

CITY OF SALEM FINANCIAL SUMMARY Through Q2 / FY 2023

The summary of FY 2023 Second quarter (Q2) July 2022 through December 2022 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 2023.

General Fund

Resources	Budget	Actual through Dec 31	As a Percent of Budget	Difference FY 2022 to FY 2023 Actual	<p style="text-align: center;">BY THE NUMBERS Resources</p> <p>The City received over 92.7 percent of total current-year budgeted Property Taxes during the second quarter. Property tax receipts in FY 2023 are 3.9 percent higher than the same time last year. Franchise Fees and State Shared Revenue collections increase later in the year.</p> <p>Marijuana Sales Tax receipts are collected by the State and remitted to the City quarterly. Currently they are trending 32.3 percent lower than this time last year.</p>
Property Taxes	80,750,050	74,918,306	92.8%	3.9%	
Franchise Fees	19,983,430	4,561,632	22.8%	-3.4%	
Internal Charges	21,403,050	8,804,004	41.1%	2.8%	
Marijuana Sales Tax	1,862,340	672,836	36.1%	-32.3%	
State Shared	7,711,460	2,664,267	34.5%	1.6%	
Fees, Permits	14,916,120	6,323,620	42.4%	-12.3%	
All Other Revenues	9,350,690	3,358,286	35.9%	13.4%	
Beginning Fund Balance	42,528,530	40,678,032	95.6%	31.6%	
Total Resources	198,505,670	141,980,983	71.5%	9.1%	

Expenditures by Department	Budget	Actual through Dec 31	As a Percent of Budget	Difference FY 2022 to FY 2023 Actual	<p>Beginning Fund Balance—the funding available at the start of the fiscal year—equals almost 28.7 percent of total resources through Q2, and is 31.6 percent more than FY 2022. This is due to an influx of one-time money from the State and Federal governments.</p> <p>Year-to-year decrease of 12.3 percent for Fees, Permits reflect a slight decrease in permit activity. Internal Charges include the support services charges, reimbursements for labor and overhead from other funds, and fund-to-fund transfers. The 2.8 percent increase is mainly due to higher Service Charges and Transfers, which are received in regular intervals.</p>
Mayor & Council	259,780	129,744	49.9%	-3.43%	
Municipal Court	2,438,290	1,018,792	41.8%	-3.79%	
City Manager	1,926,220	808,913	42.0%	17.37%	
Human Resources	2,675,910	1,326,960	49.6%	58.25%	
Customer Service Center	909,150	382,913	42.1%	0.00%	
Legal	2,931,290	1,280,209	43.7%	0.46%	
Finance	3,698,610	1,571,008	42.5%	-17.21%	
Parks and Recreation	12,045,970	6,230,392	51.7%	19.55%	
Facilities Services	5,263,280	2,396,936	45.5%	6.87%	
Community Development	6,753,160	3,145,211	46.6%	38.06%	
Library	5,873,040	2,634,024	44.8%	6.77%	
Police	54,779,640	26,140,626	47.7%	4.39%	
Fire	45,111,140	21,975,812	48.7%	11.98%	
Information Technology	11,584,050	5,062,139	43.7%	6.99%	
Non Departmental	9,005,640	1,735,039	19.3%	-47.74%	
Urban Development	4,053,770	1,587,914	39.2%	-33.20%	
Total Expenditures	169,308,940	77,426,635	45.7%	5.8%	

BY THE NUMBERS Expenditures	<p>With 50 percent of the fiscal year complete, including 13 payroll periods (representing 51 percent of payroll periods for the year), expenditures are trending as anticipated. The 5.8 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.</p>
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Other Funds

	Resources			Expenditures		
	Actual through Dec 31	As a Percent of Budget	Difference FY 2022 to FY 2023 Actual	Actual through Dec 31	As a Percent of Budget	Difference FY 2022 to FY 2023 Actual
* Transportation Services	16,142,642	64.3%	24.2%	9,057,004	43.3%	36.2%
Streetlight	2,185,729	65.8%	6.9%	805,894	35.5%	6.2%
* Airport	1,819,818	73.6%	9.5%	667,834	27.0%	8.2%
Community Renewal	2,119,974	16.1%	69.3%	2,058,579	15.6%	79.0%
Downtown Parking	788,250	67.2%	-1.3%	462,366	39.4%	-21.2%
Cultural and Tourism	6,209,541	99.1%	60.6%	2,007,067	43.0%	22.3%
Public Art	38,979	84.7%	-3.5%	590	1.3%	-95.0%
Tourism Promotion Area	474,575	40.8%	6.8%	402,845	34.6%	9.3%
Parking Leasehold	586,385	75.5%	9.8%	268,333	35.0%	-32.0%
* Building and Safety	19,625,993	93.8%	15.4%	2,866,368	38.3%	5.6%
Traffic Safety	314	0.0%	-100.0%	-	0.0%	-100.0%
General Debt	21,083,288	85.7%	5.2%	2,626,034	11.5%	-13.2%
Capital Improvements	82,554,490	53.9%	0.7%	26,306,556	17.2%	5.6%
Extra Capacity Facilities	47,465,074	77.1%	7.2%	4,439,044	7.2%	0.3%
Development Districts	10,615,348	53.0%	35.0%	78,182	0.4%	-93.8%
* Utility	120,290,820	66.0%	7.2%	51,795,043	37.3%	8.5%
* Emergency Services	4,965,281	69.1%	19.3%	1,385,273	29.0%	237.1%
* WVCC	8,876,973	57.5%	5.5%	6,732,489	44.1%	1.0%
Police Regional Records	1,514,872	97.2%	22.4%	44,962	16.1%	-37.6%
* City Services	10,442,234	63.3%	-23.9%	5,844,966	44.8%	-34.5%
* Self Insurance Benefits	24,480,265	63.8%	-3.1%	15,079,388	39.3%	10.2%
* Self Insurance Risk	9,278,925	62.3%	-10.5%	4,223,455	28.4%	37.9%
Equipment Replacement	18,212,540	91.3%	11.9%	553,584	2.8%	26.8%
Trust and Agency	31,000,508	94.2%	10.1%	3,974,453	16.4%	1049.3%

Resources

Beginning fund balance accounts for \$270.3 million or 61 percent of the \$440.8 million total resources reported in the above table for all other City funds. To begin FY 2023, Budgeted fund balance exceeded actuals by \$19.3 million or 6.68 percent. At the second quarter mark in the fiscal year, total resources equal 66.5 percent of the amount anticipated in the FY 2023 budget for this grouping of funds.

Expenditures

The nine funds marked with an * have a total of 550.5 full-time equivalent (FTE) authorized positions, approximately 41.6 percent of the total FTE count for the City in the FY 2023 budget. The General Fund supports the remaining 771.5 FTE positions. Of the \$141.7 million in total actual expense through December 31 documented in the above table, \$32.6 million or 23.0 percent is personal services expense.

Materials and services, purchases for supplies, equipment, and services, equal \$84.6 million or 59.7 percent of total expenses. Four funds—the Utility Fund, Self Insurance Benefits Fund, Transportation Services Fund, and Capital Improvements Fund—account for \$102.2 million—or 72.2 percent—of the total expenses of these funds.