

CITY OF SALEM FINANCIAL SUMMARY Through Q2 / FY 2022

The summary of FY 2022 second quarter (Q2) July 2021 through December 2021 financial activity displays expenditure information at the department level for the General Fund and resources displayed by type. For all other City funds, data is displayed with resources and expenditures. For all funds, the display includes columns noting comparison to budget and prior year actual activity. A positive number in the prior year comparison denotes an increase in FY 2022.

General Fund

Resources	Budget	Actual through December 31	As a Percent of Budget	Difference FY 2022 to FY 2021 Actual
Property Taxes	77,968,070	72,135,649	92.5%	4.4%
Franchise Fees	18,284,150	4,720,244	25.8%	12.5%
Internal Charges	24,427,510	8,567,548	35.1%	1.9%
Other Taxes	1,532,730	994,359	64.9%	171.1%
State Shared	7,431,890	2,623,264	35.3%	-8.0%
Fees, Permits	13,885,440	7,213,875	52.0%	26.1%
All Other Revenues	16,988,560	2,958,527	17.4%	-44.5%
Beginning Fund Balance	30,893,040	30,909,507	100.1%	23.8%
Total Resources	191,411,390	130,122,974	68.0%	7.6%

Expenditures by Department	Budget	Actual through December 31	As a Percent of Budget	Difference FY 2022 to FY 2021 Actual
Mayor & Council	243,410	134,352	55.2%	43.9%
Municipal Court	2,344,940	1,058,948	45.2%	23.5%
City Manager	1,712,100	689,199	40.3%	21.9%
Human Resources	2,054,350	838,513	40.8%	15.4%
Legal	2,838,620	1,274,321	44.9%	5.1%
Finance	4,287,930	1,897,605	44.3%	7.6%
Parks and Recreation	11,241,120	5,211,568	46.4%	12.8%
Facilities Services	5,081,480	2,242,830	44.1%	19.0%
Community Development	4,915,150	2,278,114	46.3%	1.1%
Library	5,706,290	2,466,963	43.2%	12.2%
Police	51,763,530	25,040,636	48.4%	6.4%
Fire	39,959,010	19,624,071	49.1%	3.8%
Information Technology	10,607,130	4,731,302	44.6%	12.8%
Non Departmental	13,308,030	3,320,058	24.9%	48.3%
Urban Development	5,757,590	2,377,289	41.3%	9.5%
Total Expenditures	161,820,680	73,185,768	45.2%	8.9%

BY THE NUMBERS

Resources

The City received over 90 percent of total current-year Property Taxes during the second quarter. Property tax receipts in FY 2022 are 4.5 percent higher than the same time last year.

Franchise Fees and State Shared Revenue collections increase later in the year.

The category, Other Taxes, is local marijuana sales tax receipts. These are collected by the State and remitted to the City quarterly.

Beginning Fund Balance—the funding available at the start of the fiscal year—equals almost 23.8 percent of total resources through Q2, and is 23.8 percent more than FY 2021. This is due to an influx of one-time money from the State and Federal governments.

Year-to-year increases of 26.1 percent for Fees, Permits reflect continuing local development.

Internal Charges include the support services charges, reimbursements for labor and overhead from other funds, and fund-to-fund transfers. The 1.9 percent increase is mainly due to higher Service Charges and Transfers, which are received in regular intervals.

BY THE NUMBERS

Expenditures

With 50 percent of the fiscal year complete, including 13.1 payroll periods (representing 51 percent of payroll periods for the year), expenditures are trending as anticipated. The 8.9 percent year-over-year increase is influenced by anticipated cost escalators, such as labor contract / market adjustments to salaries, increased social services spending, PERS expense, and health benefits expense.

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Other Funds

	Resources			Expenditures		
	Actual through December 31	As a Percent of Budget	Difference FY 2022 to FY 2021 Actual	Actual through December 31	As a Percent of Budget	Difference FY 2022 to FY 2021 Actual
* Transportation Services	13,001,687	61.5%	36.1%	6,648,171	38.0%	-1.2%
Streetlight	2,043,782	65.4%	7.4%	759,087	36.5%	-3.0%
* Airport	1,661,276	72.9%	-13.3%	617,320	27.1%	9.0%
Community Renewal	1,252,288	11.3%	39.8%	1,150,132	10.4%	67.8%
Downtown Parking	798,707	61.5%	28.0%	586,952	45.2%	17.9%
Cultural and Tourism	3,866,697	62.5%	135.1%	1,641,272	46.0%	25.2%
Public Art	40,407	95.4%	-33.6%	11,818	27.9%	1103.0%
Tourism Promotion Area	444,510	63.9%	60.1%	368,491	52.9%	77.5%
Parking Leasehold	533,852	49.6%	-23.5%	394,837	36.7%	12.4%
* Building and Safety	17,013,971	85.4%	8.6%	2,713,674	42.2%	5.8%
Traffic Safety	879,447	60.4%	115.9%	217,257	15.8%	6.2%
General Debt	20,032,545	86.0%	5.2%	3,025,989	13.4%	-5.8%
Capital Improvements	81,986,387	57.0%	-43.3%	24,922,561	17.3%	-39.3%
Extra Capacity Facilities	44,288,941	83.6%	9.7%	4,426,688	8.4%	-46.8%
Development Districts	7,860,541	94.7%	16.0%	1,263,019	15.2%	2354.6%
* Utility	112,175,005	67.4%	7.1%	47,722,464	38.6%	0.9%
* Emergency Services	4,162,481	100.9%	10.3%	410,987	17.0%	27.5%
* WVCC	8,416,198	57.0%	7.3%	6,667,730	45.9%	7.9%
Police Regional Records	1,237,231	84.8%	8.9%	72,068	20.8%	-72.4%
* City Services	13,722,440	71.1%	6.2%	8,919,081	56.3%	120.2%
* Self Insurance Benefits	25,268,433	66.6%	1.3%	13,686,012	36.0%	2.7%
* Self Insurance Risk	10,367,469	86.8%	-7.3%	3,062,003	25.6%	18.2%
Equipment Replacement	16,244,611	86.1%	33.1%	436,593	2.3%	-74.4%
Trust and Agency	10,729,271	101.8%	20.6%	345,188	10.3%	-37.8%

Resources

Beginning fund balance accounts for \$309.5 million or 63 percent of the \$491.6 million total resources reported in the above table for all other City funds. To begin FY 2022, actual fund balance exceeded the budget by \$17.8 million or 5.7 percent. This is mainly due to the influx of State and Federal grants. At the second quarter mark in the fiscal year, total resources equal 70.9 percent of the amount anticipated in the FY 2022 budget for this grouping of funds.

Expenditures

The nine funds marked with an * have a total of 539.1 full-time equivalent (FTE) authorized positions, approximately 41.8 percent of the total FTE count for the City in the FY 2022 budget. The General Fund supports the remaining 750.62 FTE positions. Of the \$135.4 million in total actual expense through December 31 documented in the above table, \$31.5 million or 23.3 percent is personal services expense.

Materials and services, purchases for supplies, equipment, and services, equal \$76.8 million or 56.7 percent of total expenses. Four funds—the Utility Fund, Self Insurance Benefits Fund, Self Insurance Risk Fund, and Capital Improvements Fund—account for \$89.4 million—or 66 percent—of the total expenses of these funds.