313,700	2,313,700	1,121,460	1,192,240
Street maintenance	4,897,000	4,897,000	2,100,621	2,796,379
Street capital & restoration	20,648,500	20,748,500	3,926,764	16,821,736
Transportation SDC improv fee	6,822,200	6,822,200	631,102	6,191,098
Transportation SDC reimb fee	1,529,800	1,529,800	2,420	1,527,380
ADA capital projects	537,400	537,400	209,000	328,400
Street maint IT equip repl	16,700	16,700	1,180	15,520
Street maint equip replace	874,500	874,500	466,015	408,485
Contingency	519,900	519,900	-	519,900
Total expenditures	38,159,700	38,259,700	8,458,562	29,801,138
Excess (deficiency) of revenues over expenditures	(23,226,900)	(23,226,900)	(1,168,911)	22,057,989
Other financing sources (uses)				
Transfers in	4,387,500	4,387,500	2,261,837	(2,125,663)
Transfers out	(160,000)	(160,000)	(80,000)	80,000
Total other financing sources (uses)	4,227,500	4,227,500	2,181,837	(2,045,663)
Net change in fund balance	(18,999,400)	(18,999,400)	1,012,926	20,012,326
Fund balance at beginning of period	18,999,400	18,999,400	20,814,775	1,815,375
Fund balance at end of period	\$ -	\$ -	21,827,701	\$ 21,827,701
Reconciliation to generally accepted accounting principles				
Inventory			61,144	
Fair value adjustment on investments			(353,104)	
Fund balance (GAAP basis) - ending			\$ 21,535,741	

CITY OF ALBANY
GRANTS FUND - SPECIAL REVENUE (MAJOR FUND)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget		Actual	Variance
	Original	Final	FY 2023-24	
Revenues				
Licenses, permits and fees	\$ 26,500	\$ 26,500	\$ 28,474	\$ 1,974
Charges for services	5,500	5,500	8,037	2,537
Intergovernmental	11,212,300	11,886,300	4,238,323	(7,647,977)
Interest	3,000	3,000	104,744	101,744
Miscellaneous	148,000	148,000	122,254	(25,746)
Total revenues	11,395,300	12,069,300	4,501,832	(7,567,468)
Expenditures				
Grants				
Finance	2,825,000	2,825,000	273,749	2,551,251
Information technology	-	40,000	-	40,000
Community development	1,840,100	1,646,600	899,352	747,248
Police	713,700	713,700	511,727	201,973
Fire	2,888,900	3,388,900	2,220,662	1,168,238
Public works	4,875,700	4,875,700	109,929	4,765,771
Parks & recreation	355,300	355,300	262,430	92,870
Library	888,800	1,006,300	363,414	642,886
Total expenditures	14,387,500	14,851,500	4,641,263	10,210,237
Excess (deficiency) of revenues over expenditures	(2,992,200)	(2,782,200)	(139,431)	2,642,769
Other financing sources (uses)				
Transfers in	80,600	80,600	-	(80,600)
Transfers out	(629,000)	(839,000)	(171,028)	667,972
Total other financing sources (uses)	(548,400)	(758,400)	(171,028)	587,372
Net change in fund balance	(3,540,600)	(3,540,600)	(310,459)	3,230,141
Fund balance at beginning of period	3,540,600	3,540,600	5,446,865	1,906,265
Fund balance at end of period	\$ -	\$ -	5,136,406	\$ 5,136,406
Reconciliation to generally accepted accounting principles				
Fair value of investments			(93,885)	
Fund balance (GAAP basis) - ending			\$ 5,042,521	

CITY OF ALBANY
ALBANY REVITALIZATION AGENCY FUND - SPECIAL REVENUE (MAJOR FUND)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25		
	Biennium Budget	Actual	
	Original and Final	FY 2023-24	Variance
Revenues			
Property taxes	\$ 10,100,000	\$ 5,560,440	\$ (4,539,560)
Interest	80,500	76,036	(4,464)
Miscellaneous	331,800	71,559	(260,241)
Total revenues	<u>10,512,300</u>	<u>5,708,035</u>	<u>(4,804,265)</u>
Expenditures			
CARA	35,617,500	12,364,741	23,252,759
Debt service	-	2,337,894	(2,337,894)
Total expenditures	<u>35,617,500</u>	<u>14,702,635</u>	<u>20,914,865</u>
Excess (deficiency) of revenues over expenditures	<u>(25,105,200)</u>	<u>(8,994,600)</u>	<u>16,110,600</u>
Other financing sources (uses)			
Transfers out	(594,800)	(297,400)	(297,400)
Total other financing sources (uses)	<u>(594,800)</u>	<u>(297,400)</u>	<u>(297,400)</u>
Net change in fund balance	(25,700,000)	(9,292,000)	15,813,200
Fund balance at beginning of period	<u>25,700,000</u>	<u>27,466,858</u>	<u>1,766,858</u>
Fund balance at end of period	<u>\$ -</u>	18,174,858	<u>\$ 17,580,058</u>
Reconciliation to generally accepted accounting principles			
Loans receivable		1,247,782	
Fair value adjustment on investments		<u>(313,078)</u>	
Fund balance (GAAP basis) - ending		<u>\$ 19,109,562</u>	

CITY OF ALBANY, OREGON
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2024

1. BUDGETARY INFORMATION

Biennial budgets for all funds are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 - Local Budget Law). The City Manager submits a proposed budget to the Budget Committee (consisting of the City Council and an equal number of citizens of the City, 14 members in all). The Budget Committee conducts public hearings for the purpose of obtaining citizens' comments, and then approves a budget and submits it to the City Council for final adoption. The City Council may not increase approved expenditures for each fund by more than 10 percent without returning to the Budget Committee for a second approval.

The City is required to budget each fund. The City's budget is prepared for each fund on the modified accrual basis of accounting. Revenues and other increases in financial resources are recognized when they become both measurable and available. For the City, available means that the funds are collectible within 60 days of the end of the current period.

Expenditures are recognized when the fund liability is incurred, except for inventories of materials and supplies that may be considered expenditures when purchased, and prepaid insurance and other similar items that may be considered expenditures either when paid or consumed.

A City Council resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The level of control is either total appropriations by program within a fund or total fund appropriations segregated into the following categories: personnel services, materials and services, capital outlay, transfers out, and contingency. The budget document, however, is required to contain more specific, detailed information for the above-mentioned expenditure categories. Budget appropriations can be changed with City Council approval only.

An election must be held to approve general obligation debt pledging the full faith and credit of the City. As a result of Ballot Measure 50 and subsequent legislation, the City's permanent tax rate has been set at \$6.3984 for Linn County and \$5.9969 for Benton County per \$1,000 of assessed value, respectively. The assessed value (not including the urban renewal district) for 2023-2024 totaled \$5,275,494,090. Assessed value is calculated on a property-by-property basis and is limited to a three percent increase annually. Compression of tax revenues comes into play when the real market value of an individual residential property is not sufficient to allow for an annual three percent increase in the assessed value.

With the exception of the Grants Fund, which is appropriated at the department level, the City appropriates all other funds at the program level. In accordance with local budget law, contingencies and transfers out are appropriated at the fund level.

Unexpected additional resources may be appropriated through the use of a supplemental budget and City Council action. The original and supplemental budgets require hearings before the public, publications in newspapers, notice postings, and approval by the City Council. Original and supplemental budgets may be modified during the fiscal year by use of appropriation transfers between legal categories. Such transfers require approval of the City Council.

CITY OF ALBANY, OREGON
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2024

2. BUDGETARY INFORMATION (CONTINUED)

During the fiscal year ended June 30, 2024 the City made supplemental budget changes as outlined by fund in the following table:

<u>Fund</u>	2023-25 <u>Original Budget</u>	2023-25 <u>Final Budget</u>	<u>Changes</u>
General	\$ 100,997,500	\$ 102,510,500	\$ 1,513,000
Street	38,319,700	38,419,700	100,000
Grants	15,016,500	15,690,500	674,000
Parks and Recreation	27,292,100	27,397,100	105,000
Building Inspection	4,668,100	4,668,100	-
Risk Management	3,820,000	3,820,000	-
Economic Development	4,195,600	4,195,600	-
Public Transit	14,785,400	14,785,400	-
Public Safety Levy	10,480,000	10,480,000	-
Albany Revitalization Agency	36,212,300	36,212,300	-
Debt Service	1,294,000	1,294,000	-
GO Debt Service	2,836,500	2,836,500	-
Capital Projects	1,346,700	1,346,700	-
Capital Replacement	5,965,000	6,971,400	1,006,400
Library Trust	9,200	9,200	-
Water	54,151,600	54,151,600	-
Sewer	82,650,600	82,650,600	-
Stormwater	11,285,900	11,285,900	-
Central Services	20,593,400	20,593,400	-
Public Works Services	25,365,600	25,365,600	-
	<u>\$ 461,285,700</u>	<u>\$ 464,684,100</u>	<u>\$ 3,398,400</u>

Expenditure appropriations may not legally be overspent, except in the case of grant receipts which could not be reasonably estimated at the time the budget was adopted. The City currently uses encumbrances, which lapse at the close of the fiscal year.

CITY OF ALBANY, OREGON
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Last 10 Plan Years Ended June 30,

Year Ended June 30,	City's proportion of the net pension liability (asset)	City's proportionate share the net pension liability (asset)	City's covered payroll	City's proportionate share the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.3422584%	\$ 64,107,337	\$ 33,609,192	190.74%	79.3%
2022	0.3274435%	50,138,174	30,634,144	163.67%	84.5%
2021	0.3339155%	39,957,926	31,058,405	128.65%	87.6%
2020	0.3468909%	75,703,519	31,757,483	238.38%	75.8%
2019	0.3490157%	60,371,361	30,687,896	196.73%	80.2%
2018	0.3199761%	48,472,169	28,831,758	168.12%	82.1%
2017	0.3380274%	45,566,225	27,155,094	167.80%	83.1%
2016	0.3477371%	52,203,413	24,999,736	208.82%	80.5%
2015	0.3856173%	22,140,067	24,474,058	90.46%	91.9%
2014	0.3705457%	(8,399,214)	23,890,519	-35.16%	103.6%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

Notes to schedule

Changes in Benefit Terms and Assumptions

Benefit Terms: The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contribution rates scheduled to be in effect from July 2013 to June 2015 to be reduced. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

Assumptions: The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability and June 30, 2018 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. For June 30, 2021, the long-term expected rate of return was lowered to 6.90 percent, and the inflation rate was lowered from 2.5 to 2.4 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated. There were no changes for the years ended June 30, 2022 or 2023.

CITY OF ALBANY, OREGON
SCHEDULE OF PENSION CONTRIBUTIONS
Last 10 Fiscal Years Ended June 30,

Year Ended June 30,	Statutorily required contributions	Contributions in relation to the statutorily required contributions	Contribution deficiency (excess)	City's covered payroll	Contributions as a percent of covered payroll
2024	\$ 9,012,079	\$ 9,012,079	\$ -	\$ 34,991,789	25.75%
2023	8,199,625	8,199,625	-	33,609,192	24.40%
2022	7,581,154	7,581,154	-	30,634,144	24.75%
2021	7,522,736	7,522,736	-	31,058,405	24.22%
2020	6,718,166	6,718,166	-	31,757,483	21.15%
2019	5,634,997	5,634,997	-	30,687,896	18.36%
2018	5,202,374	5,202,374	-	28,831,758	18.04%
2017	3,935,362	3,935,362	-	27,155,094	14.49%
2016	3,908,587	3,908,587	-	24,999,736	15.63%
2015	3,419,315	3,419,315	-	24,474,058	13.97%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

CITY OF ALBANY, OREGON
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 10 Plan Years Ended June 30, *

Year Ended June 30,	City's proportion of the net OPEB liability (asset)	City's proportionate share the net OPEB liability (asset)	City's covered payroll	City's proportionate share the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.2988473%	\$ (1,094,277)	\$ 33,609,192	-3.26%	220.6%
2022	0.2382868%	(846,717)	30,634,144	-2.76%	194.6%
2021	0.2771095%	(951,595)	31,058,405	-3.06%	183.9%
2020	0.2654451%	(540,870)	31,757,483	-1.70%	150.1%
2019	0.2987078%	(577,211)	30,687,896	-1.88%	144.5%
2018	0.2862945%	(319,581)	28,831,758	-1.11%	124.0%
2017	0.2721579%	(113,583)	27,155,094	-0.42%	108.9%
2016	0.2721579%	79,318	24,999,736	0.32%	80.5%

*This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

Notes to schedule

Changes in Actuarial Assumptions Used to Determine Contributions:

	December 31, 2021 July 2023 - June 2025	December 31, 2019 July 2021 - June 2023	December 31, 2017 July 2019 - June 2021	December 31, 2015 July 2017 - June 2019	December 31, 2013 July 2016 - June 2017
Actuarial valuation Effective:	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial cost method:	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method:	Level percentage of payroll closed 10 years	Level percentage of payroll closed 10 years	Level percentage of payroll closed 10 years	Level percentage of payroll closed 10 years	Level percentage of payroll closed 10 years
Amortization period:	10 years	10 years	10 years	10 years	10 years
Asset valuation method:	Market value	Market value	Market value	Market value	Market value
Remaining amortization periods:	10 years	10 years	10 years	20 years	20 years
Actuarial assumptions:					
Inflation rate	2.40 percent	2.40 percent	2.50 percent	2.50 percent	2.75 percent
Health cost trend rates	None	None	None	None	None
Projected salary increase	3.40 percent	3.40 percent	3.50 percent	3.50 percent	3.75 percent
Investment rate of return	6.90 percent	6.90 percent	7.20 percent	7.20 percent	7.75 percent

CITY OF ALBANY, OREGON
SCHEDULE OF OTHER POSTEMPLOYMENT BENEFIT CONTRIBUTIONS
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 10 Fiscal Years Ended June 30,*

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percent of covered payroll
2024	\$ 268	\$ 268	\$ -	\$ 34,991,789	0.00%
2023	5,889	5,889	-	33,609,192	0.02%
2022	5,873	5,873	-	30,634,144	0.02%
2021	7,414	7,414	-	31,058,405	0.02%
2020	18,956	18,956	-	31,757,483	0.06%
2019	148,046	148,046	-	30,687,896	0.48%
2018	138,625	138,625	-	28,831,758	0.51%
2017	137,431	137,431	-	27,155,094	0.51%

*This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

CITY OF ALBANY, OREGON
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OTHER
POSTEMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS
Last 10 Plan Years Ended June 30, *

	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 263,564	\$ 414,927	\$ 402,652	\$ 324,275	\$ 288,133	\$ 326,398	\$ 350,006
Interest on total OPEB liability	154,743	121,887	114,884	180,995	183,120	191,033	154,972
Effect of economic/demographic gains or losses	-	140,358	-	(577,579)	-	(66,862)	-
Effect of assumptions changes or inputs	(39,484)	(1,634,741)	23,455	186,229	159,069	(780,896)	(342,432)
Benefit payments	(214,637)	(112,069)	(105,399)	(223,685)	(229,898)	(241,660)	(239,684)
Net change in total OPEB liability	164,186	(1,069,638)	435,592	(109,765)	400,424	(571,987)	(77,138)
Total OPEB liability - beginning of year	4,214,105	5,283,743	4,848,151	4,957,916	4,557,492	5,129,479	5,206,617
Total OPEB liability - end of year	<u>\$ 4,378,291</u>	<u>\$ 4,214,105</u>	<u>\$ 5,283,743</u>	<u>\$ 4,848,151</u>	<u>\$ 4,957,916</u>	<u>\$ 4,557,492</u>	<u>\$ 5,129,479</u>
Annual covered payroll	\$ 34,991,789	\$ 33,609,192	\$ 30,634,144	\$ 31,058,405	\$ 31,757,483	\$ 30,687,896	\$ 28,831,758
Total OPEB liability as a percentage of covered-employee payroll	12.5%	12.5%	17.2%	15.6%	15.6%	14.9%	17.8%

Notes to schedule

*Information will be accumulated until 10 years are presented.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Implicit rate subsidy

Contributions are not based on a measure of pay, therefore annual covered payroll is used in the percentages above.

Changes in assumptions

	2023	2022	2021	2020	2019	2018
Discount rate used	3.54%	2.16%	3.50%	3.87%	3.58%	3.50%





SUPPLEMENTARY INFORMATION

This section includes:

- Combining statements for nonmajor governmental funds and nonmajor proprietary funds.
- Budgetary comparison schedules for all funds, except General, Street, Grants and Albany Revitalization Agency.



CITY OF ALBANY

★ OREGON ★

Inc. 1864

CITY OF ALBANY, OREGON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Total Nonmajor Special Revenue	Total Nonmajor Debt Service	Total Nonmajor Capital Projects	Permanent Library Trust	Total
ASSETS					
Cash and cash equivalents	\$ 4,506,357	\$ 211,576	\$ 1,997,366	\$ 9,966	\$ 6,725,265
Investments	18,930,758	607,154	4,373,092	80,900	23,991,904
Receivables:					
Property taxes	474,866	52,478	-	-	527,344
Accounts	2,183,521	61	4,121	-	2,187,703
Assessments	-	-	8,353	-	8,353
Interest	111,645	4,299	25,791	477	142,212
Loans, net of allowance for uncollectible	1,132,865	-	1,122,560	-	2,255,425
Interfund loan receivable	588,144	-	-	-	588,144
Total assets	\$ 27,928,156	\$ 875,568	\$ 7,531,283	\$ 91,343	\$ 36,426,350
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable and accrued liabilities	\$ 1,286,491	\$ -	\$ 31,917	\$ -	\$ 1,318,408
Retainage payable	11,402	-	-	-	11,402
Deposits	15,588	-	239,682	-	255,270
Unearned revenue	186,511	-	-	-	186,511
Advances from other funds	-	136,688	-	-	136,688
Interfund loan payable	-	-	588,144	-	588,144
Total liabilities	1,499,992	136,688	859,743	-	2,496,423
Deferred inflows of resources					
Unavailable revenue	435,057	48,092	12,474	-	495,623
Total deferred inflows of resources	435,057	48,092	12,474	-	495,623
Fund balances					
Nonspendable	-	-	-	91,343	91,343
Restricted	9,411,628	827,476	-	-	10,239,104
Committed	16,581,479	-	6,659,066	-	23,240,545
Unassigned	-	(136,688)	-	-	(136,688)
Total fund balances	25,993,107	690,788	6,659,066	91,343	33,434,304
Total liabilities, deferred inflows of resources and fund balances	\$ 27,928,156	\$ 875,568	\$ 7,531,283	\$ 91,343	\$ 36,426,350

CITY OF ALBANY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2024

	Total Nonmajor Special Revenue	Total Nonmajor Debt Service	Total Nonmajor Capital Projects	Permanent Library Trust	Total
Revenues					
Taxes:					
Property	\$ 11,341,218	\$ 1,292,849	\$ -	\$ -	\$ 12,634,067
Transient room	1,271,587	-	-	-	1,271,587
Construction excise	450,964	-	-	-	450,964
Licenses and permits	2,418,050	-	-	-	2,418,050
Charges for services	2,705,595	550,000	205,500	-	3,461,095
Intergovernmental	4,398,163	-	40,078	-	4,438,241
Investment earnings	928,698	15,285	296,270	874	1,241,127
Miscellaneous	792,479	-	113,012	-	905,491
Total revenues	24,306,754	1,858,134	654,860	874	26,820,622
Expenditures					
Current					
General government	5,988,818	675	26,980	-	6,016,473
Community development	2,915,692	-	5,431	-	2,921,123
Public safety	-	-	369,299	-	369,299
Culture and recreation	7,415,823	-	5,278	-	7,421,101
Debt service					
Principal	54,063	1,430,000	-	-	1,484,063
Interest	20,011	698,745	-	-	718,756
Capital outlay	2,999,995	-	397,574	-	3,397,569
Total expenditures	19,394,402	2,129,420	804,562	-	22,328,384
Excess (deficiency) of revenues over expenditures	4,912,352	(271,286)	(149,702)	874	4,492,238
Other financing sources (uses)					
Sale of capital assets	532	-	-	-	532
Transfers in	1,334,090	-	325,708	-	1,659,798
Transfers out	(4,933,168)	-	-	-	(4,933,168)
Total other financing sources (uses)	(3,598,546)	-	325,708	-	(3,272,838)
Net change in fund balances	1,313,806	(271,286)	176,006	874	1,219,400
Fund balances at beginning of year, as previously presented	21,635,167	962,074	5,360,500	90,469	28,048,210
Change within financial reporting entity (major to non-major)	3,044,134	-	-	-	3,044,134
Error correction	-	-	1,122,560	-	1,122,560
Fund balances at beginning of year, as restated	24,679,301	962,074	6,483,060	90,469	32,214,904
Fund balances at end of year	\$ 25,993,107	\$ 690,788	\$ 6,659,066	\$ 91,343	\$ 33,434,304

CITY OF ALBANY, OREGON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2024

	Parks and Recreation	Building Inspection	Risk Management	Economic Development	Public Transit	Public Safety Levy	Total
ASSETS							
Cash and cash equivalents	\$ 1,119,928	\$ 443,889	\$ 408,495	\$ 460,434	\$ 86,157	\$ 1,987,454	\$ 4,506,357
Investments	8,456,883	3,432,520	3,340,082	3,682,849	18,424	-	18,930,758
Receivables:							
Property taxes	254,840	-	-	-	-	220,026	474,866
Accounts	90,981	-	-	82,533	2,009,749	258	2,183,521
Interest	49,875	20,243	19,698	21,720	109	-	111,645
Loans, net of allowance for uncollectible	-	-	-	1,132,865	-	-	1,132,865
Interfund loan receivable	-	-	-	588,144	-	-	588,144
Total assets	\$ 9,972,507	\$ 3,896,652	\$ 3,768,275	\$ 5,968,545	\$ 2,114,439	\$ 2,207,738	\$ 27,928,156
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued liabilities	\$ 696,251	\$ 201,974	\$ 84,206	\$ 28,856	\$ 275,204	\$ -	\$ 1,286,491
Retainage payable	11,402	-	-	-	-	-	11,402
Deposits	12,978	-	-	2,000	610	-	15,588
Unearned revenue	186,511	-	-	-	-	-	186,511
Total liabilities	907,142	201,974	84,206	30,856	275,814	-	1,499,992
Deferred inflows of resources							
Unavailable revenue	234,218	-	-	-	-	200,839	435,057
Total deferred inflows of resources	234,218	-	-	-	-	200,839	435,057
Fund balances							
Restricted	2,074,323	3,609,397	-	1,721,009	-	2,006,899	9,411,628
Committed	6,756,824	85,281	3,684,069	4,216,680	1,838,625	-	16,581,479
Total fund balances	8,831,147	3,694,678	3,684,069	5,937,689	1,838,625	2,006,899	25,993,107
Total liabilities, deferred inflows of resources and fund balances	\$ 9,972,507	\$ 3,896,652	\$ 3,768,275	\$ 5,968,545	\$ 2,114,439	\$ 2,207,738	\$ 27,928,156

CITY OF ALBANY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2024

	Parks and Recreation	Building Inspection	Risk Management	Economic Development	Public Transit	Public Safety Levy	Total
Revenues							
Taxes:							
Property	\$ 5,993,000	\$ -	\$ -	\$ -	\$ -	\$ 5,348,218	\$ 11,341,218
Transient room	-	-	-	1,271,587	-	-	1,271,587
Construction excise	-	450,964	-	-	-	-	450,964
Licenses and permits	1,065,507	1,277,548	-	-	74,995	-	2,418,050
Charges for services	968,995	-	-	97,734	1,638,866	-	2,705,595
Intergovernmental	-	-	-	-	4,398,163	-	4,398,163
Investment earnings	479,124	139,048	105,229	107,202	83,375	14,720	928,698
Miscellaneous	216,244	2,317	534,706	25,980	13,232	-	792,479
Total revenues	8,722,870	1,869,877	639,935	1,502,503	6,208,631	5,362,938	24,306,754
Expenditures							
Current							
General government	-	-	565,690	-	5,423,128	-	5,988,818
Community development	-	1,861,913	-	1,053,779	-	-	2,915,692
Culture and recreation	7,415,823	-	-	-	-	-	7,415,823
Debt service							
Principal	-	-	-	54,063	-	-	54,063
Interest	-	-	-	20,011	-	-	20,011
Capital outlay	1,728,139	-	-	-	1,271,856	-	2,999,995
Total expenditures	9,143,962	1,861,913	565,690	1,127,853	6,694,984	-	19,394,402
Excess (deficiency) of revenues over expenditures	(421,092)	7,964	74,245	374,650	(486,353)	5,362,938	4,912,352
Other financing sources (uses)							
Sale of capital assets	-	-	-	-	532	-	532
Transfers in	471,000	-	565,690	297,400	-	-	1,334,090
Transfers out	(119,000)	-	-	(235,774)	-	(4,578,394)	(4,933,168)
Total other financing sources (uses)	352,000	-	565,690	61,626	532	(4,578,394)	(3,598,546)
Net change in fund balances	(69,092)	7,964	639,935	436,276	(485,821)	784,544	1,313,806
Fund balances at beginning of year, as previously reported	8,900,239	3,686,714	-	5,501,413	2,324,446	1,222,355	21,635,167
Change within financial reporting entity (major to non-major)	-	-	3,044,134	-	-	-	3,044,134
Fund balances at beginning of year, as restated	8,900,239	3,686,714	3,044,134	5,501,413	2,324,446	1,222,355	24,679,301
Fund balances at end of year	\$ 8,831,147	\$ 3,694,678	\$ 3,684,069	\$ 5,937,689	\$ 1,838,625	\$ 2,006,899	\$ 25,993,107

CITY OF ALBANY
PARKS & RECREATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget	Actual FY 2023-24	Variance
Revenues			
Property taxes	\$ 12,200,000	\$ 5,993,000	\$ (6,207,000)
Licenses, permits and fees	1,465,800	1,065,507	(400,293)
Charges for services	1,593,300	968,995	(624,305)
Intergovernmental	15,600	-	(15,600)
Interest	45,000	367,241	322,241
Miscellaneous	714,500	216,244	(498,256)
	<u>16,034,200</u>	<u>8,610,987</u>	<u>(7,423,213)</u>
Total revenues			
Expenditures			
Park & recreation admin	4,683,300	1,885,046	2,798,254
Resource dev marketing svcs	551,900	297,673	254,227
Performance & cultural arts	1,918,600	622,841	1,295,759
Family recreation	837,800	275,978	561,822
Adult recreation services	1,009,500	392,188	617,312
Aquatic services	2,638,600	1,151,887	1,486,713
Park maintenance services	8,320,500	3,053,150	5,267,350
Park SDC projects	2,004,400	148,255	1,856,145
Parks capital improvement prg	3,357,400	1,435,944	1,921,456
Contingency	2,075,100	-	2,075,100
	<u>27,397,100</u>	<u>9,262,962</u>	<u>18,134,138</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>(11,362,900)</u>	<u>(651,975)</u>	<u>10,710,925</u>
Other financing sources (uses)			
Transfers in	<u>837,000</u>	<u>471,000</u>	<u>(366,000)</u>
	<u>837,000</u>	<u>471,000</u>	<u>(366,000)</u>
Total other financing sources (uses)			
Net change in fund balance	(10,525,900)	(180,975)	10,344,925
Fund balance at beginning of period	<u>10,525,900</u>	<u>9,167,439</u>	<u>(1,358,461)</u>
Fund balance at end of period	<u>\$ -</u>	8,986,464	<u>\$ 8,986,464</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment on investments		<u>(155,317)</u>	
Fund balance (GAAP basis) - ending		<u>\$ 8,831,147</u>	

CITY OF ALBANY
BUILDING INSPECTION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25	Actual	Variance
	Biennium	FY 2023-24	
	Budget		
Revenues			
Licenses, permits and fees	\$ 2,906,500	\$ 1,277,548	\$ (1,628,952)
Charges for services	15,400	7,700	(7,700)
Construction excise tax	630,000	450,964	(179,036)
Interest	31,600	82,744	51,144
Miscellaneous	-	2,317	2,317
	<u>3,583,500</u>	<u>1,821,273</u>	<u>(1,762,227)</u>
Total revenues			
Expenditures			
Building inspection	4,071,100	1,790,399	2,280,701
Electrical permit program	499,600	79,214	420,386
Building inspect IT equip	38,500	-	38,500
Electrical perm IT equip	4,000	-	4,000
Building inspection equip	54,900	-	54,900
	<u>4,668,100</u>	<u>1,869,613</u>	<u>2,798,487</u>
Total expenditures			
Net change in fund balance	(1,084,600)	(48,340)	1,036,260
Fund balance at beginning of period	<u>3,541,600</u>	<u>3,806,060</u>	<u>264,460</u>
Fund balance at end of period	<u>\$ 2,457,000</u>	3,757,720	<u>\$ 1,300,720</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment on investments		<u>(63,042)</u>	
Fund balance (GAAP basis) - ending		<u>\$ 3,694,678</u>	

CITY OF ALBANY
RISK MANAGEMENT FUND - SPECIAL REVENUE
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget	Actual FY 2023-24	Variance
Revenues			
Interest	\$ 20,000	\$ 76,569	\$ 56,569
Miscellaneous	-	534,706	534,706
Total revenues	<u>20,000</u>	<u>611,275</u>	<u>591,275</u>
Expenditures			
Risk management	<u>3,820,000</u>	<u>565,690</u>	<u>3,254,310</u>
Total expenditures	<u>3,820,000</u>	<u>565,690</u>	<u>3,254,310</u>
Excess (deficiency) of revenues over expenditures	<u>(3,800,000)</u>	<u>45,585</u>	<u>3,845,585</u>
Other financing sources (uses)			
Transfers in	<u>1,400,000</u>	<u>565,690</u>	<u>(834,310)</u>
Total other financing sources (uses)	<u>1,400,000</u>	<u>565,690</u>	<u>(834,310)</u>
Net change in fund balance	(2,400,000)	611,275	3,011,275
Fund balance at beginning of period	<u>2,400,000</u>	<u>3,134,138</u>	<u>734,138</u>
Fund balance at end of period	<u>\$ -</u>	3,745,413	<u>\$ 3,745,413</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment on investments		<u>(61,344)</u>	
Fund balance (GAAP basis) - ending		<u>\$ 3,684,069</u>	

CITY OF ALBANY
ECONOMIC DEVELOPMENT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget	Actual FY 2023-24	Variance
Revenues			
Charges for services	\$ 191,100	\$ 99,234	\$ (91,866)
Transient room tax	2,497,300	1,271,587	(1,225,713)
Interest	24,400	93,030	68,630
Miscellaneous	240,400	757,640	517,240
Total revenues	<u>2,953,200</u>	<u>2,221,491</u>	<u>(731,709)</u>
Expenditures			
Economic dev activities	2,707,400	883,775	1,823,625
Lochner road improvements	148,000	74,074	73,926
Economic dev opportunity	200	100	100
Economic dev IT equip	6,200	-	6,200
Albany municipal airport	370,200	171,404	198,796
Airport capital projects	404,000	-	404,000
Total expenditures	<u>3,636,000</u>	<u>1,129,353</u>	<u>2,506,647</u>
Excess (deficiency) of revenues over expenditures	<u>(682,800)</u>	<u>1,092,138</u>	<u>1,774,938</u>
Other financing sources (uses)			
Transfers in	1,121,000	364,754	(756,246)
Transfers out	(559,600)	(235,774)	323,826
Total other financing sources (uses)	<u>561,400</u>	<u>128,980</u>	<u>(432,420)</u>
Net change in fund balance	(121,400)	1,221,118	1,342,518
Fund balance at beginning of period	<u>2,773,100</u>	<u>3,063,201</u>	<u>290,101</u>
Fund balance at end of year	<u>\$ 2,651,700</u>	4,284,319	<u>\$ 1,632,619</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment on investments		(67,639)	
Loans receivable		1,132,865	
Interfund loans		<u>588,144</u>	
Fund balance (GAAP basis) - ending		<u>\$ 5,937,689</u>	

CITY OF ALBANY
PUBLIC TRANSIT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25		
	Biennium	<u>Actual</u>	
	<u>Budget</u>	FY 2023-24	Variance
Revenues			
Licenses, permits and fees	\$ 150,000	\$ 74,995	\$ (75,005)
Charges for services	3,286,400	1,758,666	(1,527,734)
Intergovernmental	9,642,800	4,398,163	(5,244,637)
Interest	4,500	42,172	37,672
Miscellaneous	1,200	13,232	12,032
	<u>13,084,900</u>	<u>6,287,228</u>	<u>(6,797,672)</u>
Expenditures			
Albany transit system	3,776,800	1,636,021	2,140,779
Albany transit system STIF	1,426,800	749,357	677,443
Linn-Benton loop	3,093,500	1,390,674	1,702,826
Linn-Benton loop STIF	1,606,000	889,506	716,494
Paratransit system	2,151,200	875,015	1,276,185
Paratransit system STIF	14,000	-	14,000
Albany transit capital	995,000	1,095,595	(100,595)
Albany transit IT equip	5,600	777	4,823
Linn-Benton loop IT equip	4,100	777	3,323
Paratransit sys IT equip	11,500	801	10,699
Albany transit sys equip	314,000	-	314,000
Linn-Benton loop equip rep	1,126,600	-	1,126,600
Paratransit system equip	260,300	176,261	84,039
	<u>14,785,400</u>	<u>6,814,784</u>	<u>7,970,616</u>
Excess (deficiency) of revenues over expenditures	<u>(1,700,500)</u>	<u>(527,556)</u>	<u>1,172,944</u>
Other financing sources (uses)			
Sale of capital assets	-	532	532
	<u>-</u>	<u>532</u>	<u>532</u>
Total other financing sources (uses)	<u>-</u>	<u>532</u>	<u>532</u>
Net change in fund balance	(1,700,500)	(527,024)	1,173,476
Fund balance at beginning of period	<u>1,700,500</u>	<u>2,365,988</u>	<u>665,488</u>
Fund balance at end of period	<u>\$ -</u>	<u>1,838,964</u>	<u>\$ 1,838,964</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment on investments		<u>(339)</u>	
Fund balance (GAAP basis) - ending		<u>\$ 1,838,625</u>	

CITY OF ALBANY
PUBLIC SAFETY LEVY - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget	Actual FY 2023-24	Variance
Revenues			
Property taxes	\$ 10,300,000	\$ 5,348,218	\$ (4,951,782)
Interest	30,000	14,720	(15,280)
Total revenues	<u>10,330,000</u>	<u>5,362,938</u>	<u>(4,967,062)</u>
Expenditures			
Contingency	202,400	-	202,400
Total expenditures	<u>202,400</u>	<u>-</u>	<u>202,400</u>
Excess (deficiency) of revenues over expenditures	<u>10,127,600</u>	<u>5,362,938</u>	<u>(4,764,662)</u>
Other financing sources (uses)			
Transfers out	(10,277,600)	(4,578,394)	5,699,206
Total other financing sources (uses)	<u>(10,277,600)</u>	<u>(4,578,394)</u>	<u>5,699,206</u>
Net change in fund balance	(150,000)	784,544	934,544
Fund balance at beginning of period	<u>150,000</u>	<u>1,222,355</u>	<u>1,072,355</u>
Fund balance at end of period	<u>\$ -</u>	<u>2,006,899</u>	<u>\$ 2,006,899</u>

CITY OF ALBANY, OREGON

**COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS**

June 30, 2024

	Debt Service	GO Debt Service	Total
ASSETS			
Cash and cash equivalents	\$ 121,778	\$ 89,798	\$ 211,576
Investments	(121,778)	728,932	607,154
Receivables:			
Property taxes	-	52,478	52,478
Accounts	-	61	61
Interest	-	4,299	4,299
Total assets	\$ -	\$ 875,568	\$ 875,568
DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Advances from other funds	\$ 136,688	\$ -	\$ 136,688
Total liabilities	136,688	-	136,688
Deferred inflows of resources			
Unavailable revenue	\$ -	\$ 48,092	\$ 48,092
Total deferred inflows of resources	-	48,092	48,092
Fund Balances			
Restricted	-	827,476	827,476
Unassigned	(136,688)	-	(136,688)
Total fund balances	(136,688)	827,476	690,788
Total deferred inflows of resources and fund balances	\$ -	\$ 875,568	\$ 875,568

CITY OF ALBANY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
Year Ended June 30, 2024

	<u>Debt Service</u>	<u>GO Debt Service</u>	<u>Total</u>
Revenues			
Taxes:			
Property	\$ -	\$ 1,292,849	\$ 1,292,849
Charges for services	550,000	-	550,000
Investment earnings	<u>3,935</u>	<u>11,350</u>	<u>15,285</u>
Total revenues	<u>553,935</u>	<u>1,304,199</u>	<u>1,858,134</u>
Expenditures			
Current			
General government	-	675	675
Debt service			
Principal	685,000	745,000	1,430,000
Interest	<u>206,870</u>	<u>491,875</u>	<u>698,745</u>
Total expenditures	<u>891,870</u>	<u>1,237,550</u>	<u>2,129,420</u>
Net change in fund balances	(337,935)	66,649	(271,286)
Fund balances at beginning of year	<u>201,247</u>	<u>760,827</u>	<u>962,074</u>
Fund balances at end of year	<u>\$ (136,688)</u>	<u>\$ 827,476</u>	<u>\$ 690,788</u>

CITY OF ALBANY
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget	Actual FY 2023-24	Variance
Revenues			
Charges for services	\$ 1,100,000	\$ 550,000	\$ (550,000)
Interest	4,000	1,711	(2,289)
	1,104,000	551,711	(552,289)
Expenditures			
2002 LTD tax pension bonds	1,294,000	891,870	402,130
	1,294,000	891,870	402,130
Net change in fund balance	(190,000)	(340,159)	(150,159)
Fund balance at beginning of period	190,000	201,247	11,247
Fund balance at end of period	\$ -	(138,912)	\$ (138,912)
Reconciliation to generally accepted accounting principles			
Fair value of investments		2,224	
Fund balance (GAAP basis) - ending		\$ (136,688)	

CITY OF ALBANY
GENERAL OBLIGATION DEBT SERVICE - DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget	Actual FY 2023-24	Variance
Revenues			
Property taxes	\$ 2,531,500	\$ 1,292,849	\$ (1,238,651)
Interest	<u>10,000</u>	<u>24,738</u>	<u>14,738</u>
 Total revenues	 <u>2,541,500</u>	 <u>1,317,587</u>	 <u>(1,223,913)</u>
 Expenditures			
Public safety facilities bonds	<u>2,836,500</u>	<u>1,237,550</u>	<u>1,598,950</u>
 Total expenditures	 <u>2,836,500</u>	 <u>1,237,550</u>	 <u>1,598,950</u>
 Net change in fund balance	 (295,000)	 80,037	 375,037
 Fund balance at beginning of period	 <u>295,000</u>	 <u>760,827</u>	 <u>465,827</u>
 Fund balance at end of period	 <u>\$ -</u>	 840,864	 <u>\$ 840,864</u>
 Reconciliation to generally accepted accounting principles			
Fair value of investments		<u>(13,388)</u>	
 Fund balance (GAAP basis) - ending		 <u>\$ 827,476</u>	

CITY OF ALBANY, OREGON
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
June 30, 2024

	Capital Projects	Capital Replacement	Total
ASSETS			
Cash and cash equivalents	\$ 1,458,638	\$ 538,728	\$ 1,997,366
Investments	-	4,373,092	4,373,092
Receivables:			
Accounts	4,121	-	4,121
Assessments	8,353	-	8,353
Interest	-	25,791	25,791
Loans, net of allowance for uncollectible	1,122,560	-	1,122,560
Total assets	\$ 2,593,672	\$ 4,937,611	\$ 7,531,283
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	\$ -	\$ 31,917	\$ 31,917
Deposits	239,682	-	239,682
Interfund loan payable	588,144	-	588,144
Total liabilities	827,826	31,917	859,743
Deferred inflows of resources			
Unavailable revenue	12,474	-	12,474
Total deferred inflows of resources	12,474	-	12,474
Fund Balances			
Committed	1,753,372	4,905,694	6,659,066
Total fund balances	1,753,372	4,905,694	6,659,066
Total liabilities, deferred inflows of resources and fund balances	\$ 2,593,672	\$ 4,937,611	\$ 7,531,283

CITY OF ALBANY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
Year Ended June 30, 2024

	<u>Capital Projects</u>	<u>Capital Replacement</u>	<u>Total</u>
Revenues			
Charges for services	\$ -	\$ 205,500	\$ 205,500
Intergovernmental	-	40,078	40,078
Investment earnings	108,115	188,155	296,270
Miscellaneous	715	112,297	113,012
Total revenues	<u>108,830</u>	<u>546,030</u>	<u>654,860</u>
Expenditures			
Current			
General government	-	26,980	26,980
Community development	-	5,431	5,431
Public safety	-	369,299	369,299
Culture and recreation	-	5,278	5,278
Capital outlay	-	397,574	397,574
Total expenditures	<u>-</u>	<u>804,562</u>	<u>804,562</u>
Excess (deficiency) of revenues over expenditures	<u>108,830</u>	<u>(258,532)</u>	<u>(149,702)</u>
Other financing sources (uses)			
Transfers in	-	325,708	325,708
Total other financing sources (uses)	<u>-</u>	<u>325,708</u>	<u>325,708</u>
Net change in fund balances	<u>108,830</u>	<u>67,176</u>	<u>176,006</u>
Fund balances at beginning of year, as previously reported	521,982	4,838,518	5,360,500
Error correction	1,122,560	-	1,122,560
Fund balances at beginning of year, as restated	<u>1,644,542</u>	<u>4,838,518</u>	<u>6,483,060</u>
Fund balances at end of year	<u>\$ 1,753,372</u>	<u>\$ 4,905,694</u>	<u>\$ 6,659,066</u>

CITY OF ALBANY
CAPITAL PROJECT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25	Actual	Variance
	Biennium	FY 2023-24	
	Budget		
Revenues			
Interest	\$ 1,000	\$ 69,763	\$ 68,763
Miscellaneous	123,100	715	(122,385)
	<u>124,100</u>	<u>70,478</u>	<u>(53,622)</u>
Total revenues			
	<u>124,100</u>	<u>70,478</u>	<u>(53,622)</u>
Expenditures			
Albany data integration proj	100,000	-	100,000
LID construction projects	720,500	-	720,500
	<u>820,500</u>	<u>-</u>	<u>820,500</u>
Total expenditures			
	<u>820,500</u>	<u>-</u>	<u>820,500</u>
Excess (deficiency) of revenues over expenditures	<u>(696,400)</u>	<u>70,478</u>	<u>766,878</u>
Other financing sources (uses)			
Sale of capital assets	1,122,600	-	(1,122,600)
Transfers out	(526,200)	(67,354)	458,846
	<u>596,400</u>	<u>(67,354)</u>	<u>(663,754)</u>
Total other financing sources (uses)			
	<u>596,400</u>	<u>(67,354)</u>	<u>(663,754)</u>
Net change in fund balance	(100,000)	3,124	103,124
Fund balance at beginning of period	<u>100,000</u>	<u>1,215,832</u>	<u>1,115,832</u>
Fund balance at end of period	<u>\$ -</u>	1,218,956	<u>\$ 1,218,956</u>
Reconciliation to generally accepted accounting principles			
Note receivable		1,122,560	
Interfund loan payable		<u>(588,144)</u>	
Fund balance (GAAP basis) - ending		<u>\$ 1,753,372</u>	

CITY OF ALBANY
CAPITAL REPLACEMENT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget	Actual FY 2023-24	Variance
Revenues			
Charges for services	\$ 1,169,200	\$ 512,100	\$ (657,100)
Intergovernmental	-	40,078	40,078
Interest	38,400	116,600	78,200
Miscellaneous	17,000	112,297	95,297
	<u>1,224,600</u>	<u>781,075</u>	<u>(443,525)</u>
Total revenues			
Expenditures			
Municipal court IT equip	111,000	26,809	84,191
Employee city parking rent	262,100	-	262,100
IT phone equip replace	312,600	171	312,429
Planning IT equip replace	245,400	5,431	239,969
Police IT equip replace	244,500	105,957	138,543
Police bodycam system	55,200	-	55,200
Police equip replace	1,155,000	400,901	754,099
Police levy equip replace	219,800	-	219,800
Fire emergency svc IT eq	42,600	15,906	26,694
Fire emergency svc equip	880,400	219,109	661,291
Fire build maint equip rep	35,000	25,000	10,000
PW facilities replacement	1,208,000	-	1,208,000
Parks & rec admin IT equip	72,600	5,278	67,322
Parks & rec admin equip	135,000	-	135,000
Adult rec equip replace	83,900	-	83,900
Aquatic services equip	106,100	-	106,100
Park maint equip replace	353,500	-	353,500
Facilities maint equip rep	159,500	-	159,500
Library IT equip replace	84,000	-	84,000
Library equip replace	230,200	-	230,200
	<u>5,996,400</u>	<u>804,562</u>	<u>5,191,838</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>(4,771,800)</u>	<u>(23,487)</u>	<u>4,748,313</u>
Other financing sources (uses)			
Transfers in	530,400	19,108	(511,292)
Transfers out	(975,000)	-	975,000
	<u>(444,600)</u>	<u>19,108</u>	<u>463,708</u>
Total other financing sources (uses)			
Net change in fund balance	(5,216,400)	(4,379)	5,212,021
Fund balance at beginning of year	<u>5,216,400</u>	<u>4,990,390</u>	<u>(226,010)</u>
Fund balance at end of year			
	<u>\$ -</u>	<u>4,986,011</u>	<u>\$ 4,986,011</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment on investments		<u>(80,317)</u>	
Fund balance (GAAP basis) - ending			
		<u>\$ 4,905,694</u>	

CITY OF ALBANY
LIBRARY TRUST - PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget	Actual FY 2023-24	Variance
Revenues			
Interest	\$ 1,200	\$ 2,360	\$ 1,160
Total revenues	1,200	2,360	1,160
Expenditures			
V.O torney trust	4,600	-	4,600
Manela trust	4,600	-	4,600
Total expenditures	9,200	-	9,200
Excess (deficiency) of revenues over expenditures	(8,000)	2,360	10,360
Net change in fund balance	(8,000)	2,360	10,360
Fund balance at beginning of period	87,500	90,469	2,969
Fund balance at end of period	\$ 79,500	\$ 92,829	\$ 13,329
Reconciliation to generally accepted accounting principles			
Fair value investments		(1,486)	
Fund balance (GAAP basis) - ending		\$ 91,343	

CITY OF ALBANY
WATER - ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25	Actual	
	Biennium	FY 2023-24	Variance
	Budget		
Revenues			
Charges for services	\$ 32,540,100	\$ 17,126,794	\$ (15,413,306)
Licenses, permits and fees	233,400	331,341	97,941
System development charges	800,000	307,963	(492,037)
Intergovernmental	46,200	15,037	(31,163)
Interest	178,700	788,878	610,178
Miscellaneous	15,000	99,684	84,684
Total revenues	33,813,400	18,669,697	(15,143,703)
Expenditures			
Water administration	7,890,700	3,611,051	4,279,649
Albany-Millersburg wtp	4,166,500	1,968,108	2,198,392
Vine St water treatment plant	2,054,600	961,647	1,092,953
Water distribution	4,897,800	2,752,412	2,145,388
Water canal maintenance	2,149,000	791,198	1,357,802
Water system capital projects	20,366,600	5,087,293	15,279,307
Water SDC improvement fee	34,500	85,071	(50,571)
Water SDC reimbursement fee	640,900	1,811	639,089
Water economic development	518,400	114,116	404,284
North albany water capital	1,028,100	33,806	994,294
Water debt service	5,437,800	1,921,494	3,516,306
Water admin IT equip repl	3,600	-	3,600
Alb-Millersburg wtp IT eq	370,500	5,838	364,662
Vine St wtp IT equip repl	317,000	25,408	291,592
Water distrib IT equip	7,200	-	7,200
Canal maint IT equip repl	4,400	-	4,400
Water admin equip replace	3,900	-	3,900
Alb-millersburg wtp equip	102,800	-	102,800
Vine St wtp equip replace	40,000	-	40,000
Water distribution equip	705,900	59,734	646,166
Water canal maint equip	237,800	-	237,800
Contingency	1,160,300	-	1,160,300
Total expenditures	52,138,300	17,418,987	34,719,313
Excess (deficiency) of revenues over expenditures	(18,324,900)	1,250,710	19,575,610
Other financing sources (uses)			
Transfers out	(2,013,300)	(1,065,391)	947,909
Total other financing sources (uses)	(2,013,300)	(1,065,391)	947,909
Net change in fund balance	(20,338,200)	185,319	20,523,519
Fund balance at beginning of period	20,338,200	26,023,697	5,685,497
Fund balance at end of period	\$ -	26,209,016	\$ 26,209,016
Reconciliation to generally accepted accounting principles			
Inventory		696,677	
Fair value adjustment on investments		(381,014)	
Other postemployment benefit asset		48,725	
Capital assets, net		87,002,140	
Deferred outflows of resources		968,815	
Accrued interest payable		(249,599)	
Unearned revenue		(856,518)	
Compensated absences payable		(111,122)	
Net pension liability		(2,854,532)	
Net other postemployment benefit liability		(194,954)	
Bonds payable		(16,550,000)	
Unamortized premium liability		(839,134)	
Deferred inflows of resources		(367,904)	
Net position - ending		\$ 92,520,596	

CITY OF ALBANY
SEWER - ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25		Variance
	Biennium Budget	Actual FY 2023-24	
Revenues			
Charges for services	\$ 42,212,800	\$ 21,904,360	\$ (20,308,440)
Licenses, permits and fees	38,000	63,381	25,381
System development charges	1,546,200	1,328,630	(217,570)
Intergovernmental	770,900	387,290	(383,610)
Interest	407,900	1,181,630	773,730
Miscellaneous	50,000	108,420	58,420
Total revenues	<u>45,025,800</u>	<u>24,973,711</u>	<u>(20,052,089)</u>
Expenditures			
Wastewater administration	9,713,000	4,433,414	5,279,586
Wastewater treatment plant	6,400,200	3,414,599	2,985,601
TWG wetlands	570,100	245,613	324,487
Water reuse and biosolids	1,119,900	557,700	562,200
Wastewater collections	3,933,700	1,996,240	1,937,460
Industrial pretreatment	1,208,500	567,699	640,801
Sewer system capital projects	36,626,100	4,012,159	32,613,941
Sewer SDC improvement fee	726,200	14,509	711,691
Sewer SDC reimbursement fee	738,800	2,496	736,304
Sewer economic development	520,900	114,116	406,784
Sewer debt service	14,139,200	5,260,677	8,878,523
Wastewater admin IT equip	4,200	-	4,200
Waste treatment IT equip	386,500	5,257	381,243
TWG wetlands IT equip repl	3,700	-	3,700
Water reuse & bio IT equip	9,300	-	9,300
Wastewater coll IT equip	13,400	2,334	11,066
Industrial pret IT equip	5,000	-	5,000
Wastewater admin equip rep	39,000	34,488	4,512
Wastewater TP equip rep	154,800	47,209	107,591
TWG wetlands equip replace	67,000	47,209	19,791
Water reuse & bio equip	275,100	119,161	155,939
Wastewater collect equip	589,300	179,453	409,847
Industrial pretreat equip	71,500	38,295	33,205
Contingency	1,581,600	-	1,581,600
Total expenditures	<u>78,897,000</u>	<u>21,092,628</u>	<u>57,804,372</u>
Excess (deficiency) of revenues over expenditures	<u>(33,871,200)</u>	<u>3,881,083</u>	<u>37,752,283</u>
Other financing sources (uses)			
Transfers out	<u>(3,753,600)</u>	<u>(1,755,562)</u>	<u>1,998,038</u>
Total other financing sources (uses)	<u>(3,753,600)</u>	<u>(1,755,562)</u>	<u>1,998,038</u>
Net change in fund balance	(37,624,800)	2,125,521	39,750,321
Fund balance at beginning of period	<u>37,624,800</u>	<u>39,447,411</u>	<u>1,822,611</u>
Fund balance at end of period	<u>\$ -</u>	<u>41,572,932</u>	<u>\$ 41,572,932</u>
Reconciliation to generally accepted accounting principles			
Inventory		223,787	
Fair value adjustment on investments		(625,478)	
Loans receivable		1,906,433	
Net other postemployment benefit asset		46,447	
Capital assets, net		144,462,569	
Deferred outflows of resources		923,512	
Unavailable revenues		9,076	
Accrued interest payable		(175,360)	
Compensated absences payable		(107,417)	
Net pension liability		(2,721,053)	
Net other postemployment benefit liability		(185,838)	
Long-term obligations		(32,482,767)	
Deferred inflows of resources		<u>(350,701)</u>	
Net position - ending		<u>\$ 152,496,142</u>	

CITY OF ALBANY
STORMWATER - ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget	Actual FY 2023-24	Variance
Revenues			
Charges for services	\$ 8,553,700	\$ 4,073,302	\$ (4,480,398)
Licenses, permits and fees	180,000	160,902	(19,098)
System development charges	-	6,948	6,948
Interest	24,600	162,452	137,852
Miscellaneous	-	2,145	2,145
	<u>8,758,300</u>	<u>4,405,749</u>	<u>(4,352,551)</u>
Total revenues			
Expenditures			
Stormwater administration	2,668,200	1,268,029	1,400,171
Stormwater operations	2,086,500	880,367	1,206,133
Stormwater capital projects	5,866,800	408,647	5,458,153
Stormwater admin IT equip	3,100	-	3,100
Stormwater op equip repl	409,400	172,698	236,702
Contingency	251,900	-	251,900
	<u>11,285,900</u>	<u>2,729,741</u>	<u>8,556,159</u>
Total expenditures			
Net change in fund balance	(2,527,600)	1,676,008	4,203,608
Fund balance at beginning of period	<u>2,527,600</u>	<u>3,697,042</u>	<u>1,169,442</u>
Fund balance at end of period	\$ -	5,373,050	\$ <u>5,373,050</u>
Reconciliation to generally accepted accounting principles			
Fair value adjustment on investments		(84,091)	
Net other postemployment benefit asset		3,066	
Capital assets, net		784,339	
Deferred outflows of resources		60,966	
Compensated absences payable		(3,182)	
Net pension liability		(179,632)	
Net other postemployment benefit liability		(12,268)	
Deferred inflows of resources		<u>(23,152)</u>	
Net position - ending		\$ <u>5,919,096</u>	

CITY OF ALBANY, OREGON
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2024

	Central Services	Public Works Services	Total Internal Service Fund
ASSETS			
Current assets			
Cash and cash equivalents	\$ 421,179	\$ 320,047	\$ 741,226
Investments	2,590,285	1,235,510	3,825,795
Receivables:			
Accounts	3,452	25	3,477
Interest	15,276	7,286	22,562
Total current assets	<u>3,030,192</u>	<u>1,562,868</u>	<u>4,593,060</u>
Noncurrent assets:			
Capital assets:			
Capital assets, nondepreciable	-	31,260	31,260
Capital assets, net of accumulated depreciation	1,873,180	255,548	2,128,728
Total capital assets	1,873,180	286,808	2,159,988
Net OPEB asset	100,206	123,760	223,966
Total noncurrent assets	<u>1,973,386</u>	<u>410,568</u>	<u>2,383,954</u>
Total assets	<u>5,003,578</u>	<u>1,973,436</u>	<u>6,977,014</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	1,943,098	2,399,829	4,342,927
Other postemployment benefit related items	49,327	60,921	110,248
Total deferred outflows of resources	<u>1,992,425</u>	<u>2,460,750</u>	<u>4,453,175</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	607,816	546,523	1,154,339
Compensated absences, current portion	132,842	168,642	301,484
Subscriptions payable, current portion	361,491	-	361,491
Total current liabilities	<u>1,102,149</u>	<u>715,165</u>	<u>1,817,314</u>
Noncurrent liabilities			
Compensated absences	132,842	168,643	301,485
Subscriptions payable	280,467	-	280,467
Net pension liability	5,870,515	7,250,396	13,120,911
Total OPEB liability	400,934	495,175	896,109
Total noncurrent liabilities	<u>6,684,758</u>	<u>7,914,214</u>	<u>14,598,972</u>
Total liabilities	<u>7,786,907</u>	<u>8,629,379</u>	<u>16,416,286</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related items	550,807	680,276	1,231,083
Other postemployment benefit related items	205,809	254,185	459,994
Total deferred inflows of resources	<u>756,616</u>	<u>934,461</u>	<u>1,691,077</u>
NET POSITION (DEFICIT)			
Net investment in capital assets	1,231,222	286,808	1,518,030
Restricted for:			
Other postemployment benefits	100,206	123,760	223,966
Unrestricted (deficit)	<u>(2,878,948)</u>	<u>(5,540,222)</u>	<u>(8,419,170)</u>
Total net position (deficit)	<u>\$ (1,547,520)</u>	<u>\$ (5,129,654)</u>	<u>\$ (6,677,174)</u>

CITY OF ALBANY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
Year Ended June 30, 2024

	<u>Central Services</u>	<u>Public Works Services</u>	<u>Total Internal Service Fund</u>
Operating revenues			
Service charges and fees	\$ 9,548,876	\$ 10,507,957	\$ 20,056,833
Miscellaneous	34,278	10,474	44,752
Total operating revenues	<u>9,583,154</u>	<u>10,518,431</u>	<u>20,101,585</u>
Operating expenses			
Personnel services	5,102,850	6,981,605	12,084,455
Materials and services	2,098,306	2,724,732	4,823,038
Depreciation and amortization	476,336	39,780	516,116
Total operating expenses	<u>7,677,492</u>	<u>9,746,117</u>	<u>17,423,609</u>
Operating income (loss)	<u>1,905,662</u>	<u>772,314</u>	<u>2,677,976</u>
Nonoperating revenues (expenses)			
Investment earnings, net	174,704	5,677	180,381
Gain on sale of capital assets	6,683	4,860	11,543
Interest expense	(13,220)	-	(13,220)
Total nonoperating revenues (expenses)	<u>168,167</u>	<u>10,537</u>	<u>178,704</u>
Income (loss) before transfers	2,073,829	782,851	2,856,680
Transfers in	6,300	-	6,300
Transfers out	<u>(16,000)</u>	<u>-</u>	<u>(16,000)</u>
Change in net position	2,064,129	782,851	2,846,980
Net position (deficit) at beginning of year	<u>(3,611,649)</u>	<u>(5,912,505)</u>	<u>(9,524,154)</u>
Net position (deficit) at end of year	<u>\$ (1,547,520)</u>	<u>\$ (5,129,654)</u>	<u>\$ (6,677,174)</u>

CITY OF ALBANY, OREGON
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year Ended June 30, 2024

	Central Services	Public Works Services	Total Internal Service Fund
Cash flows from operating activities			
Receipts from customers and users	\$ 9,559,582	\$ 10,521,452	\$ 20,081,034
Payments to suppliers	(2,097,956)	(2,791,379)	(4,889,335)
Payments to employees	(5,931,702)	(7,719,811)	(13,651,513)
Other receipts	34,278	10,474	44,752
Net cash provided by (used in) operating activities	<u>1,564,202</u>	<u>20,736</u>	<u>1,584,938</u>
Cash flows from noncapital financing activities			
Transfers in	6,300	-	6,300
Transfers out	(16,000)	-	(16,000)
Net cash provided by (used in) noncapital financing activities	<u>(9,700)</u>	<u>-</u>	<u>(9,700)</u>
Cash flows from capital and related financing activities			
Acquisition of capital assets	(751,913)	(159,281)	(911,194)
Proceeds from sale of capital assets	6,683	4,860	11,543
Principal paid on long-term obligations	(358,297)	-	(358,297)
Interest paid on long-term obligations	(13,220)	-	(13,220)
Net cash provided by (used in) capital and related financing activities	<u>(1,116,747)</u>	<u>(154,421)</u>	<u>(1,271,168)</u>
Cash flows from investing activities			
Interest on investments	207,002	21,083	228,085
Purchase of investments	(1,385,923)	658,881	(727,042)
Proceeds from sales of investments	1,097,946	(521,974)	575,972
Transfers in (out) - investments	(1,859,449)	(1,313,550)	(3,172,999)
Net cash provided by (used in) investing activities	<u>(1,940,424)</u>	<u>(1,155,560)</u>	<u>(3,095,984)</u>
Net increase (decrease) in cash and cash equivalents	(1,502,669)	(1,289,245)	(2,791,914)
Cash and cash equivalents at beginning of year	1,923,848	1,609,292	3,533,140
Cash and cash equivalents at end of year	<u>\$ 421,179</u>	<u>\$ 320,047</u>	<u>\$ 741,226</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 1,905,662	\$ 772,314	\$ 2,677,976
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation and amortization	476,336	39,780	516,116
(Increase) decrease in assets and deferred outflows:			
Accounts receivables, net	10,706	13,495	24,201
Prepaid items	350	-	350
Net OPEB asset	(27,561)	(27,134)	(54,695)
Deferred outflows - Pension related items	489,414	183,088	672,502
Deferred outflows - OPEB related items	6,868	13,825	20,693
Increase (decrease) in liabilities and deferred inflows:			
Accounts payable and accrued liabilities	134,638	(68,064)	66,574
Compensated absences liability	(960)	(40,654)	(41,614)
Net pension liability	(130,584)	977,204	846,620
Total OPEB liability	39,381	14,268	53,649
Deferred inflows - Pension related items	(1,328,299)	(1,822,194)	(3,150,493)
Deferred inflows - OPEB related items	(11,749)	(35,192)	(46,941)
Net cash provided by (used in) operating activities	<u>\$ 1,564,202</u>	<u>\$ 20,736</u>	<u>\$ 1,584,938</u>

CITY OF ALBANY
CENTRAL SERVICES FUND - INTERNAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25	Actual	
	Biennium	FY 2023-24	Variance
	Budget		
Revenues			
Charges for services	\$ 19,422,300	\$ 9,762,326	\$ (9,659,974)
Intergovernmental	5,000	-	(5,000)
Interest	6,600	222,278	215,678
Miscellaneous	-	34,278	34,278
Total revenues	19,433,900	10,018,882	(9,415,018)
Expenditures			
CS administration	1,187,400	460,811	726,589
Finance	3,654,400	1,671,131	1,983,269
Finance IT equip repl	35,200	16,138	19,062
Mayor & council	380,700	190,018	190,682
City manager's office	3,505,800	1,548,966	1,956,834
Code enforcement	403,600	200,374	203,226
Emergency mgmt / safety	425,900	213,490	212,410
Mayor & council IT equip	47,400	261	47,139
City manager's IT equip	27,400	8,657	18,743
Code enforcement IT equip	3,200	-	3,200
Emergency IT equip	4,000	-	4,000
Code enforcement equip	26,600	-	26,600
Emergency m/s equip replace	4,000	-	4,000
Information technology	3,924,300	1,843,989	2,080,311
GIS services	835,800	417,458	418,342
Permit tracking	262,900	122,929	139,971
Information tech IT equip	265,000	116,417	148,583
GIS Service IT equip replace	382,600	3,294	379,306
Permit tracking IT equip	10,800	-	10,800
IT equipment replacement	31,400	26,737	4,663
Human resources	2,159,200	1,030,866	1,128,334
Labor relations	128,700	78,141	50,559
Human resources IT equip	14,000	4,278	9,722
Facilities maintenance	1,805,500	793,183	1,012,317
GF Facilities maintenance proj	630,900	267,337	363,563
Facilities maint IT equip	16,700	-	16,700
Contingency	420,000	-	420,000
Total expenditures	20,593,400	9,014,475	11,578,925
Excess (deficiency) of revenues over expenditures	(1,159,500)	1,004,407	2,163,907
Other financing sources (uses)			
Sale of capital assets	-	6,683	6,683
Transfers in	12,600	6,300	(6,300)
Total other financing sources (uses)	12,600	12,983	383
Net change in fund balance	(1,146,900)	1,017,390	2,164,290
Fund balance at beginning of period	1,146,900	1,452,560	305,660
Fund balance at end of period	\$ -	2,469,950	\$ 2,469,950
Reconciliation to generally accepted accounting principles			
Fair value investments		(47,574)	
Net other postemployment benefit asset		100,206	
Capital assets, net		1,873,180	
Deferred outflows of resources		1,992,425	
Compensated absences payable		(265,684)	
Net pension liability		(5,870,515)	
Net other postemployment benefit liability		(400,934)	
Long-term obligations		(641,958)	
Deferred inflows of resources		(756,616)	
Net position - ending		\$ (1,547,520)	

CITY OF ALBANY
PUBLIC WORKS SERVICES FUND - INTERNAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (BUDGETARY BASIS)
BUDGET TO ACTUAL
Year Ended June 30, 2024

	2023-25 Biennium Budget	Actual FY 2023-24	Variance
Revenues			
Taxes			
Charges for services	\$ 24,357,700	\$ 10,570,657	\$ (13,787,043)
Interest	6,100	28,369	22,269
Miscellaneous	-	10,474	10,474
	<u>24,363,800</u>	<u>10,609,500</u>	<u>(13,754,300)</u>
Total revenues			
Expenditures			
PW administration	3,519,400	1,366,836	2,152,564
PW engineering services	8,327,800	3,418,864	4,908,936
PW customer services	4,015,300	1,958,515	2,056,785
Operations administration	1,364,300	665,448	698,852
Facilities & maint engineering	5,661,700	2,430,274	3,231,426
Water quality control service	1,551,700	650,007	901,693
PW Admin IT equip replace	21,500	1,434	20,066
PW engineering IT equip	42,100	6,168	35,932
PW customer service IT eq	353,200	111,984	241,216
Operations admin IT equip	15,900	1,177	14,723
Facilities & mnt eng IT eq	39,000	-	39,000
Water quality control IT eq	8,000	2,329	5,671
PW engineering equip rep	77,200	-	77,200
PW customer serv equip rep	59,900	-	59,900
Operations admin equip rep	23,400	-	23,400
Facilities & maint eng eq	225,500	105,223	120,277
Water quality ctrl equip	59,700	-	59,700
	<u>25,365,600</u>	<u>10,718,259</u>	<u>14,647,341</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>(1,001,800)</u>	<u>(108,759)</u>	<u>893,041</u>
Other financing sources (uses)			
Sale of capital assets	-	4,860	4,860
	<u>-</u>	<u>4,860</u>	<u>4,860</u>
Total other financing sources (uses)			
Net change in fund balance	(1,001,800)	(103,899)	897,901
Fund balance at beginning of period	<u>1,001,800</u>	<u>1,142,936</u>	<u>141,136</u>
Fund balance at end of period	\$ -	1,039,037	\$ 1,039,037
Reconciliation to generally accepted accounting principles			
Fair value investments		(22,692)	
Net other postemployment benefit asset		123,760	
Capital assets, net		286,808	
Deferred outflows of resources		2,460,750	
Compensated absences payable		(337,285)	
Net pension liability		(7,250,396)	
Net other postemployment benefit liability		(495,175)	
Deferred inflows of resources		<u>(934,461)</u>	
Net position - ending		\$ (5,129,654)	



STATISTICAL SECTION



CITY OF ALBANY

★ OREGON ★

Inc. 1864



STATISTICAL SECTION

This section of the City of Albany's Annual Comprehensive Financial Report presents detailed information for understanding what the financial statements, note disclosures, and required supplementary information indicate about the City's overall financial health. The information is presented in five categories: financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information.

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the City's financial performance and well-being has changed over time.

REVENUE CAPACITY

These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.

DEBT CAPACITY

The schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION

Presented in these schedules are demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

OPERATING INFORMATION

These schedules present service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services it provides and the activities it performs.

SCHEDULE 1

CITY OF ALBANY, OREGON
NET POSITION BY COMPONENT
 Last Ten Fiscal Years
 (accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net investment in capital assets	\$ 94,819,619	\$ 75,708,533	\$ 94,492,224	\$ 106,976,281	\$ 100,745,228	\$ 99,528,799	\$ 100,801,064	\$ 93,302,053	\$ 90,708,051	\$ 94,190,696
Restricted	11,071,442	27,479,252	18,450,736	11,795,562	20,833,823	23,456,343	29,540,017	44,532,306	56,298,428	46,558,157
Unrestricted	21,176,652	10,820,831	1,065,656	(11,987,143)	(13,085,181)	(18,883,265)	(14,331,810)	(23,971,384)	(11,314,178)	9,551,171
Total governmental activities net position	127,067,713	114,008,616	114,008,616	106,784,700	108,493,870	104,101,877	116,009,271	113,862,975	135,692,301	150,300,024
Business-type activities										
Net investment in capital assets	140,997,807	145,243,974	146,556,723	149,918,593	154,638,792	166,458,509	165,913,777	172,050,508	174,814,693	182,227,650
Restricted	10,717,596	10,115,449	9,490,275	9,209,257	9,085,389	8,269,926	7,959,532	9,258,672	9,567,755	9,482,709
Unrestricted	31,180,138	24,803,983	32,695,483	28,269,859	31,344,005	24,275,414	28,690,557	39,279,469	50,378,884	54,378,536
Total business-type activities net position	182,895,541	180,163,406	188,742,481	187,397,709	195,068,186	199,003,849	202,563,866	220,588,649	234,761,332	246,088,895
Total City of Albany										
Net investment in capital assets	235,817,426	220,952,507	241,048,947	256,894,874	255,384,020	265,987,308	266,714,841	265,352,561	265,522,744	276,418,346
Restricted	21,789,038	37,594,701	27,941,011	21,004,819	29,919,212	31,726,269	37,499,549	53,790,978	65,866,183	56,040,866
Unrestricted	52,356,790	35,624,814	33,761,139	16,282,716	18,258,824	5,392,149	14,358,747	15,308,085	39,064,706	63,929,707
Total net position	\$ 309,963,254	\$ 294,172,022	\$ 302,751,097	\$ 294,182,409	\$ 303,562,056	\$ 303,105,726	\$ 318,573,137	\$ 334,451,624	\$ 370,453,633	\$ 396,388,919

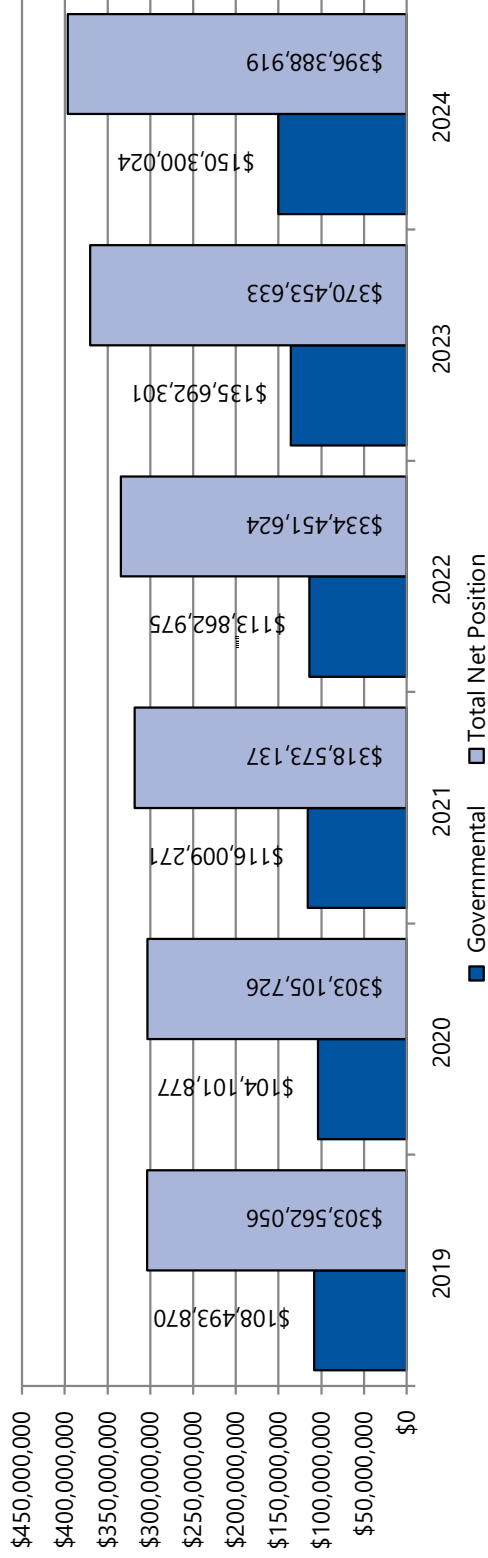
Over the last ten years the net position of governmental activities increased by 18 percent or \$23,232,310. Included in program revenues are \$1,530,601 of capital contributions in the form of systems development charges, connection fees, improvement assurance fees, and site improvements.

During the same time frame (ten years), the net position of the business-type activities has increased by 35 percent (\$63,193,000). The two major components of the increase have been operating income (\$84,764,000) and capital contributions (\$17,279,000), which consists of development fees (systems development charges, in-lieu-of assessment charges, and improvement assurances), and developer constructed water, sewer, and storm drain site improvements donated to the City.

Continued on next page

SCHEDULE 1

Governmental and Total Net Position
Last 6 Fiscal Years



Source: City of Albany 2015-2024 Annual Comprehensive Financial Reports

SCHEDULE 2

**CITY OF ALBANY, OREGON
CHANGE IN NET POSITION**
Last Ten Fiscal Years
(accrual basis of accounting)

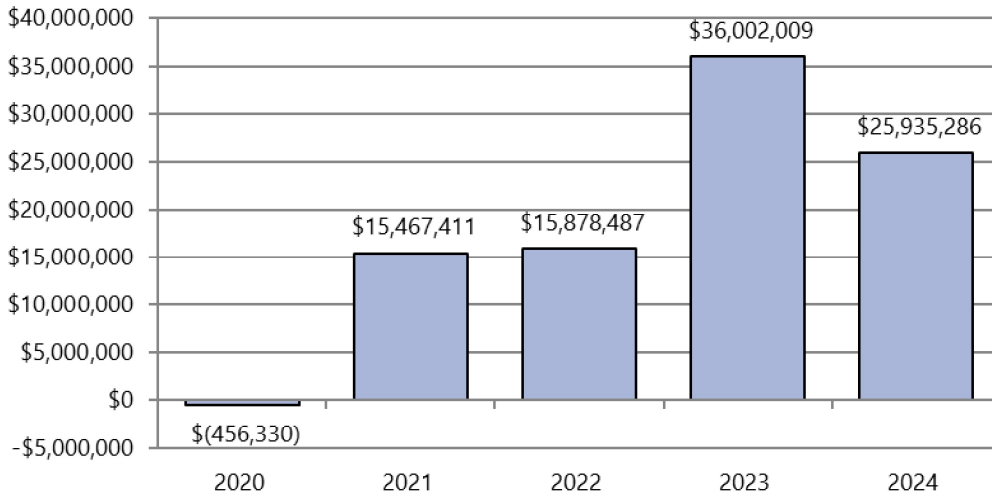
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
General government	\$ 7,667,638	\$ 11,956,298	\$ 11,627,250	\$ 11,905,562	\$ 14,611,772	\$ 18,940,934	\$ 15,148,759	\$ 12,702,631	\$ 4,811,281	\$ 5,693,024
Community development	-	-	-	-	-	-	-	6,384,664	6,327,237	6,899,785
Public safety	20,771,259	39,213,576	33,190,548	35,845,712	37,378,693	39,337,254	42,960,751	40,688,040	43,249,573	48,038,868
Highways and streets	6,577,224	5,926,402	6,116,216	4,468,119	7,992,085	8,590,398	6,724,748	12,222,620	12,072,312	13,685,923
Culture and recreation	7,939,789	13,557,065	11,634,285	13,667,104	10,816,892	11,251,985	10,513,623	13,119,161	10,823,250	11,926,701
Interest on long-term debt	710,061	1,240,044	1,295,382	1,279,266	1,554,774	816,417	1,025,268	1,071,883	1,301,519	1,197,209
Total governmental activities expenses	43,665,971	71,893,385	63,863,681	67,165,763	72,354,216	78,936,988	76,373,149	86,188,999	78,585,172	87,441,510
Business-type activities										
Water	11,524,422	14,520,636	12,640,992	12,267,390	11,410,738	13,596,398	14,105,765	15,403,393	17,580,552	19,041,806
Sewer	14,765,389	17,663,062	15,726,496	15,140,083	14,099,323	15,617,877	16,572,791	23,998,931	20,679,855	23,567,305
Stormwater	-	-	1,095,648	1,708,963	2,158,837	2,520,663	2,785,117	2,724,103	3,001,020	3,179,056
Total business-type activities expenses	26,289,811	32,213,698	29,463,136	29,116,436	27,668,898	31,734,938	33,463,673	42,126,427	41,261,427	45,788,167
Program Revenues										
Governmental activities										
Charges for services:										
General Government	3,487,011	3,718,959	4,173,637	4,621,225	4,607,980	4,987,451	3,904,240	6,353,267	5,191,769	5,083,246
Community development	-	-	-	-	-	-	-	2,128,470	2,196,964	2,658,596
Public Safety	3,150,776	3,291,540	3,941,179	4,246,900	5,609,787	6,807,903	15,067,008	8,625,886	8,850,035	8,860,223
Highways and Streets	134,615	138,139	101,502	104,238	1,267,051	115,356	295,271	727,941	1,126,313	3,247,004
Culture and recreation	995,606	1,016,928	1,099,530	1,049,007	1,120,216	750,964	603,069	1,655,235	1,993,147	2,089,787
Operating grants and contributions	5,591,657	5,461,409	5,671,185	11,016,549	13,380,093	13,362,737	20,720,718	12,199,927	23,417,189	16,804,141
Capital grants and contributions	3,459,206	3,659,772	2,700,427	2,226,433	2,753,651	1,480,471	1,194,031	6,299,098	250,000	-
Total governmental activities program revenues	16,818,871	17,286,747	17,687,460	23,264,352	28,738,778	27,504,882	41,784,337	37,989,824	43,025,417	38,742,997
Business-type activities										
Water	13,820,209	13,594,778	16,764,392	14,268,332	14,502,634	14,667,426	16,040,040	19,085,036	21,677,783	22,260,536
Sewer	29,847,180	16,645,445	20,963,015	17,675,781	18,415,971	19,082,367	19,893,693	27,982,579	30,405,950	28,958,717
Stormwater	-	-	974,504	2,035,666	2,199,321	2,389,125	2,787,064	4,183,963	4,885,749	5,605,428
Total business-type activities program revenues	43,667,389	30,240,223	38,701,911	33,979,779	35,117,926	36,138,918	38,720,797	51,251,578	56,969,482	56,824,681
Total program revenues	60,486,260	47,526,970	56,389,371	57,244,131	63,856,704	63,643,800	80,505,134	89,241,402	99,994,899	95,567,678

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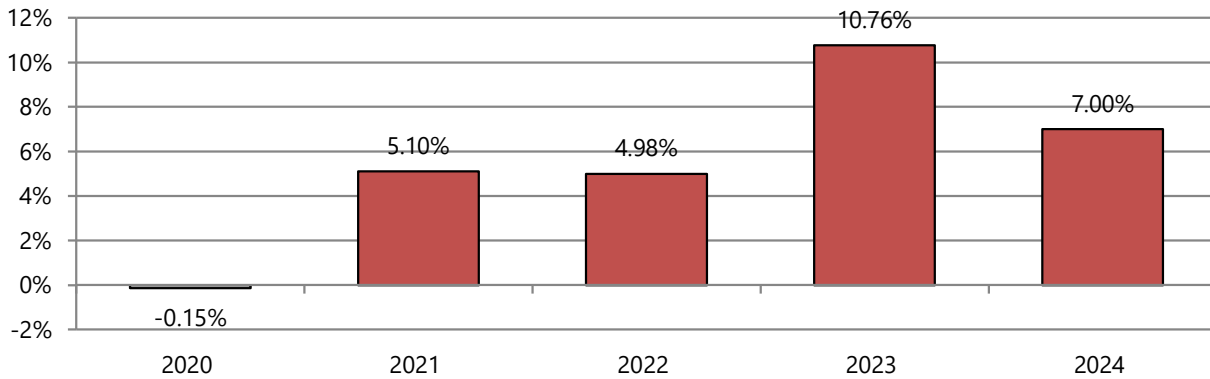
SCHEDULE 2

CITY OF ALBANY, OREGON

Change in Net Position
Last Five Years



Year to Year Percentage Change in Net Position
Last Five Years



Source: City of Albany 2015-2024 Annual Comprehensive Financial Reports

SCHEDULE 3

CITY OF ALBANY, OREGON
FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years (1)
 (modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$ 9,634	\$ 41,153	\$ 32,515	\$ 156	\$ 2,000	\$ -	\$ -	\$ 831,633	\$ 815,151	\$ -
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	2,672,273	3,793,981	4,010,512	3,368,061	3,759,052	3,145,359	4,810,803	8,191,153	9,182,613	13,129,146
Total General Fund	2,681,907	3,835,134	4,043,027	3,368,217	3,761,052	3,145,359	4,810,803	9,022,786	9,997,764	13,129,146
All other governmental funds										
Nonspendable	169,542	152,185	146,093	124,744	95,275	79,500	2,176,612	2,239,547	151,946	152,487
Restricted	12,565,772	27,479,252	14,991,430	10,336,691	19,518,045	22,128,918	24,884,177	44,229,496	51,612,626	42,053,539
Committed	20,480,214	21,614,668	19,747,584	19,576,312	20,237,894	18,054,205	20,580,077	24,146,960	32,846,003	37,052,790
Assigned	-	-	-	-	15,060	27,639	210,558	184,934	201,247	-
Unassigned	(2,566,638)	-	-	(4,214,620)	(277,283)	(122,289)	(246)	-	-	(136,688)
Total all other governmental funds	30,648,890	49,246,105	34,885,107	25,823,127	39,588,991	40,167,973	47,851,178	70,800,937	84,811,822	79,122,128
Total fund balances of governmental funds	\$ 33,330,797	\$ 53,081,239	\$ 38,928,134	\$ 29,191,344	\$ 43,350,043	\$ 43,313,332	\$ 52,661,981	\$ 79,823,723	\$ 94,809,586	\$ 92,251,274

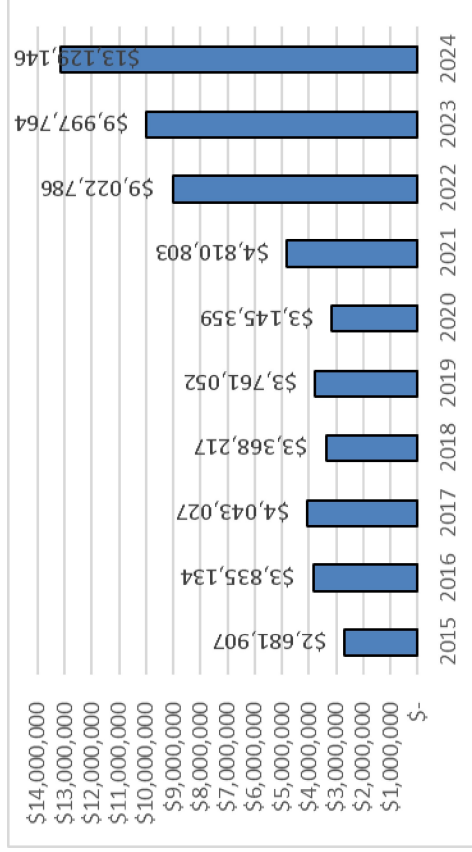
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SCHEDULE 3

CITY OF ALBANY, OREGON

**General Fund Unreserved Fund Balance
And Annual Percentage Change
Last Ten Fiscal Years**

General Fund Unreserved Fund Balance
Last Ten Fiscal Years



Fiscal Year	Fund Balance	% Change
2015	\$ 2,672,273	-
2016	\$ 3,793,981	41.98%
2017	\$ 4,010,512	5.71%
2018	\$ 3,368,061	-16.02%
2019	\$ 3,759,052	11.61%
2020	\$ 3,145,359	-16.33%
2021	\$ 4,810,803	52.95%
2022	\$ 8,191,153	70.27%
2023	\$ 9,182,613	12.10%
2024	\$ 13,129,146	42.98%

The General Fund unreserved fund balance has increased by 391.31 percent over the last ten years. The 2023-24 unassigned fund balance of \$13,129,146 is 27.37 percent of total expenditures before transfers out, and 12.84 percent of the total General Fund 2023-25 budget.

Source: City of Albany 2015-2024 Annual Comprehensive Financial Reports

SCHEDULE 4

**CITY OF ALBANY, OREGON
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 28,286,016	\$ 29,897,203	\$ 31,464,424	\$ 33,367,732	\$ 35,929,111	\$ 36,532,685	\$ 37,927,297	\$ 40,318,181	\$ 41,913,225	\$ 43,953,755
Special assessments	817,846	526,610	281,495	2,614	205,991	-	-	-	-	-
Franchise fees and privilege taxes	-	-	-	-	-	-	5,518,142	5,735,810	6,251,051	7,116,008
Licenses and permits	7,217,726	7,621,457	8,925,034	8,799,331	8,978,341	8,288,165	3,398,672	8,455,757	6,556,739	6,931,593
Intergovernmental	9,332,104	9,123,174	8,450,512	11,047,952	16,417,359	14,734,721	20,265,679	16,904,712	21,602,685	18,546,865
Charges for services	5,927,810	6,326,874	6,907,045	7,481,482	7,558,952	7,100,862	6,852,413	7,584,169	6,224,367	7,604,616
Fines and forfeitures	3,127	8,403	19,544	61,362	84,711	66,570	950,970	1,037,342	817,803	970,403
Land sales	-	11,496	-	-	-	-	-	-	-	-
Interest on investments	197,437	456,806	328,560	566,717	1,458,296	1,498,447	345,697	(1,799,005)	2,009,804	4,421,739
Miscellaneous	1,159,726	1,088,232	1,416,602	2,744,583	2,947,195	2,577,705	2,258,979	1,415,246	1,963,680	1,980,465
Total revenues	<u>52,941,792</u>	<u>55,060,255</u>	<u>57,793,216</u>	<u>64,071,773</u>	<u>73,579,956</u>	<u>70,799,155</u>	<u>77,517,849</u>	<u>79,652,212</u>	<u>87,339,354</u>	<u>91,525,444</u>
Expenditures										
General government	7,544,431	10,080,973	11,609,197	15,480,203	9,786,568	13,119,607	9,688,802	5,097,696	5,056,211	8,007,219
Community development	-	-	-	-	-	-	-	6,345,960	5,512,707	5,773,213
Public safety	25,997,415	27,404,433	28,332,212	32,391,938	34,451,423	36,241,251	37,587,519	37,168,139	41,052,792	43,122,524
Highways and streets	2,980,799	3,056,329	3,108,781	3,076,288	3,293,852	3,433,361	3,059,934	3,221,201	3,080,656	3,441,882
Culture and recreation	8,368,902	8,779,572	9,158,782	9,530,126	9,999,871	9,677,337	8,293,916	9,592,910	10,283,536	11,449,926
Health	-	125,745	130,621	151,939	586	33,976	-	-	-	-
Capital outlay	7,926,087	6,485,115	18,409,687	12,978,050	10,572,423	6,979,639	7,801,917	5,571,914	8,141,629	21,702,024
Debt service	-	-	-	-	-	-	-	-	-	-
Principal	1,741,794	1,016,605	983,483	1,052,140	1,720,315	1,738,541	2,694,363	2,196,038	2,329,858	3,295,915
Interest	714,071	1,212,756	1,315,505	1,304,598	1,378,201	1,436,176	1,111,628	1,070,398	1,350,376	1,244,798
Total expenditures	<u>55,273,499</u>	<u>58,161,528</u>	<u>73,048,268</u>	<u>75,965,282</u>	<u>71,203,239</u>	<u>72,659,888</u>	<u>70,238,079</u>	<u>70,264,256</u>	<u>76,807,765</u>	<u>98,037,501</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,331,707)</u>	<u>(3,101,273)</u>	<u>(15,255,052)</u>	<u>(11,893,509)</u>	<u>2,376,717</u>	<u>(1,860,733)</u>	<u>7,279,770</u>	<u>9,387,956</u>	<u>10,531,589</u>	<u>(6,512,057)</u>
Other financing sources (uses)										
Debt issuance	-	18,636,260	-	-	8,400,000	-	1,003,293	15,114,767	-	-
Capital lease	86,005	242,881	-	206,481	-	387,342	184,343	249,841	357,527	532
Sale of capital asset	-	1,745,013	-	836,387	1,928,887	15,227,044	10,228,846	9,144,108	10,656,379	8,615,657
Transfers in	6,577,243	12,316,154	6,913,140	8,289,131	7,206,816	(13,643,096)	(8,742,387)	(6,734,930)	(7,115,166)	(5,785,004)
Transfers out	(5,493,790)	(11,120,050)	(5,876,890)	(7,175,028)	(5,753,721)	1,971,290	2,674,095	17,773,786	3,898,740	2,831,185
Total other financing sources (uses)	<u>1,169,458</u>	<u>21,820,258</u>	<u>1,036,250</u>	<u>2,156,971</u>	<u>11,781,982</u>	<u>(147,268)</u>	<u>2,887</u>	<u>(608,103)</u>	<u>555,534</u>	<u>3,898,740</u>
Prior period adjustments	<u>(70,285)</u>	<u>1,031,457</u>	<u>65,699</u>	<u>(252)</u>	<u>-</u>	<u>(147,268)</u>	<u>2,887</u>	<u>(608,103)</u>	<u>555,534</u>	<u>3,898,740</u>
Net change in fund balances	<u>\$ (1,232,534)</u>	<u>\$ 19,750,442</u>	<u>\$ (14,153,103)</u>	<u>\$ (9,736,790)</u>	<u>\$ 14,158,699</u>	<u>\$ (36,711)</u>	<u>\$ 9,956,752</u>	<u>\$ 26,553,639</u>	<u>\$ 14,985,863</u>	<u>\$ (3,680,872)</u>

SCHEDULE 4

**CITY OF ALBANY, OREGON
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS, continued**

Ratio of Total Debt Service Expenditures to Total Noncapital Expenditures
Last Ten Fiscal Years
(modified accrual basis of accounting)

debt service expenditures	\$ 2,455,865	\$ 2,229,361	\$ 2,298,988	\$ 2,356,738	\$ 3,098,516	\$ 3,174,717	\$ 3,805,991	\$ 3,266,436	\$ 3,680,234	\$ 4,540,713
Total noncapital expenditures	<u>47,347,412</u>	<u>51,676,413</u>	<u>44,350,115</u>	<u>51,002,132</u>	<u>51,671,259</u>	<u>65,682,749</u>	<u>63,180,153</u>	<u>64,758,645</u>	<u>68,666,136</u>	<u>76,335,477</u>
Ratio of total debt service expenditures less refundings to total noncapital expenditures	5.19%	4.31%	5.18%	4.62%	6.00%	4.83%	6.02%	5.04%	5.36%	5.95%

SCHEDULE 5

CITY OF ALBANY, OREGON
ASSESSED VALUE AND ESTIMATED MARKET VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	County	Taxable Assessed Value (1)	Direct Tax Rate Per \$1,000 of Assessed Value	Urban Renewal District Assessed Value (2)	Total Assessed Value	Estimated Market Value	Assessed Value as a % of Market Value	
2014-2015	2015	Linn	2,747,431,038	9.19	147,927,166	2,895,358,204	3,418,838,730	84.69%
		Benton	706,740,905	7.92	-	706,740,905	772,422,707	91.50%
		Total	3,454,171,943		147,927,166	3,602,099,109	4,191,261,437	85.94%
2015-2016	2016	Linn	2,843,619,873	9.11	166,529,559	3,010,149,432	3,435,409,825	87.62%
		Benton	708,740,905	7.84	-	708,740,905	816,085,814	86.85%
		Total	3,552,360,778		166,529,559	3,718,890,337	4,251,495,639	87.47%
2016-2017	2017	Linn	2,909,474,715	8.15	187,383,932	3,096,858,647	3,642,062,176	85.03%
		Benton	753,694,742	7.84	-	753,694,742	887,834,609	84.89%
		Total	3,663,169,457		187,383,932	3,850,553,389	4,529,896,785	85.00%
2017-2018	2018	Linn	3,015,678,290	8.15	213,174,791	3,228,853,081	4,005,117,742	80.62%
		Benton	795,173,155	7.84	-	795,173,155	1,009,149,143	78.80%
		Total	3,810,851,445		213,174,791	4,024,026,236	5,014,266,885	80.25%
2018-2019	2019	Linn	3,117,913,054	8.38	231,137,526	3,349,050,580	4,501,152,682	74.40%
		Benton	833,885,589	8.27	-	833,885,589	1,169,559,228	71.30%
		Total	3,951,798,643		231,137,526	4,182,936,169	5,670,711,910	73.76%
2019-2020	2020	Linn	3,216,058,644	8.39	246,939,463	3,462,998,107	4,919,399,014	70.39%
		Benton	855,444,364	8.28	-	855,444,364	1,230,941,205	69.50%
		Total	4,071,503,008		246,939,463	4,318,442,471	6,150,340,219	70.21%
2020-2021	2021	Linn	3,379,438,953	8.41	276,449,354	3,655,888,307	5,381,597,775	67.93%
		Benton	925,945,042	8.31	-	925,945,042	1,387,336,547	66.74%
		Total	4,305,383,995		276,449,354	4,581,833,349	6,768,934,322	67.69%
2021-2022	2022	Linn	3,524,374,499	8.39	300,729,535	3,825,104,034	5,998,111,668	63.77%
		Benton	966,825,726	8.36	-	966,825,726	1,458,627,895	66.28%
		Total	4,491,200,225		300,729,535	4,791,929,760	7,456,739,563	64.26%
2022-2023	2023	Linn	3,675,509,661	8.47	331,329,723	4,006,839,384	7,065,893,260	56.71%
		Benton	1,012,337,673	8.35	-	1,012,337,673	1,738,373,921	58.23%
		Total	4,687,847,334		331,329,723	5,019,177,057	8,804,267,181	57.01%
2023-2024	2024	Linn	3,837,481,052	-	368,945,404	4,206,426,456	7,703,084,651	54.61%
		Benton	1,069,067,634	-	-	1,069,067,634	1,939,039,330	55.13%
		Total	4,906,548,686		368,945,404	5,275,494,090	9,642,123,981	54.71%

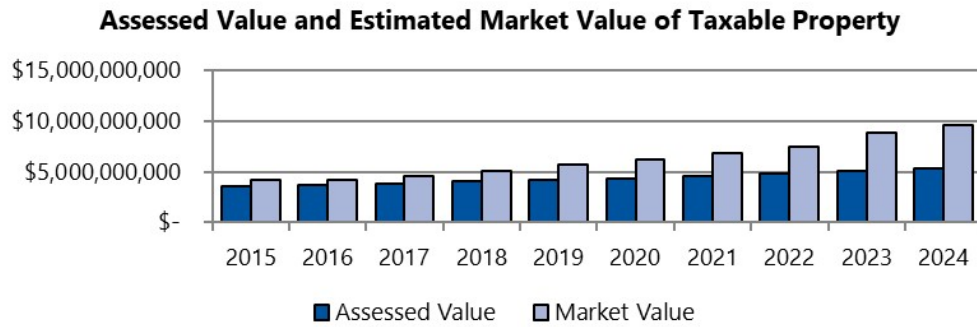
(1) Does not include the assessed value of the urban renewal district.
 (2) Urban renewal district incremental amount

Source: Linn and Benton Counties Tax Assessors

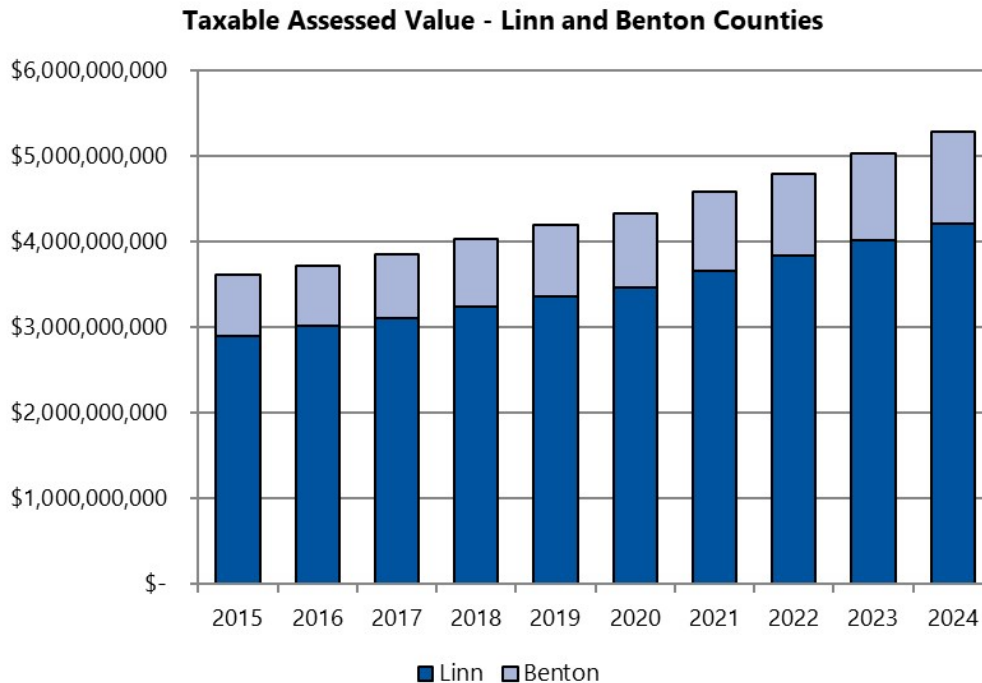
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SCHEDULE 5

CITY OF ALBANY, OREGON
ASSESSED VALUE AND ESTIMATED MARKET VALUE OF TAXABLE PROPERTY, continued
 Last Ten Fiscal Years



The "gap" between the market value and the assessed value is important to note. Oregon statutes allow the assessed value on a single piece of property to rise no more than three percent annually up to the market value, where the assessed value is capped. Currently, the assessed value is 54.71 percent of market value, leaving a \$4,366,629,891 gap. Current economic conditions will have an effect on the market value of properties, but the extent of the effect is not known at this time.



SCHEDULE 6

**CITY OF ALBANY, OREGON
DIRECT AND OVERLAPPING TAX RATES (1)
Last Ten Fiscal Years**

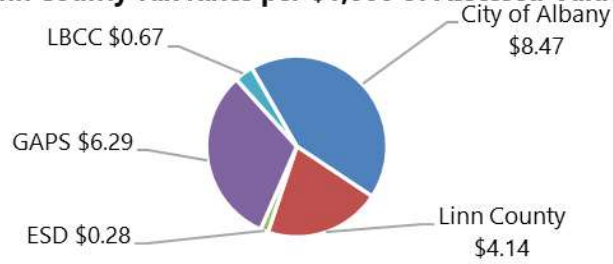
Fiscal Year Ended June 30,	City of Albany Direct Rates										Overlapping Rates						
	County	Basic Rate	Local Option Public Safety Levy	General Obligation Debt Service	Total Before Urban Renewal	Albany Urban Renewal	Total Direct Rate	Linn County	Benton County	4H Extension District (2)	ESD(2) Linn/Benton Counties	Greater Albany Public School District	Linn-Benton Community College	Benton County Service/Districts	Total Direct & Overlapping Rates		
2015	Linn	6.40	1.15	0.37	7.92	1.27	9.19	4.21	-	0.07	0.29	6.01	0.65	-	20.42		
	Benton	6.40	1.15	0.37	7.92	-	7.92	-	3.11	-	0.29	6.01	0.65	-	17.97		
2016	Linn	6.40	1.15	0.29	7.84	1.27	9.11	4.21	-	0.07	0.29	6.01	0.65	-	20.34		
	Benton	6.40	1.15	0.29	7.84	-	7.84	-	3.11	-	0.29	6.01	0.65	-	17.89		
2017	Linn	6.40	1.15	0.29	7.84	0.31	8.15	4.21	-	0.07	0.29	5.79	0.64	-	19.14		
	Benton	6.40	1.15	0.29	7.84	-	7.84	-	3.11	-	0.29	5.79	0.64	-	17.66		
2018	Linn	6.40	1.15	0.29	7.84	0.31	8.15	4.20	-	0.07	0.29	6.53	0.64	-	19.87		
	Benton	6.40	1.15	0.29	7.84	-	7.84	-	3.11	-	0.29	6.53	0.64	-	18.40		
2019	Linn	6.04	1.15	0.27	7.47	0.91	8.38	4.19	-	0.07	0.29	6.52	0.64	-	20.08		
	Benton	6.04	1.15	0.27	7.47	0.80	8.27	-	3.11	-	0.29	6.52	0.64	0.13	18.94		
2020	Linn	6.04	1.15	0.27	7.46	0.93	8.39	4.19	-	0.07	0.29	6.44	0.63	-	20.01		
	Benton	6.04	1.15	0.27	7.46	0.82	8.28	-	3.11	-	0.29	6.44	0.63	0.13	18.88		
2021	Linn	6.01	1.15	0.27	7.43	0.98	8.41	4.11	-	0.06	0.29	6.39	0.63	-	19.89		
	Benton	6.01	1.15	0.27	7.43	0.88	8.31	-	3.11	-	0.29	6.38	0.63	0.10	18.81		
2022	Linn	5.97	1.15	0.27	7.39	1.00	8.39	4.00	-	0.06	0.29	6.20	0.63	-	19.57		
	Benton	5.98	1.15	0.27	7.39	0.97	8.36	-	3.11	-	0.28	6.56	0.65	0.13	19.10		
2023	Linn	5.95	1.15	0.24	7.34	1.13	8.47	4.14	-	0.06	0.28	6.30	0.67	-	19.92		
	Benton	5.95	1.15	0.24	7.34	1.01	8.35	-	3.11	-	0.28	6.29	0.67	0.13	18.83		
2024	Linn	5.95	1.15	0.24	7.34	1.13	8.47	4.14	-	0.06	0.28	6.29	0.67	-	19.92		
	Benton	5.95	1.15	0.24	7.34	1.01	8.35	-	3.11	-	0.28	6.29	0.67	0.13	18.83		

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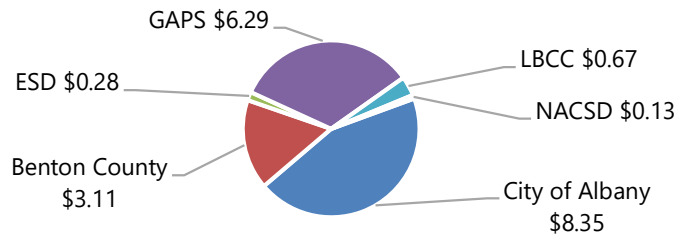
SCHEDULE 6

CITY OF ALBANY, OREGON

Linn County Tax Rates per \$1,000 of Assessed Value



Benton County Tax Rates per \$1,000 of Assessed Value



(1) Rate per \$1,000 of assessed value

ESD – Educational Service District
GAPS – Greater Albany Public School District

LBCC – Linn-Benton Community College
NACSD – North Albany County Service District

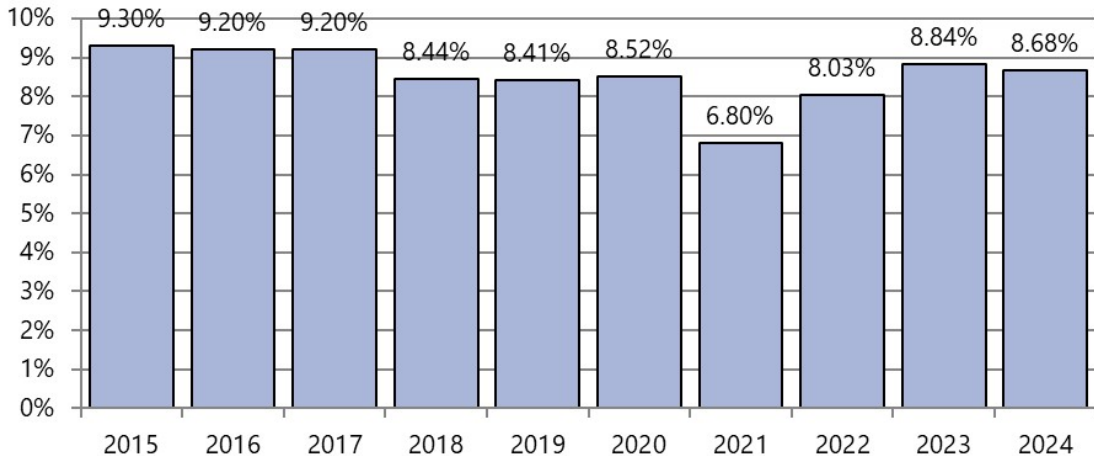
Source: Linn and Benton Counties Tax Assessors

SCHEDULE 7

**CITY OF ALBANY, OREGON
PRINCIPAL PROPERTY TAXPAYERS**
Fiscal Years 2013-2014 and 2022-2023

Taxpayer	2023-2024 Taxable Assessed Value	Rank	% of Total Taxable Assessed Value	2014-2015 Taxable Assessed Value	Rank	% of Total Taxable Assessed Value
Target Corporation	\$ 83,987,282	1	1.59%	\$ 72,289,300	1	2.01%
Oregon Freeze Dry Foods, Inc.	68,349,480	2	1.30%	33,713,530	3	0.94%
Pacific Cast Technologies	61,444,670	3	1.16%	27,724,790	5	0.77%
WR Grace & Co Conn	59,395,530	4	1.13%			
Pacificorp (PP&L)	52,774,742	5	1.00%	20,468,000	7	0.57%
Eugene Freezing & Storage Co	30,032,100	6	0.57%	18,957,100		
Mennonite Home of Albany	28,123,970	7	0.53%			
Northwest Natural Gas	30,490,130	8	0.58%		9	0.00%
Comcast Corporation	21,571,413	9	0.00%	31,906,400	2	0.89%
Glorietta Bay LLC	21,529,720	10	0.41%			
Walmart Real estate Business Trust			0.00%	17,127,460	10	0.48%
Oregon Metallurgical Corporation			0.00%	29,555,690	4	0.82%
Waverly Land Management			0.00%	24,698,230	6	0.69%
Metropolitan Life Insurance			0.00%	18,476,780	8	0.51%
Total	\$ 457,699,037		8.68%	\$ 294,917,280		7.66%
Total taxable assessed value, all properties	\$ 5,275,494,090			\$ 3,602,099,109		

Percentage of Total Assessed Value for the City of Albany Top Ten Taxpayers
Last Ten Fiscal Years



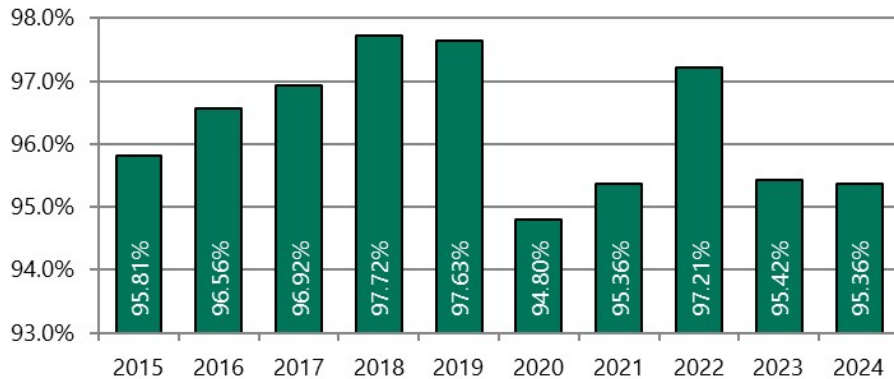
Source: Linn and Benton Counties Tax Assessors

SCHEDULE 8

**CITY OF ALBANY, OREGON
PROPERTY LEVIES AND COLLECTIONS**

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levy as Extended by the Assessor (1)	Collected within the Fiscal Year of the Levy	Percentage Collected	Collections In Subsequent Years	Total Collections to Date	Percentage of Levy as Extended
2015	27,836,933	26,669,274	95.81%	2,130,558	28,799,832	103.46%
2016	29,171,625	28,169,159	96.56%	1,159,592	29,328,751	100.54%
2017	30,457,817	29,521,130	96.92%	1,011,400	30,532,530	100.25%
2018	32,481,243	31,741,907	97.72%	958,526	32,700,433	100.67%
2019	33,570,277	32,775,527	97.63%	707,966	33,483,493	99.74%
2020	35,914,291	34,046,853	94.80%	649,982	34,696,835	96.61%
2021	37,656,830	35,910,456	95.36%	488,470	36,398,926	96.66%
2022	39,744,828	38,636,774	97.21%	648,019	39,284,793	98.84%
2023	41,786,744	39,872,788	95.42%	772,585	40,645,373	97.27%
2024	43,858,547	41,823,029	95.36%	551,453	42,374,482	96.62%



The City has chosen to calculate the property tax collection rate based on the gross amount of the levy as extended by the Linn and Benton County Assessors. The resulting rate is a lower percentage, but for comparative purposes it can be applied to future years' levies without having to estimate discounts and adjustments. This method of calculating the collection rate is the same one used for the budget. In past annual reports the collection percentage was based on a net levy, which included discounts and adjustments. Using the new method, the ten-year average first-year collection rate is 95.94 percent of the levy as extended by the assessors.

There are three ways in which property tax revenue can be adversely affected by a slowdown in the economy: 1) market value falls below assessed value; 2) assessed value falls; and 3) the rate of tax collection falls. Because of the healthy gap between market values and assessed values, there would be lag time before a downturn would directly affect the market value limit on assessed value. In the second situation, assessed values will not fall quickly. It is more likely that the rate of growth of the assessed value will slow. The third factor has the potential to have a more immediate effect. A one percentage point drop in the tax collection rate would translate into a \$250,000 decrease in current tax revenues. The City will monitor the tax collection rate to gauge its effect on revenues. The tax collection rate will also be a factor in the preparation of the 2025-27 budget.

(1) Levy as extended by the Linn and Benton Counties Assessors

Source: Linn and Benton Counties Tax Assessor

SCHEDULE 9

CITY OF ALBANY, OREGON
SCHEDULE OF DEBT PER CAPITA AND DEBT AS A PERCENTAGE OF PERSONAL INCOME
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	GOVERNMENTAL ACTIVITIES							BUSINESS-TYPE ACTIVITIES					Total Outstanding Debt	% of Personal Income	Debt per Capita
	General Obligation Bonds (4)	Limited Tax Pension Obligations	General Revenue Obligations	Urban Renewal (UR) TIF Bonds (1)	Urban Renewal (UR) Loan	Unamortized Premium	Notes Payable	Finance Purchase	Water Revenue Bonds (3)	Unamortized Premium	Notes Payable (2)				
2015	-	5,208,982	800,000	2,696,000	-	-	36,107	63,325	26,505,000	1,711,966	58,900,330	95,921,710	2.27%	1,871	
2016	17,605,000	5,101,484	655,000	2,363,000	-	604,447	-	208,742	25,570,000	1,578,238	55,321,160	109,007,071	2.42%	2,110	
2017	17,235,000	4,992,002	500,000	2,014,000	-	572,634	-	131,334	24,595,000	1,485,850	51,632,167	103,157,987	2.19%	1,963	
2018	16,820,000	4,880,861	340,000	1,648,000	-	540,821	-	239,805	23,575,000	1,393,462	47,700,361	97,138,310	1.78%	1,843	
2019	16,355,000	4,769,605	175,000	1,265,000	-	509,007	7,803,830	164,483	22,515,000	1,301,074	42,425,307	97,283,306	1.78%	1,831	
2020	15,835,000	4,610,001	-	863,000	-	477,194	7,321,892	84,406	21,415,000	1,208,686	45,455,491	97,270,670	1.67%	1,797	
2021	15,260,000	4,150,001	-	442,000	-	445,381	8,044,016	43,204	20,275,000	1,116,298	45,523,382	95,299,282	1.41%	1,735	
2022	14,635,000	3,620,000	-	-	15,114,767	413,568	7,488,180	15,426	19,080,000	1,023,910	41,404,289	102,795,140	1.50%	1,797	
2023	13,950,000	3,020,000	-	-	14,643,693	381,755	6,914,396	-	17,840,000	931,522	36,979,742	94,661,108	1.28%	1,632	
2024	13,205,000	2,335,000	-	-	13,364,850	349,942	6,327,325	-	16,550,000	839,134	32,482,767	85,454,018	1.13%	1,479	

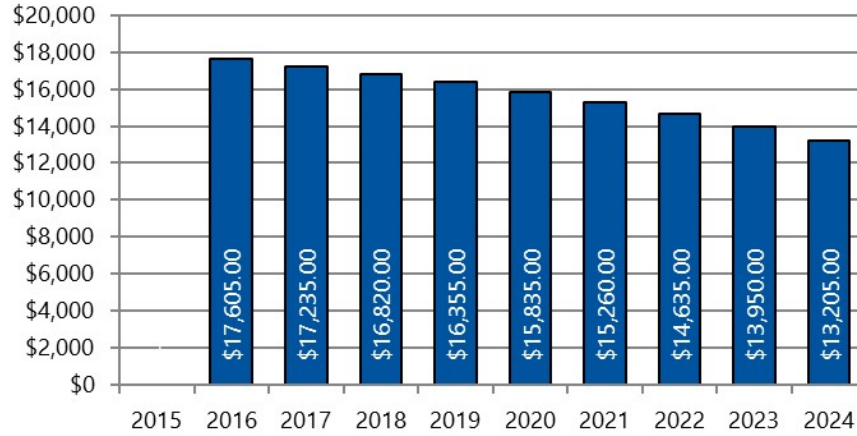
Source: City of Albany 2015-2024 Annual Comprehensive Financial Reports

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SCHEDULE 9

CITY OF ALBANY, OREGON

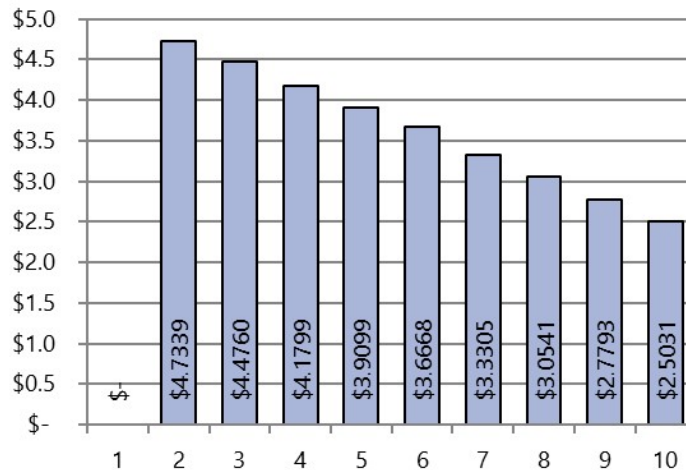
**Unmatured General Obligation Bonds at Fiscal Year End
(Governmental and Business-type Activities)
Last Ten Fiscal Years**



The chart above reflects the issuance of general obligation bonds in FY 2016-17.

- (1) Special assessment debt with government commitment
 - (2) TIF – Tax Increment Financing
 - (3) Includes \$57,933,506 State of Oregon Revolving Fund loan for the new sewage treatment plant
 - (4) 2003 Water Revenue bonds defeased and replaced with 2013 Water Refunding Bonds
 - (5) 2015 Public Safety Facilities bonds were issued in FY 2016-17
- Source: City of Albany 2015-2024 Annual Comprehensive Financial Reports

**General Obligation Property Tax Rate
Per \$1,000 of Assessed Value
Last Ten Fiscal Years**



The average annual increase in assessed value of the ten-year period is just over three percent, with a high of 4.73 percent in 2016 and a low of 1.39 percent in 2024.

SCHEDULE 10

**CITY OF ALBANY, OREGON
RATIO OF GENERAL BONDED DEBT (1) TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA**

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population	Assessed Value	General Obligation Bonds	Unamortized Premium	Limited Tax Pension Obligations	General Revenue Obligations	Less: Amounts Available in Debt Service Fund (2)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita	Net Bonded Debt as a Percent of Personal Income
2015	51,270	3,602,099,109	-	-	5,208,982	800,000	161,727	5,847,255	0.1623%	114.05	0.14%
2016	51,670	3,718,890,337	17,605,000	604,447	5,101,484	655,000	276,187	23,689,744	0.6370%	458.48	0.53%
2017	52,540	3,850,553,389	17,235,000	572,634	4,992,002	500,000	328,548	22,971,088	0.5966%	437.21	0.49%
2018	52,710	4,024,026,236	16,820,000	540,821	4,880,861	340,000	400,634	22,181,048	0.5512%	420.81	0.41%
2019	53,145	4,182,936,169	16,355,000	509,007	4,769,605	175,000	330,065	21,478,547	0.5135%	404.15	0.39%
2020	54,120	4,318,442,471	15,835,000	477,194	4,610,001	-	498,688	20,423,507	0.4729%	377.37	0.35%
2021	54,935	4,581,833,349	15,260,000	445,381	4,150,001	-	827,606	19,027,776	0.4153%	346.37	0.28%
2022	57,199	4,791,929,760	14,635,000	413,568	3,620,000	-	863,358	17,805,210	0.3716%	311.29	0.26%
2023	57,390	5,019,177,057	13,950,000	381,755	3,020,000	-	962,074	16,389,681	0.3265%	285.58	0.22%
2024	57,777	5,275,494,090	13,205,000	349,942	2,335,000	-	690,788	15,199,154	0.2881%	263.07	0.20%

(1) General bonded debt includes general obligation bonds and other debt financed with any general governmental resources excluding special assessment bonds.

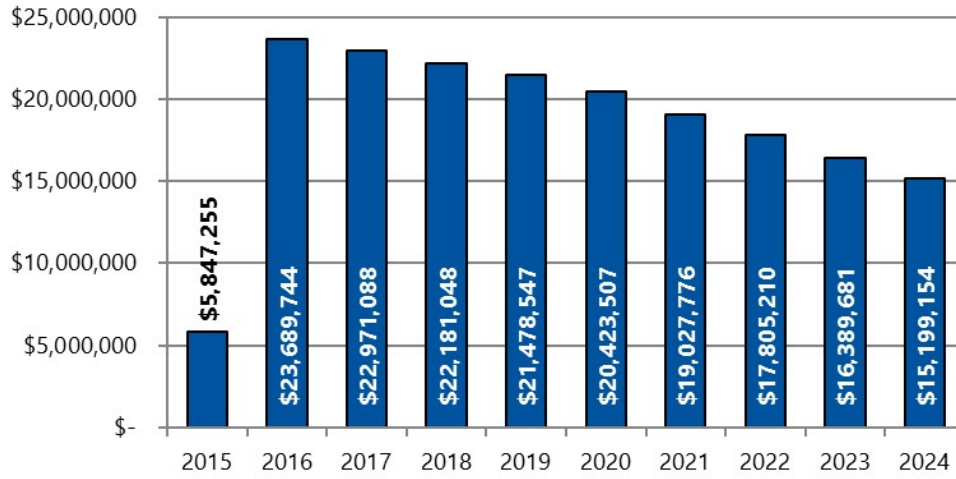
(2) Available for the 2002 Limited Tax Pension Bonds and the 2015 Public Safety Facility Bonds.

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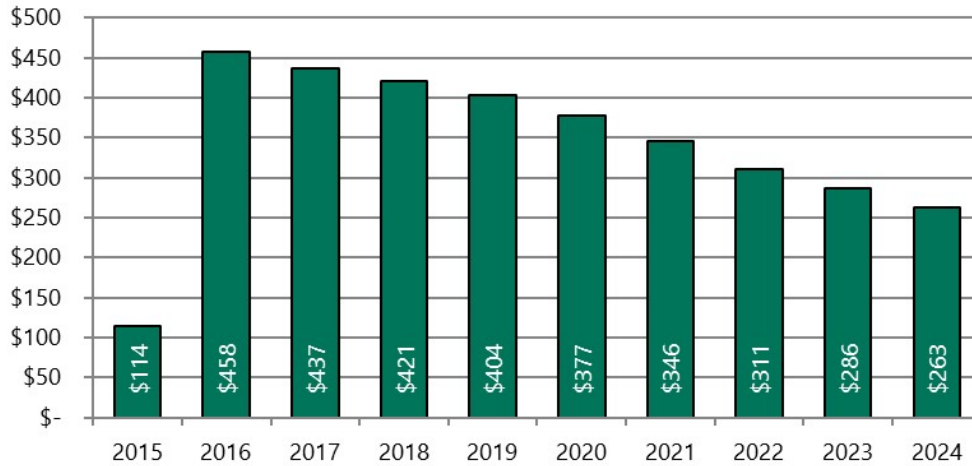
SCHEDULE 10

CITY OF ALBANY, OREGON

Net General Bonded Debt
Last Ten Fiscal Years



Net General Bonded Debt Per Capita
Last Ten Fiscal Years



Source: City of Albany 2015-2024 Annual Comprehensive Financial Reports

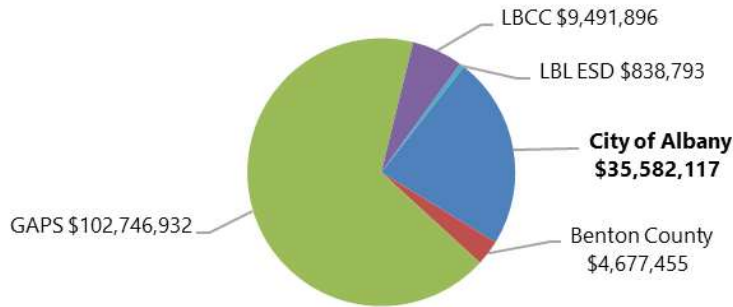
SCHEDULE 11

**CITY OF ALBANY, OREGON
COMPUTATION OF DIRECT AND OVERLAPPING DEBT (1)**

As of June 30, 2024

Jurisdiction	Net Outstanding Debt	Percentage Applicable to the City of Albany (1)	Amount Applicable to the City of Albany
DIRECT DEBT			
City of Albany (2) (3)	\$ 35,582,117	100.0000%	\$ 35,582,117
OVERLAPPING DEBT			
Benton County	49,135,000	9.5196%	4,677,455
Greater Albany Public School (GAPS) District 8J	143,116,326	71.7926%	102,746,932
Linn Benton Community College (LBCC)	41,251,359	23.0099%	9,491,896
Linn-Benton-Lincoln (LBL) ESD	5,450,000	15.3907%	838,793
Total overlapping debt	<u>238,952,685</u>		<u>117,755,076</u>
Total direct and overlapping debt	<u>\$ 274,534,802</u>		<u>\$ 153,337,193</u>

Direct and Overlapping Debt Applicable to the City of Albany



(1) Source - State of Oregon, Treasury Department, the overlapping debt percentage is determined by the percent of real market value the City shares between itself and another issuer. This data is provided to the Treasury Department annually by the Oregon Department of Revenue.

(2) City of Albany net outstanding debt

2015 Public Safety Facilities Bond	\$ 13,205,000
2002 Limited Tax Pension Obligations	<u>2,335,000</u>
Total City of Albany net outstanding debt - bonds	<u><u>15,540,000</u></u>

(3) Remaining City of Albany net outstanding debt

CARA Banner Bank Note	13,364,850
Oregon IFA	5,268,070
2021 Lochner Rd	1,059,255
Unamortized Premium	<u>349,942</u>
Total Remaining City of Albany net outstanding debt	<u>20,042,117</u>

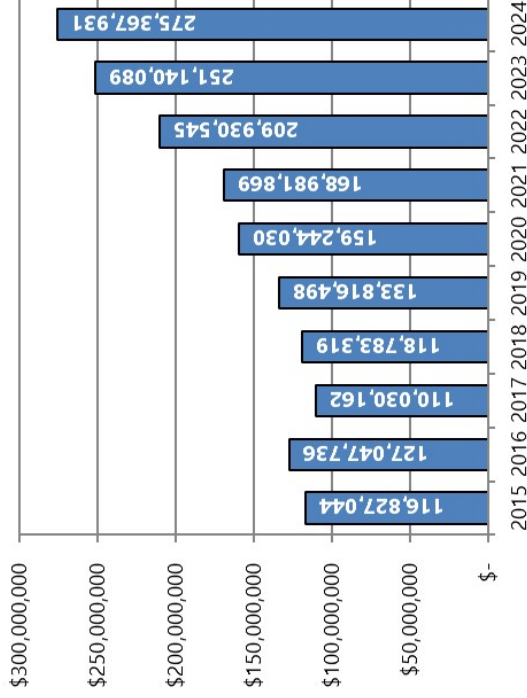
Grand Total of City of Albany net outstanding debt \$ 35,582,117

SCHEDULE 12

**CITY OF ALBANY, OREGON
COMPUTATION OF LEGAL DEBT MARGIN
Last Ten Fiscal Years**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limitation	\$ 116,699,781	\$ 127,047,736	\$ 127,544,869	\$ 135,869,904	\$ 150,428,007	\$ 175,292,368	\$ 184,510,207	\$ 223,702,187	\$ 264,128,015	\$ 289,263,719
Total net debt applicable to limitation	(127,263)	-	17,514,707	17,086,585	16,611,509	16,048,338	15,528,338	13,771,642	12,987,926	13,895,788
Legal debt margin	\$ 116,827,044	\$ 127,047,736	\$ 110,030,162	\$ 118,783,319	\$ 133,816,498	\$ 159,244,030	\$ 168,981,869	\$ 209,930,545	\$ 251,140,089	\$ 275,367,931
Ratio of net debt applicable to the debt limitation	-0.11%	0.00%	13.73%	12.58%	11.04%	9.16%	8.42%	6.16%	4.92%	4.80%

**Legal Debt Margin
Last Ten Fiscal Years**



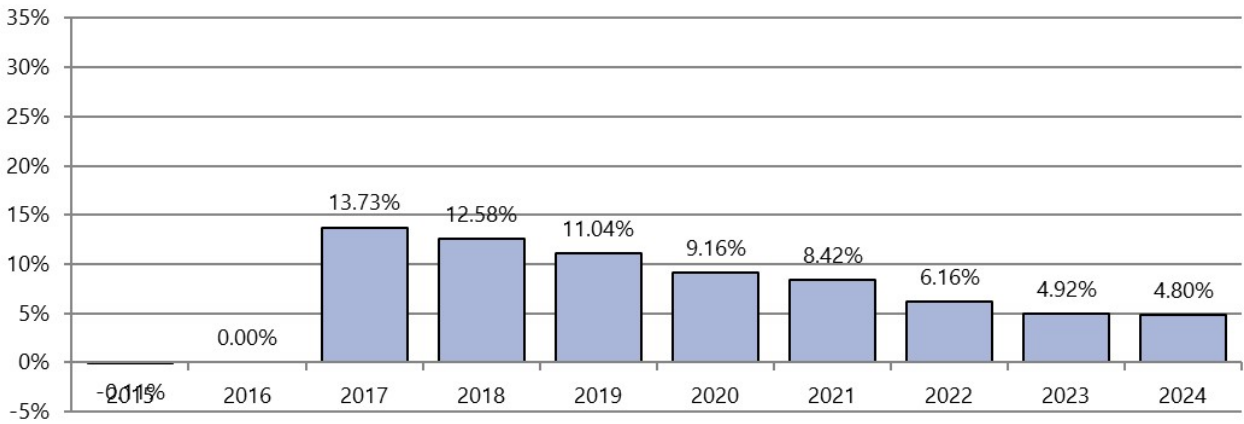
The state-mandated legal debt margin for general obligation debt is three percent of true cash value (market value). The legal debt margin is a direct function of the true cash value of properties in the City and the City's net general obligation debt. The City's legal debt margin has increased by 135.71 percent (\$158,540,887) over the last ten years. During the same period, the City's true cash value increased by 130.05 percent (\$5,450,862,544) and the City's general obligation debt increased by \$13,205,000.

Continued on next page

SCHEDULE 12

CITY OF ALBANY, OREGON

Ratio of the Net Debt Applicable to the Debt Limitation
Last Ten Fiscal Years



The lower the ratio of net debt applicable to the debt limitation, the greater the legal capacity to issue general obligation debt. However, the ratio indicates little about the City's economic condition and political atmosphere concerning the ability to issue additional general obligation debt.

Source: Linn and Benton Counties Tax Assessors and Notes to the Basic Financial Statements

SCHEDULE 13

**CITY OF ALBANY, OREGON
PLEGGED REVENUE COVERAGE**

Last Ten Fiscal Years

Water Revenue Debt (Coverage requirement equals 125%)

Fiscal Year Ended June 30,	Operating Revenues	Less:		Net Available Resources	Debt Service			Coverage Percentage
		Operating Expenses	Depreciation		Principal	Interest	Total	
2015	12,815,070	10,012,529	3,035,520	5,838,061	895,000	1,033,194	1,928,194	302.77%
2016	13,206,078	12,477,995	2,971,270	3,699,353	935,000	996,594	1,931,594	191.52%
2017	13,714,532	11,404,150	3,129,376	5,439,758	975,000	958,394	1,933,394	281.36%
2018	13,754,480	11,196,226	3,265,897	5,824,151	1,020,000	918,494	1,938,494	300.45%
2019	14,026,154	10,582,717	3,382,232	6,825,669	1,060,000	876,894	1,936,894	352.40%
2020	14,091,526	12,483,804	3,578,502	5,186,224	1,100,000	833,694	1,933,694	268.20%
2021	15,551,568	12,739,373	3,475,526	6,287,721	1,140,000	783,194	1,923,194	326.94%
2022	15,464,031	11,947,989	3,723,196	7,239,238	1,195,000	730,794	1,925,794	375.91%
2023	17,408,574	13,455,631	3,805,588	7,758,531	1,240,000	682,094	1,922,094	403.65%
2024	17,763,774	14,643,102	3,848,231	6,968,903	1,290,000	631,494	1,921,494	362.68%

The amount of net available resources for bond coverage is determined by subtracting operating expenses from operating revenues. Operating expenses are reduced by the amount of depreciation expense for the fiscal year. In October 2003, the City sold \$40,485,000 of 30-year water revenue bonds to finance the construction of a new Water Treatment Plant, refund an existing water revenue bond issue, and make other capital improvements to the water system. In March 2013, the City completed an advanced refunding on the 2003 Bonds.

Sewer Revenue Debt (Coverage requirement equals 105%)

Fiscal Year Ended June 30,	Operating Revenues	Less:		Net Available Resources	Debt Service			Coverage Percentage
		Operating Expenses	Depreciation		Principal	Interest	Total	
2015	15,674,502	12,481,568	4,573,578	7,766,512	2,980,325	1,873,595	4,853,920	160.00%
2016	15,890,793	14,318,946	4,591,095	6,162,942	3,071,056	1,912,795	4,983,851	123.66%
2017	17,309,718	13,745,672	4,765,219	8,329,265	3,688,993	1,887,254	5,576,247	149.37%
2018	16,777,742	13,525,374	4,775,886	8,028,254	3,931,806	1,757,604	5,689,410	141.11%
2019	18,499,384	13,019,409	4,811,368	10,291,343	4,150,054	1,051,896	5,201,950	197.84%
2020	19,170,442	14,219,637	4,038,331	8,989,136	4,231,533	951,961	5,183,494	173.42%
2021	19,974,278	14,819,720	5,025,654	10,180,212	3,904,995	846,401	4,751,396	214.26%
2022	20,422,413	18,308,150	5,450,858	7,565,121	4,119,093	979,536	5,098,629	148.38%
2023	20,737,443	15,718,691	5,560,856	10,579,608	4,424,545	858,441	5,282,986	200.26%
2024	22,587,479	18,107,738	5,932,002	10,411,743	4,496,975	763,702	5,260,677	197.92%

The amount of net available resources for bond coverage is determined by subtracting operating expenses from operating revenues. Interest payments on property assessments are deducted from operating revenues. Operating expenses are reduced by the amount of depreciation taken for the fiscal year.

During FY 2006-07, the City began construction of a new wastewater treatment plant financed by a State Revolving Fund. In 2009-10 the construction was completed and the loan amount was finalized at \$69,000,000. In 2010-11, the City began to pay back the new SRF Loan.

Source: City of Albany 2015-2024 Annual Comprehensive Financial Reports

SCHEDULE 14

**CITY OF ALBANY, OREGON
DEMOGRAPHIC AND ECONOMIC STATISTICS**

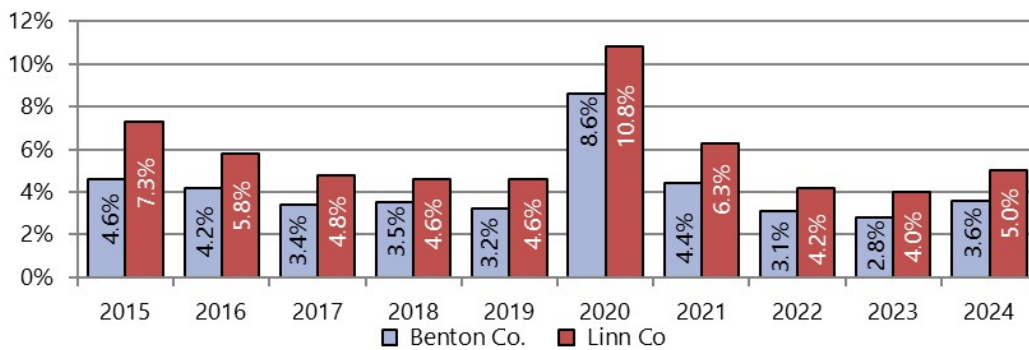
Last Ten Fiscal Years

Fiscal Year Ended June 30,	City of Albany Population (1)	Albany-Lebanon Metropolitan Statistical Area		Albany School Enrollment (3)	Unemployment Rate (4)		
		Population (1)	Personal Income (2)		Per Capita Personal Income (2)	Linn Co.	Benton Co.
2015	51,270	118,665	4,219,670,000	34,379	9,985	7.3%	4.6%
2016	51,670	119,705	4,503,061,000	37,355	9,760	5.8%	4.2%
2017	52,540	122,315	4,713,141,000	38,365	9,530	4.8%	3.4%
2018	52,710	124,010	5,461,500,000	42,891	9,497	4.6%	3.5%
2019	53,145	125,575	5,461,463,000	43,157	9,605	4.6%	3.2%
2020	54,120	126,550	5,816,653,000	44,830	9,667	10.8%	8.6%
2021	54,935	126,550	6,757,131,000	52,230	8,946	6.3%	4.4%
2022	57,199	130,467	6,845,480,000	54,123	8,910	4.2%	3.1%
2023	57,997	129,848	7,411,738,000	57,016	8,798	4.0%	2.8%
2024	57,777	130,848	7,551,177,000	57,419	8,946	5.0%	3.6%

Over the last ten years, the City's population has increased by 12.69 percent (6,507). From 2015 to 2024 per capita personal income has risen by 67.02 percent (\$23,040) in the Albany-Lebanon metropolitan statistical area (established in 2013). Albany's city boundaries span two counties: Linn County (population 48,293) and Benton County (population 9,484). As of fiscal year 2023-24, per capita personal income was \$57,419 for Linn County, \$59,434 for Benton County, and \$67,467 for the state as a whole. For the ten-year period, enrollment in the Greater Albany Public School District decreased by 10.41 percent (-1,039 students).

Unemployment Rates, Linn and Benton Counties

Last Ten Fiscal Years



Sources:

- (1) Portland State University, Population Research and Census Center (using most recent certified data)
- (2) U. S. Department of Commerce, Bureau of Economic Analysis (using the most current data available)
- (3) Greater Albany Public School District 8J
- (4) State of Oregon, Employment Department

SCHEDULE 15

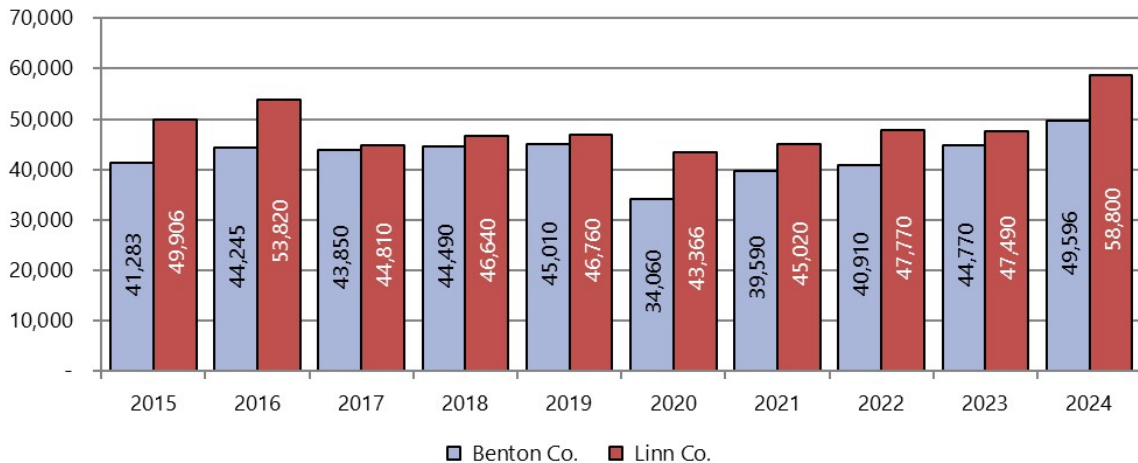
**CITY OF ALBANY, OREGON
ALBANY AREA PRINCIPAL EMPLOYERS**

Last Ten Fiscal Years

Employer	June 30, 2024			June 30, 2015		
	Number of Employees	Rank	% of Total Employment	Number of Employees	Rank	% of Total Employment
Oregon State University	14,281	1	13.17%	10,430	1	11.44%
Samaritan Health Services (3)	4,710	2	4.35%	4,232	2	4.64%
Hewlett Packard	2,500	3	2.31%	1,550	3	1.70%
Dayton-Hudson Corporation (Target)	1,700	3	1.57%	631	7	0.69%
Greater Albany Public School District 8J	1,091	4	1.01%	1,080	5	1.18%
Linn Benton Community College	1,000	5	0.92%	1,100	4	1.21%
ATI - (Wah Chang)	960	7	0.89%	949	6	1.04%
Linn County	667	6	0.62%	627	8	0.69%
Corvallis School District 509-J	917	8	0.85%	550	10	0.60%
City of Corvallis	831	9	0.77%	427		0.47%
Selmet	782	10	0.00%	-		0.00%
Corvallis Clinic	600		0.00%	620	9	0.68%
Totals	30,039		27.71%	22,196		24.34%
Total employment in Linn and Benton Counties	108,396			91,189		

Employment, Benton and Linn Counties

Last Ten Fiscal Years



The percentage of top ten employers to total jobs for Linn and Benton Counties has been quite stable over the ten-year period. Total employment in Benton and Linn Counties has increased by 2.08 percent (1,876 jobs) over the last ten years. For the ten-year period, the low point was 77,426 jobs in June 2020, and the high point was 108,396 jobs in June 2024. National and international economic instability will likely have an adverse effect in the coming years, although at this time the extent is unknown.

Sources:

- (1) Employer personnel offices
- (2) Oregon Employment Department

SCHEDULE 16

**CITY OF ALBANY, OREGON
EMPLOYEE FULL-TIME EQUIVALENTS (FTE) BY FUNCTION**
Last Ten Fiscal Years

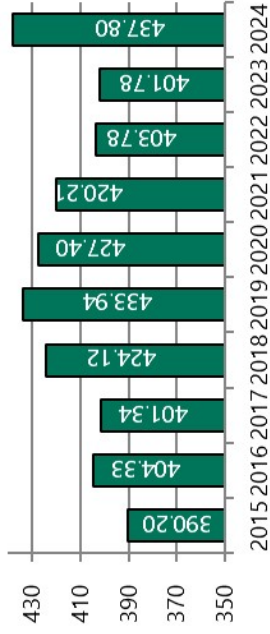
	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government	100	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Economic Development	1130	12.88	10.87	13.88	13.88	13.93	13.00	13.00	22.00
Public Transit	6.42	6.42	6.52	6.52	6.82	6.82	6.80	6.80	6.80
Planning	5.43	6.43	6.43	6.43	6.73	6.73	9.00	9.00	9.00
Building Inspection	0.75	0.75	0.75	0.75	0.75	0.75	-	-	-
Electrical Permit Program	24.90	28.48	26.57	29.58	30.18	30.23	35.80	35.80	39.80
Total General Government	75.60	79.40	86.91	93.60	90.60	89.60	78.60	78.60	92.00
Public Safety	88.88	92.25	98.25	98.25	94.25	91.25	91.25	89.25	98.25
Fire	4.38	4.38	4.38	5.38	5.38	4.98	4.38	4.38	4.86
Police	168.85	176.03	189.54	187.23	190.23	185.83	174.23	172.23	195.11
Municipal Court	7.45	7.45	7.45	8.45	8.10	8.65	9.00	9.00	9.00
Total Public Safety	0.10	0.10	0.10	0.10	0.10	0.50	-	-	-
Highways and Streets	7.55	7.55	7.55	8.55	8.20	9.15	9.00	9.00	9.00
Street Fund									
Airport									
Total Highways and Streets	26.78	28.15	34.56	33.19	32.09	25.40	28.24	28.24	28.24
Culture and Recreation	20.93	20.93	21.20	21.70	21.06	21.06	19.31	19.31	21.16
Parks & Recreation	47.70	49.08	56.76	54.89	53.15	46.46	47.55	47.55	49.40
Library	249.00	261.13	279.42	290.24	281.75	271.66	266.58	264.58	293.31
Total Culture and Recreation	2150	2150	23.50	22.50	22.50	22.50	22.50	22.50	22.50
Enterprise	23.50	23.50	23.50	22.50	23.85	19.85	19.50	19.50	19.50
Water	-	-	-	-	-	4.00	100	100	2.00
Sewer	45.00	45.00	47.00	45.00	46.35	46.35	43.00	43.00	44.00
Stormwater									
Total Enterprise	4120	4120	40.70	40.70	41.60	44.50	33.20	33.20	38.50
Internal Service	55.00	57.00	57.00	58.00	57.70	57.70	61.00	61.00	62.00
Central Services	96.20	98.20	97.70	98.70	99.30	102.20	94.20	94.20	100.50
Public Works Services	141.20	143.20	144.70	143.70	145.65	148.55	137.20	137.20	144.50
Total Internal Service	390.20	404.33	424.12	433.94	427.40	420.21	403.78	401.78	437.80

Continued on next page

SCHEDULE 16

CITY OF ALBANY, OREGON

Total Full-time Equivalents
Last Ten Fiscal Years



Fiscal Year	Total FTE	Annual Percentage Change	Total Percentage Change from 2014
2015	390.20	-	-
2016	404.33	3.62%	3.62%
2017	401.34	-0.74%	2.85%
2018	424.12	5.68%	8.69%
2019	433.94	2.32%	11.21%
2020	427.40	-1.51%	9.53%
2021	420.21	-1.68%	7.69%
2022	403.78	-3.91%	3.48%
2023	401.78	-0.50%	2.97%
2024	437.80	8.97%	12.20%

The average annual rate of change over the ten-year period is 0%.

SCHEDULE 17

**CITY OF ALBANY, OREGON
OPERATING INDICATORS BY FUNCTION**
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GOVERNMENTAL ACTIVITIES										
General Government										
Planning and Community Development										
Number of planning applications	132	138	197	57	140	41	214	122	127	108
Total permits issued	2,332	2,359	2,549	2,570	3,041	2,783	2,881	2,925	2,950	2,726
New construction permits issued	5	154	143	180	219	188	257	187	168	146
Single-family permits issued	141	130	98	157	207	132	201	1,429	246	120
Electrical permits issued	905	910	1,011	1,007	1,085	998	974	715	1,108	868
Building Maintenance										
Square footage of buildings maintained	296,233	317,366	317,366	323,933	443,337	443,337	443,337	453,337	446,161	527,761
Work orders completed	1,886	1,627	1,725	1,702	2,447	2,130	3,439	3,175	2,100	1,978
Public Transit										
Total number of riders	231,224	214,865	209,595	200,910	200,738	183,250	135,941	71,842	88,279	149,716
Total annual route miles	287,257	206,720	308,451	298,076	280,481	291,738	287,998	268,109	387,543	406,602
Public Safety										
Municipal Court										
Number of warrants issued	2,516	3,102	2,970	2,686	2,879	3,959	548	3,490	4,119	3,460
Case numbers issued	5,079	6,121	5,746	5,314	8,412	8,665	7,296	4,382	5,273	6,294
Police										
Total arrests	4,777	4,964	4,884	6,854	6,185	7,093	6,644	4,778	4,998	4,932
Traffic citations issued	3,907	5,263	4,659	5,884	5,275	5,040	3,867	2,325	3,343	4,101
Animal and abandoned vehicle calls	2,288	2,513	2,349	2,498	2,855	2,514	2,815	2,417	1,727	1,737
Fire										
Total calls for emergency fire and EMS services	7,133	7,511	8,029	9,038	9,341	10,438	9,921	11,283	11,459	11,459
Full response structure fires	49	42	53	83	61	93	52	87	102	34

Continued on next page

SCHEDULE 18

**CITY OF ALBANY, OREGON
CAPITAL ASSET STATISTICS BY FUNCTION**
Last Ten Fiscal Years

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GOVERNMENTAL ACTIVITIES										
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	4	4	4	4	4	4	4	4	4	4
Highways and Streets										
Miles of improved streets	181	200	401	197	196	197	200	201	201	204
Miles of unimproved streets	14	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Miles of gravel streets	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Culture and Recreation										
Parks & Recreation										
Number of developed park sites	36	36	36	36	36	29	29	28	33	31
Acres of developed park land	564	564	564	564	564	431	431	428	332	450
Library										
Number of libraries	2	2	2	2	2	2	2	2	2	2
*Number of physical and digital units	249,982	259,309	260,695	261,474	283,492	273,174	267,508	254,057	289,276	264,502
BUSINESS-TYPE ACTIVITIES										
Enterprise										
Sewer										
Miles of sanitary sewer lines (6 inches or larger)	230	201	203	203	204	204	204	206	208	208
Miles of storm sewer lines (12 inches or larger)	105	105	107	107	138	139	139	142	140	116
Number of sewer hookups	16,187	16,292	16,590	17,154	17,576	17,795	17,545	18,819	20,747	17,987
Water										
Miles of water lines	261	264	264	264	265	274	299	299	277	274
Number of water hookups	17,079	17,105	17,777	17,898	19,343	18,463	19,087	17,684	18,915	20,955
Number of water treatment plants	2	2	2	1	2	2	2	2	2	2

Source: City of Albany departmental records



CITY OF ALBANY

★ OREGON ★

Inc. 1864



COMPLIANCE SECTION



**INDEPENDENT AUDITOR'S REPORT REQUIRED BY
OREGON STATE REGULATIONS**

Honorable Mayor and Members of the City Council
City of Albany
Albany, Oregon

We have audited the basic financial statements of the City of Albany, Oregon (the "City") as of and for the year ended June 30, 2024 and have issued our report thereon dated March 4, 2026. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations except as follows:

Honorable Mayor and Members of the City Council
City of Albany, Oregon
Independent Auditor's Report Required by Oregon State Regulations

Budgets legally required (ORS Chapter 294.463)

- Expenditures exceeded appropriations as follows:

<u>Fund/Appropriation Category</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Public Transit			
Albany transit capital	1,095,595	995,000	100,595

- General Operating Contingencies - The City appropriated contingencies in the Public Safety Levy fund, which is, by definition, a non-operating fund (OAR 150-294-0430). An operating fund is defined as one which contains estimates for personnel services, materials and services, or capital outlay.

OAR 162-010-0230 Internal Control

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Restriction of Use

This report is intended solely for the information and use of the City Council and management of the City and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Singer Lewak LLP

March 4, 2026

By:



Brad Bingenheimer, Partner

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Albany
Albany, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of City of Albany, Oregon (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 4, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Responses as item 2024-001 to be a material weakness.

Honorable Mayor and Members of the City Council
City of Albany, Oregon
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards*

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Responses as items 2024-002 and 2024-003 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying *Schedule of Findings and Responses*. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



March 4, 2026

**CITY OF ALBANY, OREGON
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2024**

MATERIAL WEAKNESS

2024-001 Error Correction – Restatement of Beginning Balances

Criteria: Financial statements are required to be presented in accordance with generally accepted accounting principles (GAAP). In preparing the financial statements account balances should be reconciled, and all appropriate adjustments recorded.

Condition: A material misstatement related to an unreported loan receivable was identified during the audit which required adjustment to beginning balances.

Cause: Staffing changes resulted in the loan being overlooked for reporting.

Effect or potential effect: Assets and equity in the financial statements were understated.

Recommendation: The City should establish procedures to account for items that are not associated with daily transactions.

Views of responsible officials: The City acknowledges the material weakness identified in the 2024 audit related to financial reporting. Management recognizes the importance of accurate financial reporting in accordance with generally accepted accounting principles (GAAP) and is committed to implementing the necessary improvements to address the issues noted.

SIGNIFICANT DEFICIENCIES

2024-002 Inventory Valuation

Criteria: Inventory is be reported at cost.

Condition: The City has reported at estimated replacement cost.

Cause: Staff turnover and lack of established policies and procedures over valuation of inventory.

Effect or potential effect: The inventory in the Water Fund was overstated by an estimated \$286,755.

Recommendation: The City establish policies and procedures over the valuation of inventory at historical cost.

Views of responsible officials: The City agrees with the finding and recommendation. To ensure accurate financial reporting and compliance with GAAP, the City is taking the following corrective actions:

**CITY OF ALBANY, OREGON
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2024
(Continued)**

2024-003 Inventory Valuation (continued)

1. Policy Development

- The Finance staff will develop a formal Inventory Valuation Policy that requires inventory to be valued at historical cost.
- The policy will include definitions, responsibilities, and the process for recording and reporting inventory transactions.

2. Revaluation of Existing Inventory

- A detailed review and revaluation of Water Fund inventory will be conducted using historical purchase documentation.
- Adjusting journal entries will be made to reflect the corrected inventory valuation in the general ledger.

3. Staff Training

- Staff responsible for inventory management and reporting will be trained on the new policies and procedures.
- Training will include guidance on how to document purchases, track cost data, and perform regular reconciliations.

4. Procedure Implementation

- Written procedures will be established to guide the recording, valuation, and reconciliation of inventory.
- These procedures will include steps for year-end reconciliations and reporting.

5. Ongoing Monitoring and Review

- The inventory valuation process will be reviewed annually and updated as needed.

2023-002 Timely Reconciliation of Bank Accounts

Criteria: Internal controls should include policies and procedures to ensure that all bank accounts are reconciled to the general ledger monthly on a timely basis.

Condition: During the year bank accounts were not reconciled to the general ledger monthly on a timely basis.

2024-002 Timely Reconciliation of Bank Accounts (continued)

Cause: Staff turnover.

Effect or potential effect: Material misstatements could occur and not be detected and corrected on a timely basis.

Recommendation: The City should establish policies and procedures to ensure that all bank accounts are reconciled monthly, including supervisory review and approval of the reconciliations.

Views of responsible officials: The City concurs with the auditor's recommendation. Timely bank reconciliation is a critical component of the City's financial internal control system. We are implementing the following corrective actions:

1. Establish Bank Reconciliation Policy

- A formal Bank Reconciliation Policy will be developed, requiring:
- All bank accounts to be reconciled within 30 days after month-end.
- Reconciliations to be tied to the general ledger and supported by appropriate documentation.
- Supervisor review and approval of all reconciliations within 5 days of completion.

2. Define Roles & Responsibilities

- Assign primary and backup staff for all reconciliation tasks to mitigate the impact of future staff turnover.
- Include specific reconciliation duties and review expectations in job descriptions and performance goals.

3. Integrate into Month-End Close Process

The following steps will be incorporated into the City's formal month-end close checklist:

- Download and archive all bank statements
- Complete reconciliation for all active bank accounts
- Tie GL balances to bank balances and identify variances
- Submit reconciliations for review
- Approval of reconciliations and resolution of discrepancies
- Upload final reconciliations to shared drive/audit folder

2024-002 Timely Reconciliation of Bank Accounts (continued)

4. Implement Review and Documentation Standards

- All reconciliations must be:
 - Initialed and dated by preparer and reviewer.
 - Stored in a shared audit-ready folder with naming conventions by fund and month.
- Variances over a threshold (e.g., \$100) must be documented and explained.

5. Training and Cross-Training

- Conduct staff training to ensure all accounting staff understand the reconciliation policy, documentation standards, and month-end deadlines.
- Cross train team members on key account reconciliations to reduce dependency on individual staff.

6. Monitor and Review

- Monthly reconciliation compliance will be tracked on a central dashboard or log.
- The Finance Director will perform quarterly spot checks and ensure adherence to policy.