

CITY OF SALEM FINANCIAL SUMMARY Through Q2 / FY 2024

The summary of FY 2024 Second quarter (Q2) July 2023 through December 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 2024.

General Fund

Resources	Budget	Actual through Dec 31	As a Percent of Budget	Difference FY 2023 to FY 2024 Actual	<p style="text-align: center;">BY THE NUMBERS Resources</p> <p>The City received over 92.5 percent of total current-year budgeted Property Taxes during the second quarter. Property tax receipts in FY 2024 are 3.7 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 35 percent lower than this time last year. However, timing for receipt of this revenue is variable and State deposits for this tax are expected to normalize later in the year.</p> <p>Beginning Fund Balance—the funding available at the start of the fiscal year—equals almost 25.4 percent of total resources through Q2, and is 10.1 percent less than FY 2023.</p> <p>The year-to-year increase of 32.6 percent for Fees, Permits reflects an increase in City Operations Fee Revenue. Internal Charges include the support services charges, reimbursements for labor and overhead from other funds, and fund-to-fund transfers. The 15.5 percent increase is mainly due to higher Service Charges and Transfers, which are received in regular intervals.</p>
Property Taxes	84,007,940	77,717,034	92.5%	3.7%	
Franchise Fees	21,573,020	4,694,741	21.8%	2.9%	
Internal Charges	23,822,990	10,170,998	42.7%	15.5%	
Marijuana Sales Tax	1,656,000	437,204	26.4%	-35.0%	
State Shared	7,990,340	2,794,520	35.0%	4.9%	
Fees, Permits	21,095,000	8,384,495	39.7%	32.6%	
All Other Revenues	7,640,320	3,360,505	44.0%	0.1%	
Beginning Fund Balance	38,485,060	36,578,563	95.0%	-10.1%	
Total Resources	206,270,670	144,138,059	69.9%	1.5%	

Expenditures by Department	Budget	Actual through Dec 31	As a Percent of Budget	Difference FY 2023 to FY 2024 Actual
Mayor & Council	410,290	172,764	42.1%	33.16%
Municipal Court	2,632,840	992,243	37.7%	-2.61%
City Manager	1,475,450	498,953	33.8%	-38.32%
Human Resources	2,839,390	1,079,255	38.0%	-18.67%
Customer Service Center	1,003,340	380,054	37.9%	-0.75%
Legal	3,069,060	1,411,170	46.0%	10.23%
Finance	4,121,130	1,692,086	41.1%	7.71%
Parks and Recreation	13,888,090	6,289,772	45.3%	0.95%
Facilities Services	5,503,850	2,262,102	41.1%	-5.63%
Community Development	6,549,110	2,569,774	39.2%	-18.30%
Library	5,418,630	2,234,803	41.2%	-15.16%
Police	59,259,360	27,394,717	46.2%	4.80%
Fire	48,710,080	22,866,754	46.9%	4.05%
Information Technology	13,367,160	5,341,063	40.0%	5.51%
Non Departmental	8,969,540	1,688,110	18.8%	-2.70%
Urban Development	4,307,940	1,639,656	38.1%	3.26%
Total Expenditures	181,525,260	78,513,276	43.3%	1.4%

BY THE NUMBERS Expenditures	<p>With half of the fiscal year complete, including 12 payroll periods (representing 46.2 percent of payroll periods for the year), expenditures are trending as anticipated. The 1.4 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 2023 to FY 2024 Actual	Actual through Dec 31	As a Percent of Budget	Difference FY 2023 to FY 2024 Actual
* Transportation Services	15,524,787	62.9%	-3.8%	8,154,588	40.4%	-10.0%
Streetlight	2,185,831	63.4%	0.0%	966,079	38.5%	19.9%
* Airport	1,774,113	53.7%	-2.5%	1,012,222	36.7%	51.6%
Community Renewal	2,708,120	23.9%	27.7%	2,601,530	23.0%	26.4%
Downtown Parking	795,184	74.2%	0.9%	519,983	48.5%	12.5%
Cultural and Tourism	6,688,132	71.3%	7.7%	2,414,470	42.2%	20.3%
Public Art	71,233	98.5%	82.7%	55	0.1%	-90.6%
Tourism Promotion Area	475,219	35.2%	0.1%	407,149	30.2%	1.1%
Parking Leasehold	651,653	67.8%	11.1%	392,903	40.9%	46.4%
* Building and Safety	20,039,196	81.2%	2.1%	3,249,198	38.9%	13.4%
General Debt	23,057,216	90.1%	9.4%	5,657,973	23.3%	115.5%
Capital Improvements	160,589,354	80.4%	94.5%	28,090,263	17.5%	6.8%
Extra Capacity Facilities	53,207,557	94.1%	12.1%	6,182,155	10.9%	39.3%
Development Districts	10,837,350	103.6%	2.1%	718,876	6.9%	819.5%
* Utility	122,209,847	68.2%	1.6%	52,750,784	37.9%	1.8%
* Emergency Services	5,114,245	55.9%	3.0%	1,072,755	17.9%	-22.6%
* WVCC	9,586,475	58.9%	8.0%	6,371,798	39.5%	-5.4%
Police Regional Records	2,000,046	80.2%	32.0%	299,438	64.6%	566.0%
* City Services	10,813,100	61.4%	3.6%	6,181,670	43.3%	5.8%
* Self Insurance Benefits	22,862,140	54.3%	-6.6%	14,416,464	38.3%	-4.4%
* Self Insurance Risk	8,107,751	74.1%	-12.6%	5,130,615	46.9%	21.5%
Equipment Replacement	22,135,187	82.3%	21.5%	2,379,451	8.8%	329.8%
Trust and Agency	27,958,239	97.2%	-9.8%	3,469,322	21.6%	-12.7%

Resources

Beginning fund balance accounts for \$357.2 million or 67.5 percent of the \$529.4 million total resources reported in the above table for all other City funds. To begin FY 2024, budgeted fund balance exceeded actuals by \$4.8 million or 1.36 percent. At the second quarter mark in the fiscal year, total resources equal 75 percent of the amount anticipated in the FY 2024 budget for this grouping of funds.

Expenditures

The nine funds marked with an * have a total of 567 full-time equivalent (FTE) authorized positions, approximately 41.2 percent of the total FTE count for the City in the FY 2024 budget. The General Fund supports the remaining 810.5 FTE positions. Of the \$152.4 million in total actual expense through December 31 documented in the above table, \$33.1 million or 21.7 percent is personal services expense.

Materials and services, purchases for supplies, equipment, and services, equal \$91.5 million or 60 percent of total expenses. Four funds—the Utility Fund, Self Insurance Benefits Fund, Transportation Services Fund, and Capital Improvements Fund—account for \$103.4 million—or 67.8 percent—of the total expenses of these funds.