

CITY OF SALEM FINANCIAL SUMMARY Through Q3 / FY 2023

The summary of FY 2023 third quarter (Q3) July 2022 through March 2023 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 March 31	As a Percent of Budget	Difference FY 2023 to FY 2022 Actual
Property Taxes	80,750,050	78,510,120	97.2%	4.8%
Franchise Fees	19,983,430	14,969,566	74.9%	4.0%
Internal Charges	21,403,050	13,725,708	64.1%	5.8%
Other Taxes	1,862,340	972,659	52.2%	-2.2%
State Shared	7,711,460	4,940,692	64.1%	7.5%
Fees, Permits	14,916,120	10,175,107	68.2%	-3.9%
All Other Revenues	9,350,690	5,370,341	57.4%	11.9%
Beginning Fund Balance	42,528,530	40,678,032	95.6%	31.6%
Total Resources	198,505,670	169,342,224	85.3%	9.9%

Expenditures by Department	Budget	Actual through March 31	As a Percent of Budget	Difference FY 2023 to FY 2022 Actual
Mayor & Council	259,780	204,017	78.5%	6.5%
Municipal Court	2,438,290	1,564,362	64.2%	1.3%
City Manager	1,926,220	1,305,764	67.8%	26.7%
Customer Service Center*	909,150	586,674	64.5%	-
Human Resources	2,675,910	2,162,488	80.8%	67.5%
Legal	2,931,290	1,938,110	66.1%	3.7%
Finance	3,698,610	2,414,711	65.3%	-14.9%
Parks and Recreation	12,045,970	9,109,605	75.6%	13.9%
Facilities Services	5,263,280	3,841,510	73.0%	10.0%
Community Development	6,753,160	4,737,279	70.1%	39.1%
Library	5,873,040	3,964,937	67.5%	11.0%
Police	54,779,640	39,711,614	72.5%	6.9%
Fire	45,111,140	33,694,286	74.7%	16.4%
Information Technology	11,584,050	7,691,164	66.4%	11.6%
Non Departmental	9,005,640	4,663,130	51.8%	-13.1%
Urban Development	4,053,770	2,480,913	61.2%	-27.9%
Total Expenditures	169,308,940	120,070,563	70.9%	10.1%

BY THE NUMBERS

Resources

The City received over 97 percent of total current-year Property Taxes as of the third quarter. Property tax receipts in FY 2023 are 4.8 percent higher than the same time last year.

Franchise Fees (4 percent) and State Shared Revenue (7.5 percent) collections are also trending higher.

The category, Other Taxes, are local marijuana sales tax receipts. These are collected by the State and remitted to the City quarterly. This category is trending downward year-over-year.

Beginning Fund Balance—the funding available at the start of the fiscal year—equals 24 percent of total resources through Q3, and is 31.6 percent more than FY 2022. This is due to an influx of one-time grants from the State and Federal governments.

Year-to-year decline of 3.9 percent for Fees, Permits reflect lower planning fee revenue and steady franchise fee revenue.

Internal Charges include the support services charges, reimbursements for labor and overhead from other funds, and fund-to-fund transfers. The 5.8 percent increase is mainly due to higher Service Charges and Transfers, which are received in regular intervals.

BY THE NUMBERS Expenditures

With 75 percent of the fiscal year complete, including 19.1 payroll periods (representing 73.2 percent of payroll periods for the year), expenditures are trending as anticipated. The 10.1 percent year-over-year increase is influenced by anticipated cost escalators, such as labor contract / market adjustments to salaries, PERS expense, and health benefits expense, increased social services spending and continued impacts of high inflation for goods and services.

**The Customer Service Center is a new organization for FY 2023. Hence no prior year values.*

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Other Funds

	Resources			Expenditures		
	Actual through March 31	As a Percent of Budget	Difference FY 2023 to FY 2022 Actual	Actual through March 31	As a Percent of Budget	Difference FY 2023 to FY 2022 Actual
* Transportation Services	20,288,976	80.8%	15.6%	13,468,400	64.5%	34.2%
Streetlight	2,697,685	81.2%	6.4%	1,349,040	59.5%	11.2%
* Airport	2,149,158	86.9%	8.0%	1,067,638	43.2%	18.8%
Community Renewal	2,873,045	21.8%	24.4%	2,901,179	22.0%	56.4%
Downtown Parking	963,218	82.1%	-1.6%	743,677	63.4%	-20.2%
Cultural and Tourism	7,074,568	112.9%	51.9%	3,087,724	66.2%	23.9%
Public Art	45,491	98.9%	12.3%	727	1.6%	-93.9%
Tourism Promotion Area	651,119	55.9%	6.2%	580,748	49.9%	7.4%
Parking Leasehold	739,314	95.2%	6.4%	421,017	54.9%	-20.7%
* Building and Safety	21,825,337	104.3%	17.5%	4,295,347	57.3%	10.7%
Traffic Safety**	314	-	-100.0%	-	-	-100.0%
General Debt	23,422,158	95.2%	6.0%	2,626,034	11.5%	-13.2%
Capital Improvements	207,681,580	135.5%	128.8%	61,602,521	40.4%	101.0%
Extra Capacity Facilities	50,325,170	81.8%	4.7%	5,221,316	8.5%	-10.1%
Development Districts	10,972,150	54.8%	28.5%	111,945	0.6%	-92.2%
* Utility	148,159,776	81.3%	6.7%	78,421,186	56.5%	10.3%
* Emergency Services	6,704,849	93.3%	45.0%	2,787,964	58.3%	84.1%
* WVCC	12,376,288	80.1%	5.6%	10,244,169	67.1%	5.4%
Police Regional Records	1,645,664	105.5%	21.5%	278,144	99.6%	140.2%
* City Services	13,513,142	81.9%	-16.4%	8,855,872	67.9%	-20.0%
* Self Insurance Benefits	32,052,403	83.5%	-0.4%	22,664,446	59.1%	12.5%
* Self Insurance Risk	10,367,890	69.6%	-8.0%	5,436,887	36.5%	37.8%
Equipment Replacement	19,070,146	95.6%	10.0%	1,704,162	8.5%	20.3%
Trust and Agency	31,786,080	96.6%	11.8%	5,692,758	23.6%	22.3%

Resources

Beginning fund balance accounts for \$270.3 million or 43.1 percent of the \$627.4 million total resources reported in the above table for all other City funds. To begin FY 2023, actual fund balance was less than the budget by \$19.3 million or 6.7 percent.

Expenditures

The nine funds marked with an * have a total of 551.1 full-time equivalent (FTE) authorized positions, approximately 41.8 percent of the total FTE count for the City in the FY 2023 budget. The General Fund supports the remaining 771.47 FTE positions. Of the \$233.6 million in total actual expense through March 31 documented in the above table, \$50.2 million or 21.5 percent is personal services expense.

Materials and services, purchases for supplies, equipment, and services, equal \$148.5 million or 63.6 percent of total expenses. Four funds—the Utility Fund, Self Insurance Benefits Fund, Self Insurance Risk Fund, and Capital Improvements Fund—account for \$168.1 million—or 72 percent—of the total expenses of these funds.

***Traffic Safety Fund closed during 2022 fiscal year, slight residual interest revenue in current year to be corrected and the fiscal year end.*