

From: [Kelly Thomas](#)
To: [CityRecorder](#); [citycouncil](#); [Virginia Stapleton](#)
Subject: City Council Testimony: Special Order of Business #5a
Date: Monday, November 27, 2023 3:51:42 PM
Attachments: [Council Testimony 11-27-23.pdf](#)

Hello -

Please find attached my testimony for the City Council meeting this evening relative to Special Order of Business #5a. I will be in attendance to verbally deliver the 3-minute version of it.

Let me know if you need anything else or have any questions.

Regards -

Kelly Thomas
664 Breys Ave. NE
Salem, OR 97031
702-860-3967

Testimony: Special Order of Business #5a
City of Salem, City Council Meeting on November 27, 2023 at 6pm

Kelly Thomas
664 Breys Ave. NE
Salem, OR 97031

November 27, 2023

City of Salem
c/o City Council
555 Liberty St. SE, Room #220
Salem, OR 97301

RE: Revenue Task Force and City of Salem Budget FY 2023-2028

Mayor and Councilors:

I have over 30 years of experience in the built environment, including land development projects as large as \$1.1 billion and I also have a background in city planning and state policy, both in the legislative and executive branches. I'm passionate about finding progressive solutions to a balanced budget for the residents of Salem, especially those with low to middle incomes. Regressive revenue solutions, which have been employed recently, are not the answer (see Appendix A, pages 4-5, for examples of progressive and regressive revenue sources). As such, **I submitted my application to fill the vacant Citizen Budget Committee for Ward 1 and I'm also interested in serving on the Revenue Task Force**, should one be appointed.

While likely necessary, even though the efforts were made by the 2018 Sustainable Services Revenue Task Force (SSRTF), any Revenue Task Force should be renamed and rescoped as it implies that only revenue will be considered as part of a balanced budget, where reductions in spending can, and should, also be considered if not prioritized. The SSRTF only considered 13 revenue proposals and did not review spending reduction proposals, indicative of their scope and name. A more well-rounded approach to appropriate spending levels, five-year projections, and **progressive revenue resources should be considered via a Resilient Salem Funding Task Force (RSFTC)**, or similarly named group of collaborative stakeholders. The budgetary issues facing the city won't be solved with a silver revenue bullet but may be solved with 1,000 silver bb's encompassing all areas of the city budget. An expanded effort would also justify the \$210,000 proposed for the effort as opposed to spending that level of money to just brush off an old report and re-engage the community.

This, of course, assumes that the city has done the projections correctly and a shortfall is imminent. However, as Councilor Hoy pointed out at the August 28th City Council meeting the Annual Comprehensive Financial Report (ACFR) for FY Ending June 30, 2022, reports a **\$9,768,525 surplus (\$11.2 million greater than budgeted) for FY 2022** and a **\$40,772,600 total surplus in the General Fund balance (page 49)**. Page 24 of the ACFR states that "the City's governmental funds reported combined ending fund balances of \$208.3 million, an increase of \$43.7 million or 26.5%, from last year. *The unassigned General fund balance of \$39.3 million or 18.9% of the total governmental fund balance, is available for spending at the City's discretion.*" See Appendix B (pages 8-15) for city budget document pages referred to in this testimony.

Further, pages 188 and 189 of the ACFR indicate that the **Total General Fund balance has grown from \$20.8 million in 2013 to the aforementioned \$40.7 million in 2022**, nearly doubling what the city has available in the last decade. FY 2021 and 2022 contributed the most to this gain, which can be attributed to one-time grants. While these one-time grants create a revenue anomaly, other federal grant monies are available through record funding via the Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA). **The city should empower the grants office to explore these and other additional opportunities and hire the staff necessary to acquire and execute grants if awarded.** The City of Salem General Fund Fiscal Situation and Budget (GFFSB) FAQ indicated that a grant administrator would be cut, the opposite of what is needed for a resilient grant revenues future.

Finally, the **Quarterly Financial Report for Q3 of 2023 (March 2023) reported that the total General Fund balance was a \$8.6 million surplus** (\$128.7 million revenue, not including the Beginning Fund Balance, minus \$120.1 million expenses). Granted, this surplus will shrink since 97% of the property taxes have been collected. Projecting from the Q3 2023 summary, it *appears* that the city might have another surplus at the end of FY 2023 once reconciled. The FY 2023 budget projection was a \$3.56 million *deficit*, thus the Beginning Fund Balance for FY 2024 may hold steady or increase. This information, along with consideration that **the city has reported a deficit in just three (2017, 2018, and 2019) of the last 10 years (page 215 of FY 2022 ACFR and page 183 of FY 2017 ACFR)**, will be useful in adjusting and re-projecting the FY 2024 budget.

The posted financials indicate that the city has historically ended up with a surplus that the city maintains today. This does not match the messaging relative to future five-year projections. Fast forwarding to the future, the **FY 2024 budget shows a planned \$9.51 million deficit** (page 12 of the Five-Year Financial Forecasts Fiscal Year 2024 through 2028 report) where there is a 6.2% increase in spending and only a 2.5% increase in revenue. The revenue even includes the \$5.6 million increase from the City Operations Fee on water bills which started this August and \$3.3 million in additional property tax revenue (page 336 and the FY 2024 budget).

The major expenditure increase is salaries and related human resources, a \$14 million increase (page 339 of FY 2024 budget) for 38 FTE's (809.5 in FY 2024 minus 771.5 in FY 2023, page 436 for the FY 2024 budget), or **\$368K per new FTE**. This includes all Personal Services line items including salary, allowances, health insurance, PERS, overhead, etcetera. The amount per FTE seems very high, especially when compared to FY 2024 overall. The 809.5 FTE's divided by the FY 2024 Total Personal Services budget of \$143.6 million equates to **\$177.4K per total FTE**. The letter from the City Manager to the City of Salem Budget Committee dated May 3rd, 2023, also states that the FTE's per capita are 5.14 positions per thousand in 2008 versus 4.34 positions per thousand in 2023. While the city needs good-paying jobs, with quality benefits, to attract the right employees, **perhaps the amount spent per FTE is not appropriate and could be reduced**, then more FTE's would be available per thousand residents. For reference, the FTE's in 2018 were 706.1, so there has been a 14.6% growth in the number of FTE's since then.

Another way to look at revenues and expenditures is the cost per capita. Salem's **population (page 196 of the FY 2022 ACRF) in 2013 was 156,455 where the population in 2022 was reported as 177,694, an increase of 21,229, or 13.6%** (the GFFSB reports a 26,000 increase). Per Schedule E in the 2022 ACRF (Page 215) General Fund revenue was \$148.8 million while the expenditures were \$141.8 million or \$837 and \$798 per resident respectively. In the 2013 ACRF (page 185) revenues of \$89.1 million and expenditures of \$86.5 million equate to \$570 and \$553 per capita respectively. **The revenue change is a 46% increase while the expenditure change is a 44% increase per capita.** Both the revenue and expenditure percentage increases outpace the population increase, but the one-time grant funding wasn't removed from the equation.

Additionally, there **are other line items that stand out (pages 340-341 of the FY 2024 budget)**, such as a \$1.7 million increase for radio, a 125% increase, \$675k for software, a 27.1% increase, \$175k for equipment maintenance, or 60% over 2023, \$258k for equipment replacement, or 27%. Albeit a small dollar amount, travel increased \$30k, 285%, and motor pool increased \$135k or 10.7%. When facing a deficit, travel is one line item that should not increase without good justification. These six line items represent almost \$3 million in expenses that should at least have General Fund Assumptions and Trends (GFAT) statements. The revenues have GFAT statements, but not the expenses. **The city should consider asking every department head to investigate budgetary anomalies and/or propose new departments budgets** that reduce expenditures, while not impacting services to the community. Significant increases should have a GFAT statement.

Once FY 2023 is reconciled and FY 2024 has the expenditures adjusted, the five-year projections could be more accurately made. Currently, in **FY's 2025 through 2028 projections indicate that city will spend more than collected revenues from between 0.25% and 1% every year**. Clearly this makes the budget unsustainable, however after adjustments to FY 2023 and FY 2024, these projections should level out.

Only after determining that the expenditures and projections are accurate, can revenue be addressed. In 2018 through 2019, the SSRTF produced 13 revenue proposals, three of which require Legislative action, which is listed as difficult or very difficult. One of those options, the **Local Option Levy, fixes the root cause of the budget shortfall, Measures 5 and 50**, while another has the state pay a fair share relative to property in Salem, Payment in Lieu of Taxes. **The City of Salem should engage with the Oregon League of Counties and Cites to work towards fixing the structural deficit**, which affects all cities across Oregon. Of course, repealing voter authorized measures is unwise, but perhaps cities can collectively investigate a ballot measure for November 2024. Separately, **the city should also engage the legislature during the upcoming short session to further the Payment in Lieu of Taxes effort**. Legislative efforts will be difficult, but while fixing the root cause of a problem is generally the hardest path to take, it is almost always the right path.

While working to exhaust these legislative efforts the city could **simultaneously consider the other options that the SSRFT recommended, or other progressive strategies that the RCFTC produces**. It's assumed that utility operations fee has reached a pinnacle at \$14.50 on every water bill, which includes low-income families, and that a regressive income tax would not be appropriate. However, a Progressive/Graduated Income Tax may be an option (see Appendix A, Item #1), if needed.

Thank you for reading this testimony and considering the options herein. I hope to serve the residents in the City of Salem by helping design, build, manage, and maintain a resilient budget future through collaborative efforts. Please let me know if I can be of service.

Respectfully submitted –



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APPENDIX A

(Information provided by ChatGPT on November 26, 2023)

What are examples of Progressive Taxation for cities?

Progressive Taxation

A system where the rate of tax increases as the taxpayer's income increases. This contrasts with regressive taxation, where the tax rate decreases as income increases, or a flat tax, where everyone pays the same percentage of their income. Cities may implement progressive taxation through various mechanisms. Here are examples of progressive taxation measures at the city level:

1. **Progressive Income Tax:**

- **Graduated Income Tax:** A city can implement a progressive income tax system with multiple tax brackets, where individuals with higher incomes pay a higher percentage of their income in taxes. This is a common approach at the state level but may also be applicable to some city income tax systems.

2. **Property Tax Exemptions or Relief for Low-Income Homeowners:**

- **Homestead Exemptions:** Cities may offer property tax exemptions for a certain amount of a property's assessed value, particularly for primary residences. This can be designed to provide relief for lower-income homeowners.

3. **Local Earned Income Tax Credits:**

- **Earned Income Tax Credit (EITC):** Some cities have implemented local versions of the federal Earned Income Tax Credit. The EITC is designed to provide tax relief for low to moderate-income working individuals and families.

4. **Luxury or Progressive Property Taxes:**

- **Progressive Property Tax Rates:** A city might implement a progressive property tax structure where higher-value properties are subject to higher tax rates. This can help distribute the property tax burden more equitably.

5. **Local Sales Tax Exemptions for Necessities:**

- **Exemptions for Essential Goods and Services:** Cities can consider exempting certain essential goods and services (such as groceries or prescription medications) from local sales taxes, ensuring that lower-income individuals are not disproportionately affected.

6. **Municipal Service Fees Based on Property Value:**

- **Progressive Municipal Fees:** Some cities tie municipal service fees (such as waste collection or water/sewer fees) to the value of the property. This means that higher-value properties pay higher fees.

7. Local Business Taxes Based on Revenue:

- **Progressive Business Tax Structures:** Cities may implement business taxes that are based on revenue or profits, ensuring that larger and more profitable businesses pay a proportionally higher amount in taxes.

These examples demonstrate ways in which cities can incorporate progressive elements into their tax structures to promote greater fairness and reduce the tax burden on lower-income individuals and families. The specific implementation can vary based on local laws, regulations, and the unique economic circumstances of the city.

What are the most regressive taxes?

Regressive Taxation

Those that take a larger percentage of income from lower-income individuals compared to higher-income individuals. Here are some examples of taxes that are often considered regressive:

1. Sales Tax:

- Sales taxes are regressive because they apply uniformly to the purchase of goods and services, regardless of the individual's income. Since lower-income individuals typically spend a higher proportion of their income on basic goods and services, sales taxes can disproportionately affect them.

2. Flat Income Tax:

- A flat income tax is a system where everyone, regardless of income level, pays the same percentage of their income in taxes. While it's not inherently regressive, it's considered regressive in practice because the impact is more significant on lower-income individuals who may struggle to meet basic needs.

3. Property Taxes:

- Property taxes, while they can be structured to be progressive, are often regressive in practice. This is because lower-income individuals may spend a larger portion of their income on housing, and property taxes are typically based on the value of the property rather than the owner's ability to pay.

4. Excise Taxes:

- Excise taxes, such as those on gasoline, tobacco, or alcohol, are often regressive. Since these taxes are levied on specific goods and services, individuals with lower incomes may end up paying a higher percentage of their income on these items.

5. User Fees and Charges:

- Fees for specific services, such as utility fees, can be regressive. Lower-income individuals may find it more challenging to afford these services, making the fees a higher percentage of their overall income.

6. Social Security and Medicare Payroll Taxes:

- While payroll taxes for Social Security and Medicare are intended to be flat for employees, they are regressive when considering the overall payroll tax burden. This is because there is a cap on income subject to Social Security taxes, so higher-income individuals pay a smaller percentage of their total income in Social Security taxes.

It's important to note that the impact of these taxes on regressivity can vary based on the overall tax structure, exemptions, and credits in place. Some jurisdictions may implement measures to mitigate the regressive nature of certain taxes, such as providing targeted exemptions or credits for low-income individuals.

What are some general principles when analyzing a city budget?

Principles of City Budget Analysis

Analyzing a city budget requires a thorough understanding of financial principles, governance structures, and the unique dynamics of the municipality. Here are some general principles to consider when analyzing a city budget:

1. Transparency and Accessibility:

- A transparent budget is crucial for public accountability. Ensure that the budget is readily accessible to the public, with clear explanations of revenue sources, expenditures, and financial priorities.

2. Expenditure Categories:

- Categorize expenditures into major areas such as public safety, public works, education, and social services. Assess the allocation of resources to understand the city's priorities.

3. Revenue Sources:

- Understand the diverse sources of revenue, including taxes, grants, fees, and other income streams. Analyze the stability and predictability of these revenue sources.

4. Long-Term Planning:

- Examine the budget in the context of long-term financial planning. Look for indicators of sustainability, such as reserve funds, pension liabilities, and debt levels.

5. Debt Management:

- Evaluate the city's debt levels, including outstanding bonds and loans. Consider how debt is being used to fund capital projects and whether it aligns with the city's overall financial strategy.

6. Reserves and Contingency Funds:

- Assess the adequacy of reserves and contingency funds. These funds act as a financial buffer during unforeseen events and contribute to the city's financial stability.

7. Economic Conditions:

- Consider the economic conditions that may impact the city's revenue, such as local employment rates, property values, and business activity.

8. Community Engagement:

- Evaluate the level of community engagement in the budgeting process. Public input is crucial for understanding community priorities and ensuring that the budget reflects the needs of residents.

9. Performance Metrics:

- Look for performance metrics and key performance indicators (KPIs) to assess the efficiency and effectiveness of city services. These metrics can provide insights into the value delivered for the resources invested.

10. Review Budget Narratives:

- Read accompanying narratives or explanations that provide context for budget line items. These narratives can offer insights into the city's goals, challenges, and strategies.

11. Interdepartmental Coordination:

- Examine how different departments collaborate and coordinate their efforts. Efficient interdepartmental communication and coordination can contribute to effective service delivery.

12. Comparative Analysis:

- Compare the current budget to previous years to identify trends and changes. Benchmark against similar-sized cities or municipalities to gain a broader perspective.

13. Compliance and Legal Considerations:

- Ensure that the budget adheres to legal and regulatory requirements. Understand any constraints or mandates that may impact budget decisions.

14. Flexibility and Adaptability:

- Assess the budget's flexibility to adapt to changing circumstances. Consider whether the city has contingency plans for unexpected events.

15. Sustainability and Green Initiatives:

- Look for investments in sustainability and green initiatives. Cities are increasingly incorporating environmentally conscious practices into their budgets.

Remember that each city is unique, and the specific considerations for analyzing a budget may vary based on local circumstances. Effective budget analysis requires a comprehensive understanding of the city's financial landscape and consideration of both short-term and long-term factors.

APPENDIX B

Pages referred to in testimony

Page 49 of the 2021-2022 Annual Comprehensive Financial Report (ACFR)

| City of Salem, Oregon General Fund | | | | |
|---|----------------------|----------------------|---|--|
| Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual | | | | |
| <i>For the fiscal year ended June 30, 2022</i> | | | | |
| | Budgeted Amounts | | Actual Amounts Budgetary Basis | Variance with Final Budget ¹ |
| | Original | Final | | |
| Parks and recreation services | \$ 10,583,820 | \$ 11,594,560 | \$ 11,057,451 | \$ 537,109 |
| Library | 5,708,290 | 5,708,290 | 4,954,340 | 751,950 |
| Police | 51,783,530 | 51,848,420 | 50,482,188 | 1,366,232 |
| Fire | 39,959,010 | 40,309,010 | 40,142,201 | 166,809 |
| Total public safety | 91,722,540 | 92,157,430 | 90,624,389 | 1,533,041 |
| Debt service | 375,010 | 375,010 | 374,998 | 12 |
| Contingency | 3,000,000 | 1,981,170 | - | 1,981,170 |
| Total expenditures | 160,454,680 | 161,329,200 | 150,838,692 | 10,490,508 |
| Excess (deficiency) of revenues over expenditures | (7,602,730) | (7,997,250) | 7,203,983 | (15,201,233) |
| Other financing sources (uses) | | | | |
| Sale of property | - | - | 497,111 | (497,111) |
| Transfers in | 6,586,400 | 7,949,750 | 3,102,256 | 4,847,494 |
| Transfers out | (766,000) | (1,384,830) | (1,034,825) | (350,005) |
| Total other financing sources (uses) | 5,820,400 | 6,564,920 | 2,564,542 | 4,000,378 |
| Net change in fund balance | (1,782,330) | (1,432,330) | 9,768,525 | (11,200,855) |
| Fund balance - beginning of year | 30,893,040 | 30,893,040 | 30,909,507 | (16,467) |
| Fund balance - end of year | <u>\$ 29,110,710</u> | <u>\$ 29,460,710</u> | 40,678,032 | <u>\$ (11,217,322)</u> |
| Reconciliation to generally accepted accounting principles: | | | | |
| Adjustments for indirect cost allocation | | | | |
| Revenues | | | (9,257,130) | |
| Expenditures: | | | | |
| General government | | | 9,257,130 | |
| Prepayments | | | 90,144 | |
| Long-term lease receivables | | | 350,182 | |
| Deferred inflows related to leases | | | (345,758) | |
| Fund balance - end of year (modified accrual) | | | <u>\$ 40,772,600</u> | |

Concluded

**MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

Governmental Funds. As of June 30, 2022, the City's governmental funds reported combined ending fund balances of \$208.3 million, an increase of \$43.7 million or 26.5%, from last year. The unassigned General fund balance of \$39.3 million or 18.9% of the total governmental fund balance, is available for spending at the City's discretion. The remainder of the governmental funds balance is constrained as follows: restricted to capital projects, debt service, or with other donor or legal restrictions is \$135.2 million or 65.0%. Committed fund balance is \$32.3 million or 15.5%. Assigned fund balance, representing encumbrances, is \$1.4 million or 0.6%, and nonspendable fund balance is \$0.1 million or 0.1%, for prepaid expenses.

Pages 188 and 189 of the 2021-2022 ACFR

City of Salem, Oregon
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(amounts expressed in thousands)

| As of June 30 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---------------------------|------------------|------------------|------------------|------------------|------------------|
| General fund | | | | | |
| Nonspendable: | | | | | |
| Prepaid items | \$ 420 | \$ 452 | \$ 484 | \$ 517 | \$ 9 |
| Assigned to: | | | | | |
| General government | - | - | - | - | 299 |
| Community development | - | - | - | - | 302 |
| Community services | - | - | - | - | 35 |
| Library services | - | - | - | - | - |
| Public safety | - | - | - | - | 372 |
| Unassigned | 20,379 | 20,545 | 23,516 | 26,264 | 24,728 |
| Total General Fund | \$ 20,799 | \$ 20,997 | \$ 24,000 | \$ 26,781 | \$ 25,745 |
| As of June 30 | 2018 | 2019 | 2020 | 2021 | 2022 |
| General fund | | | | | |
| Nonspendable: | | | | | |
| Prepaid items | \$ - | \$ 132 | \$ 252 | \$ 135 | \$ 90 |
| Assigned to: | | | | | |
| General government | 242 | 1,043 | 988 | 638 | 411 |
| Community development | 816 | 174 | 148 | 37 | 140 |
| Community services | - | - | 19 | - | 79 |
| Library services | - | - | - | 285 | - |
| Public safety | 186 | 121 | 209 | 132 | 723 |
| Unassigned | 22,967 | 20,309 | 23,324 | 29,818 | 39,330 |
| Total General Fund | \$ 24,211 | \$ 21,779 | \$ 24,940 | \$ 31,045 | \$ 40,773 |

Quarterly Financial Report for Q3 of FY 2023

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 | 13,723,708 | 64.1% | 3.8% |
| Other Taxes | 1,862,340 | 972,659 | 52.2% | -2.2% |
| State Shared | 7,711,460 | 4,940,692 | 64.1% | 7.3% |
| Fees, Permits | 14,916,120 | 10,173,107 | 68.2% | -3.9% |
| All Other Revenues | 9,350,690 | 3,370,341 | 37.4% | 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 | 1,303,764 | 67.8% | 26.7% |
| Customer Service Center* | 909,130 | 586,674 | 64.5% | - |
| Human Resources | 2,673,910 | 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 | 12,043,970 | 9,109,605 | 75.6% | 13.9% |
| Facilities Services | 3,263,280 | 3,841,310 | 73.0% | 10.0% |
| Community Development | 6,753,160 | 4,737,279 | 70.1% | 39.1% |
| Library | 3,873,040 | 3,964,937 | 67.5% | 11.0% |
| Police | 54,779,640 | 39,711,614 | 72.5% | 6.9% |
| Fire | 43,111,140 | 33,694,286 | 74.7% | 16.4% |
| Information Technology | 11,384,050 | 7,691,164 | 66.4% | 11.6% |
| Non Departmental | 9,003,640 | 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 (7.3 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 3.8 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.

Page 215 of FY 2021-2022 ACFR

SCHEDULE E

FIVE-YEAR GENERAL FUND* CONSECUTIVE STATEMENT OF REVENUES AND EXPENDITURES (Modified accrual)

| For fiscal year ending June 30, | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues | | | | | |
| Property taxes | \$ 66,128,401 | \$ 70,028,752 | \$ 71,146,768 | \$ 74,536,268 | \$ 77,817,603 |
| Other taxes | 758,247 | 1,004,285 | 1,160,850 | 1,584,048 | 1,777,348 |
| Franchise fees | 18,001,844 | 18,003,359 | 18,091,467 | 18,818,078 | 19,958,970 |
| Licenses and permits | 1,069,803 | 1,522,440 | 1,406,990 | 1,588,726 | 2,068,881 |
| Fees | 1,270,388 | 1,186,425 | 840,037 | 664,479 | 1,081,363 |
| Fines and penalties | 2,891,761 | 2,977,913 | 2,039,690 | 1,631,719 | 2,137,929 |
| Special assessments | - | 1,409 | 10,405 | 1,232 | - |
| Rents | 1,619,906 | 2,161,366 | 1,582,858 | 538,882 | 760,236 |
| Charges for services | 2,472,631 | 2,746,109 | 6,280,103 | 10,460,517 | 12,066,088 |
| Other revenues | 221,416 | 171,856 | 339,432 | 200,570 | 243,396 |
| Intergovernmental | 8,827,876 | 8,476,183 | 9,065,844 | 9,619,997 | 8,956,154 |
| Federal grants | 558,579 | 458,039 | 3,849,001 | 10,634,332 | 13,567,476 |
| State grants | 3,500 | 21,504 | - | 10,230 | 819,000 |
| Intrafund reimbursements | 6,493,026 | 6,797,043 | 6,795,935 | 7,087,614 | 7,149,740 |
| Loan payments received | 9,625 | (126) | 302 | - | - |
| Interest on investments | 510,207 | 767,042 | 699,802 | 503,134 | 385,785 |
| Total revenues | 110,837,010 | 116,323,599 | 123,309,484 | 137,879,826 | 148,789,969 |
| Expenditures | | | | | |
| Personal services | 93,170,801 | 98,596,858 | 103,118,277 | 108,298,680 | 114,491,153 |
| Materials and services | 17,929,127 | 19,147,985 | 17,620,842 | 23,219,611 | 26,352,763 |
| Capital outlay | 610,969 | 579,588 | 189,928 | 764,835 | 859,085 |
| Debt service | 15,566 | 20,829 | 13,295 | 47,494 | 143,876 |
| Total expenditures | 111,726,463 | 118,345,260 | 120,942,342 | 132,330,620 | 141,846,857 |
| Excess (deficiency) of revenues over expenditures | (889,453) | (2,021,661) | 2,367,142 | 5,549,206 | 6,943,112 |
| Other financing sources (uses) | | | | | |
| Proceeds from leases | - | - | - | - | 543,147 |
| Sale of capital assets | 2,417 | - | - | - | 497,111 |
| Transfers in | 1,075,947 | 1,320,470 | 1,625,201 | 1,894,460 | 3,102,256 |
| Transfers out | (1,722,840) | (1,730,950) | (831,260) | (1,338,789) | (1,357,747) |
| Total other financing sources (uses) | (644,476) | (410,480) | 793,941 | 555,671 | 2,784,767 |
| Excess (deficiency) of revenues over expenditures and other sources (uses) | (1,533,929) | (2,432,141) | 3,161,083 | 6,104,877 | 9,727,879 |
| Fund balance - beginning of year | 25,744,831 | 24,210,902 | 21,778,761 | 24,939,844 | 34,044,721 |
| Fund balance - end of year | \$ 24,210,902 | \$ 21,778,761 | \$ 24,939,844 | \$ 31,084,878 | \$ 43,772,600 |

*Note this information is for the General fund only, not the General Operating fund that appears in the basic financial statements

Source: Derived from audited annual financial statements.

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SCHEDULE E

FIVE-YEAR GENERAL FUND CONSECUTIVE STATEMENT OF REVENUES AND EXPENDITURES (Modified accrual)

| For fiscal year ending June 30, | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues | | | | | |
| Property taxes | \$ 54,972,735 | \$ 56,399,018 | \$ 59,053,072 | \$ 61,290,361 | \$ 63,986,373 |
| Franchise fees | 15,810,240 | 15,630,348 | 16,378,032 | 16,809,874 | 17,323,953 |
| Other taxes | 46,578 | 49,065 | 44,565 | - | 121,502 |
| Licenses and permits | 672,799 | 780,100 | 716,558 | 833,001 | 983,431 |
| Fees | 1,029,179 | 1,073,873 | 1,087,717 | 1,199,928 | 1,152,094 |
| Fines and forfeitures | 2,547,538 | 2,712,724 | 2,772,139 | 3,023,850 | 2,963,967 |
| Rents | 1,193,609 | 1,053,355 | 1,254,898 | 1,278,003 | 1,807,586 |
| Charges for services | 1,759,165 | 1,862,196 | 2,004,622 | 2,282,858 | 2,499,466 |
| Other revenues | 283,092 | 231,882 | 273,408 | 310,191 | 337,952 |
| Intergovernmental | 6,032,159 | 6,153,886 | 6,359,276 | 6,430,503 | 7,250,602 |
| Federal grants | 1,147,162 | 1,005,028 | 920,336 | 777,561 | 1,270,677 |
| State grants | 22,718 | 25,717 | 34,577 | 36,443 | 40,374 |
| Intrafund reimbursements | 3,713,899 | 3,338,334 | 3,644,382 | 5,216,515 | 5,264,853 |
| Loan payments received | 148 | 17,336 | 1,384 | 1,413 | 18,226 |
| Interest on investments | 126,597 | 147,336 | 171,231 | 248,276 | 395,561 |
| Total revenues | 89,157,618 | 90,480,198 | 94,716,197 | 99,738,777 | 105,416,617 |
| Expenditures | | | | | |
| Personal services | 71,788,397 | 74,504,948 | 76,075,932 | 81,435,677 | 85,900,025 |
| Materials and services | 14,188,378 | 15,324,979 | 15,501,719 | 15,545,084 | 18,522,995 |
| Capital outlay | 174,726 | 286,097 | 439,148 | 256,780 | 280,882 |
| Debt service | 380,459 | - | - | 6,794 | 10,151 |
| Total expenditures | 86,531,960 | 90,116,024 | 92,016,799 | 97,244,335 | 104,714,053 |
| Excess (deficiency) of revenues over expenditures | 2,625,658 | 364,174 | 2,699,398 | 2,494,442 | 702,564 |
| Other financing sources (uses) | | | | | |
| Sale of capital assets | 25,000 | 2,819 | - | 27,492 | - |
| Transfers in | 703,880 | 825,000 | 1,145,000 | 1,179,350 | 1,250,800 |
| Transfers out | (1,126,156) | (994,106) | (841,490) | (920,312) | (2,989,660) |
| Total other financing sources (uses) | (397,276) | (166,287) | 303,510 | 286,530 | (1,738,860) |
| Excess (deficiency) of revenues over expenditures and other sources (uses) | 2,228,382 | 197,887 | 3,002,908 | 2,780,972 | (1,036,296) |
| Fund balance - beginning of year | 18,570,978 | 20,799,360 | 20,997,247 | 24,000,155 | 26,781,127 |
| Fund balance - end of year | \$ 20,799,360 | \$ 20,997,247 | \$ 24,000,155 | \$ 26,781,127 | \$ 25,744,831 |

Page 12 of the Five-Year Financial Forecasts Fiscal Year 2024 through 2028 report

(Values in Millions, YEE = Year-End Estimate, F = Forecast)

| FY 2024 - FY 2028 Summary (in millions) | | | | | | |
|--|--------------------|------------------|------------------|------------------|------------------|------------------|
| | FY 2023 YEE | FY 2024 F | FY 2025 F | FY 2026 F | FY 2027 F | FY 2028 F |
| Beginning Fund Balance | \$ 40.68 | \$ 37.12 | \$ 27.60 | \$ 15.72 | \$ 2.68 | \$ (11.19) |
| Revenues | \$ 156.68 | \$ 160.62 | \$ 164.89 | \$ 170.58 | \$ 176.60 | \$ 182.84 |
| Total Expenditures | \$ 160.24 | \$ 176.88 | \$ 183.66 | \$ 190.70 | \$ 197.74 | \$ 204.96 |
| Unspent Contingency | | (2.50) | (2.50) | (2.50) | (2.50) | (2.50) |
| 2.5% Savings | | (4.25) | (4.40) | (4.58) | (4.76) | (4.95) |
| Net Expenditures | \$ 160.24 | \$ 170.13 | \$ 176.77 | \$ 183.62 | \$ 190.48 | \$ 197.51 |
| Fiscal Year Impact | \$ (3.56) | \$ (9.51) | \$ (11.88) | \$ (13.04) | \$ (13.87) | \$ (14.67) |
| Ending Fund Balance | \$ 37.12 | \$ 27.60 | \$ 15.72 | \$ 2.68 | \$ (11.19) | \$ (25.87) |

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City of Salem Budget
General Fund
FY 2024

General Fund Resources

| Account | Description | Budget FY 2021 | Actual FY 2021 | Budget FY 2022 | Actual FY 2022 | Budget FY 2023 | Mgr Rec FY 2024 | BC Rec FY 2024 | Adopted FY 2024 | Difference from FY 2023 | % Chg Difference |
|---------|--------------------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|-----------------|-------------------------|------------------|
| 31110 | PROPERTY TAX - CURRENT | \$ 72,506,700 | \$ 73,208,446 | \$ 76,827,570 | \$ 76,329,300 | \$ 79,439,300 | \$ 82,628,050 | \$ 82,628,050 | \$ 82,628,050 | \$ 3,188,750 | 4.0% |
| 31120 | PROPERTY TAX - FIRST PRIOR YEAR | 725,100 | 627,171 | 691,050 | 592,586 | 642,270 | 718,860 | 718,860 | 718,860 | 76,590 | 11.9% |
| 31130 | PROPERTY TAX - SECOND PRIOR YEAR | 362,500 | 272,430 | 191,960 | 236,020 | 262,150 | 206,570 | 206,570 | 206,570 | (55,580) | -21.2% |
| 31140 | PROPERTY TAX - ALL OTHER PRIOR YEARS | 543,800 | 428,221 | 257,490 | 659,696 | 406,330 | 454,460 | 454,460 | 454,460 | 48,130 | 11.8% |
| 31150 | PROPERTY TAX - OTHER | - | - | - | - | - | - | - | - | - | - |
| 31210 | OTHER - TAXES | - | - | - | - | - | - | - | - | - | - |
| | Total Property Taxes | \$ 74,138,100 | \$ 74,536,268 | \$ 77,968,070 | \$ 77,817,603 | \$ 80,750,050 | \$ 84,007,940 | \$ 84,007,940 | \$ 84,007,940 | \$ 3,257,890 | 4.0% |
| 31410 | MARIJUANA SALES TAX | \$ 1,154,800 | \$ 1,584,048 | \$ 1,532,730 | \$ 1,777,348 | \$ 1,862,340 | \$ 1,656,000 | \$ 1,656,000 | \$ 1,656,000 | \$ (206,340) | -11.1% |
| | Total Sales Tax | \$ 1,154,800 | \$ 1,584,048 | \$ 1,532,730 | \$ 1,777,348 | \$ 1,862,340 | \$ 1,656,000 | \$ 1,656,000 | \$ 1,656,000 | \$ (206,340) | -11.1% |
| 32110 | ELECTRIC FRANCHISE FEE | \$ 6,899,900 | \$ 6,860,634 | \$ 6,866,290 | \$ 7,656,987 | \$ 7,331,700 | \$ 8,200,390 | \$ 8,200,390 | \$ 8,200,390 | \$ 868,690 | 11.8% |
| 32120 | TELEPHONE FRANCHISE FEE | 1,061,880 | 1,851,019 | 1,368,670 | 1,733,011 | 1,928,410 | 1,666,670 | 1,666,670 | 1,666,670 | (261,740) | -13.6% |
| 32130 | NATURAL GAS FRANCHISE FEE | 1,920,880 | 1,879,488 | 1,849,420 | 2,073,944 | 1,966,180 | 2,470,450 | 2,470,450 | 2,470,450 | 504,270 | 25.6% |
| 32140 | REFUSE FRANCHISE FEE | 2,476,280 | 2,585,457 | 2,523,920 | 2,739,162 | 2,848,730 | 3,033,190 | 3,033,190 | 3,033,190 | 184,460 | 6.5% |
| 32150 | CABLE TV FRANCHISE FEE | 1,665,150 | 1,785,049 | 1,769,830 | 1,794,029 | 1,764,200 | 1,773,760 | 1,773,760 | 1,773,760 | 9,560 | 0.5% |
| 32160 | WATER / SEWER FRANCHISE FEE | 3,811,270 | 3,856,432 | 3,906,020 | 3,961,836 | 4,144,210 | 4,428,560 | 4,428,560 | 4,428,560 | 284,350 | 6.9% |
| | Total Franchise Fees | \$ 17,835,360 | \$ 18,818,078 | \$ 18,284,150 | \$ 19,958,970 | \$ 19,983,430 | \$ 21,573,020 | \$ 21,573,020 | \$ 21,573,020 | \$ 1,589,590 | 8.0% |
| 32305 | CITY OPERATIONS FEE | \$ 7,218,050 | \$ 7,205,667 | \$ 7,401,000 | \$ 7,475,556 | \$ 7,932,390 | \$ 13,573,690 | \$ 13,573,690 | \$ 13,573,690 | \$ 5,641,300 | 71.1% |

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**City of Salem Budget
General Fund
FY 2024**

General Fund Expenditures

| Account | Description | Budget FY 2021 | Actual FY 2021 | Budget FY 2022 | Actual FY 2022 | Budget FY 2023 | Mgr Rec FY 2024 | BC Rec FY 2024 | Adopted FY 2024 | Difference from FY 2023 | % Orig Difference |
|---------|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------|
| 51010 | SALARIES AND WAGES | \$ 60,042,290 | \$ 56,181,397 | \$ 62,622,410 | \$ 58,882,978 | \$ 67,699,480 | \$ 74,621,080 | \$ 74,621,080 | \$ 74,621,080 | \$ 6,921,600 | 10.2% |
| 51015 | PREMIUM PAY | - | 561 | 1,000 | 374 | - | 170 | 170 | 170 | 170 | - |
| 51020 | SEASONAL AND RELIEF | 1,048,910 | 753,179 | 1,092,590 | 1,050,956 | 1,091,430 | 1,315,260 | 1,315,260 | 1,315,260 | 223,830 | 20.5% |
| 51025 | HOLIDAY - REGULAR | 135,600 | 149,456 | 136,660 | 148,209 | 129,240 | 160,030 | 160,040 | 160,040 | 30,800 | 23.8% |
| 51030 | OVERTIME | 5,082,060 | 5,128,514 | 4,123,150 | 6,073,102 | 5,445,880 | 4,617,650 | 4,617,630 | 4,617,630 | (826,250) | -15.2% |
| 51080 | STANDBY | 79,870 | 137,611 | 99,650 | 116,847 | 101,790 | 99,350 | 99,350 | 99,350 | (2,440) | -2.4% |
| 51090 | DIFFERENTIAL | 69,140 | 43,738 | 73,260 | 48,934 | 103,180 | 106,530 | 106,530 | 106,530 | 3,350 | 3.2% |
| 51100 | INCENTIVES | 2,796,360 | 3,199,086 | 2,996,790 | 3,424,299 | 3,164,640 | 3,470,860 | 3,470,850 | 3,470,850 | 306,210 | 9.7% |
| 51120 | LEAVE PAYOFF | 770,500 | 977,780 | 877,160 | 1,215,680 | 890,350 | 1,107,970 | 1,107,970 | 1,107,970 | 217,620 | 24.4% |
| 51130 | CAR ALLOWANCE | 20,460 | 18,839 | 20,470 | 16,741 | 19,190 | 23,600 | 23,600 | 23,600 | 4,410 | 23.0% |
| 51135 | CELL PHONE ALLOWANCE | 940 | 3,101 | 2,340 | 3,335 | 3,350 | 1,870 | 1,870 | 1,870 | (1,480) | -44.2% |
| 51140 | CLOTHING ALLOWANCE | 37,370 | 24,604 | 25,280 | 25,584 | 25,920 | 25,910 | 25,910 | 25,910 | (10) | 0.0% |
| 51145 | MOVING ALLOWANCE | - | 3,949 | - | 9,854 | - | - | - | - | - | - |
| 51150 | DEPT HEAD ANNUITY | 84,780 | 78,746 | 80,700 | 83,494 | 85,650 | 101,370 | 101,370 | 101,370 | 15,720 | 18.4% |
| 51195 | OTHER PAY / BENEFITS | 74,330 | (62,497) | 84,380 | 30,378 | 100,810 | 146,280 | 146,280 | 146,280 | 45,470 | 45.1% |
| 51210 | FICA AND MEDICARE | 5,196,350 | 4,910,050 | 5,412,450 | 5,245,892 | 5,766,060 | 6,409,370 | 6,409,380 | 6,409,380 | 643,330 | 11.2% |
| 51221 | WORKERS' COMP PREMIUM | - | - | 979,180 | 979,150 | 1,106,960 | 1,644,270 | 1,644,270 | 1,644,270 | 537,310 | 48.5% |
| 51222 | WORKERS' COMP STATE ASSMT | 22,480 | 15,999 | 22,420 | 16,027 | 22,350 | 40,950 | 40,960 | 40,960 | 18,610 | 83.3% |
| 51225 | PAID FAMILY LEAVE - STATE ASSMT | - | - | 354,570 | - | 367,320 | 821,480 | 821,480 | 821,480 | 454,160 | 123.6% |
| 51230 | UNEMPLOYMENT | 86,000 | 95,761 | 95,000 | 43,163 | 90,000 | 86,000 | 86,000 | 86,000 | (4,000) | -4.4% |
| 51240 | EMPLOYER - RETIREMENT PERS | 14,538,670 | 13,909,409 | 15,086,350 | 14,515,235 | 16,012,550 | 18,623,230 | 18,623,220 | 18,623,220 | 2,610,670 | 16.3% |
| 51243 | PERS UNFUNDED LIABILITY | 3,412,160 | 3,412,160 | 3,555,830 | 3,555,060 | 3,701,300 | 3,842,910 | 3,842,910 | 3,842,910 | 141,610 | 3.8% |
| 51245 | EMPLOYER - PERS PICKUP | 4,077,420 | 3,834,617 | 4,252,860 | 4,028,769 | 4,550,730 | 5,077,900 | 5,077,900 | 5,077,900 | 527,170 | 11.6% |
| 51246 | EMPLR - PERS IAP OPTION | - | 387,672 | 391,100 | 398,340 | 385,730 | 413,420 | 413,420 | 413,420 | 27,690 | 7.2% |
| 51250 | INSURANCE - MEDICAL | 13,852,310 | 12,548,880 | 14,993,840 | 12,821,406 | 15,602,800 | 17,518,880 | 17,518,870 | 17,518,870 | 1,916,070 | 12.3% |
| 51255 | INSURANCE - VISION | 351,960 | 315,004 | 349,820 | 311,306 | 359,710 | 393,780 | 393,780 | 393,780 | 34,070 | 9.5% |
| 51260 | INSURANCE - DENTAL | 1,203,870 | 1,083,171 | 1,230,310 | 1,075,795 | 1,237,370 | 1,311,200 | 1,311,200 | 1,311,200 | 73,830 | 6.0% |
| 51265 | INSURANCE - LIFE | 105,820 | 96,320 | 158,450 | 96,735 | 160,590 | 180,330 | 180,340 | 180,340 | 19,750 | 12.3% |
| 51270 | INSURANCE - DISABILITY | 164,010 | 158,087 | 206,250 | 157,222 | 214,950 | 234,700 | 234,700 | 234,700 | 19,750 | 9.2% |
| 51275 | OTHER HEALTH BENEFITS | 854,250 | 795,649 | 883,320 | 812,866 | 1,072,940 | 1,118,790 | 1,118,790 | 1,118,790 | 45,850 | 4.3% |
| 51310 | PHYSICAL EXAMINATIONS | - | 97,936 | 33,200 | - | 99,620 | 100,200 | 100,200 | 100,200 | 580 | 0.6% |
| | Total Personal Services | \$ 114,107,910 | \$ 108,298,680 | \$ 119,840,790 | \$ 115,190,733 | \$ 129,611,890 | \$ 143,615,340 | \$ 143,615,330 | \$ 143,615,330 | \$ 14,003,440 | 10.8% |
| 52110 | SUBSCRIPTIONS AND BOOKS | \$ 548,060 | \$ 528,382 | \$ 529,600 | \$ 525,469 | \$ 532,810 | \$ 515,540 | \$ 515,540 | \$ 515,540 | \$ (17,270) | -3.2% |
| 52120 | MAIL | 125,410 | 119,590 | 129,650 | 136,849 | 128,810 | 141,120 | 141,120 | 141,120 | 12,310 | 9.6% |
| 52130 | SUPPLIES | 852,320 | 823,185 | 929,230 | 936,158 | 1,086,390 | 988,540 | 988,540 | 1,070,640 | (15,750) | -1.4% |
| 52140 | PRINTING AND DUPLICATION | 2,000 | 3,285 | 2,030 | 2,363 | 1,700 | 1,730 | 1,730 | 1,730 | 30 | 1.8% |
| 52150 | RECORDING FEES | 940 | 201 | 990 | 1,469 | 950 | 1,100 | 1,100 | 1,100 | 150 | 15.8% |
| 52320 | ADVERTISING | 61,270 | 10,799 | 61,620 | 42,607 | 55,820 | 60,630 | 60,630 | 60,630 | 4,810 | 8.6% |
| 52340 | EMPLOYEE RECOGNITION | 12,600 | 14,647 | 14,500 | 11,519 | 13,810 | 13,570 | 13,570 | 13,570 | (240) | -1.7% |
| 52360 | RECRUITMENT FEES | 52,610 | 85,292 | 51,100 | 103,247 | 72,040 | 89,890 | 89,890 | 89,890 | 17,850 | 24.8% |
| 52405 | TELEPHONE - OFFICE | 207,860 | 214,537 | 213,290 | 235,176 | 258,690 | 253,370 | 253,370 | 253,370 | (5,320) | -2.1% |
| 52410 | TELEPHONE - CELLULAR | 229,990 | 251,464 | 238,540 | 254,831 | 259,550 | 279,400 | 279,400 | 279,400 | 19,850 | 7.6% |
| 52420 | TELEMETERING | - | - | - | 53 | - | - | - | - | - | - |
| 52430 | PAGERS | 1,200 | 1,241 | 1,200 | 1,055 | - | - | - | - | - | - |
| 52460 | COMMUNICATION - OTHER | 181,870 | 208,537 | 199,600 | 222,287 | 228,100 | 228,250 | 228,250 | 228,250 | 150 | 0.1% |
| 52510 | TRAINING | 624,150 | 335,361 | 663,400 | 495,471 | 713,240 | 726,050 | 726,050 | 726,050 | 12,810 | 1.8% |
| 52520 | TRAVEL | 21,210 | 169 | 18,800 | 6,512 | 10,880 | 41,850 | 41,850 | 41,850 | 30,970 | 284.7% |
| 52530 | LODGING | - | - | - | 164 | - | 400 | 400 | 400 | 400 | - |
| 52540 | MEALS | 25,630 | 17,780 | 23,390 | 25,126 | 27,380 | 32,760 | 32,760 | 32,760 | 5,380 | 19.6% |
| 52550 | MILEAGE | 23,300 | 4,041 | 12,910 | 2,169 | 8,180 | 6,720 | 6,720 | 6,720 | 540 | 6.6% |

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City of Salem Position Summary - Authorized FTE

Reflects changes in full time equivalent position authority as positions are added or eliminated through the annual budget adoption.

| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | Adopted FY 2024 | Change from 2023 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|------------------|
| General Fund | | | | | | | | |
| City Manager's Office | 7.00 | 8.00 | 7.00 | 7.00 | 10.00 | 10.00 | 8.00 | (4.00) |
| Finance | 32.00 | 32.00 | 32.00 | 31.00 | 31.00 | 23.00 | 25.00 | 2.00 |
| Municipal Court | 14.00 | 14.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 0.00 |
| Enterprise Services | | | | | | | | |
| Human Resources ¹ | 9.00 | 9.00 | 9.00 | 10.00 | 10.00 | 15.00 | 18.00 | 3.00 |
| Facilities Services ¹ | 27.00 | 27.00 | 27.00 | 32.00 | 32.00 | 33.00 | 38.00 | 3.00 |
| Customer Service Center | 0.00 | - | - | - | - | 8.00 | 8.00 | 0.00 |
| Information Technology | - | - | - | - | - | 55.75 | 61.75 | 6.00 |
| Legal | 15.00 | 15.00 | 14.00 | 14.37 | 14.37 | 14.37 | 15.50 | 1.13 |
| Community Services | | | | | | | | |
| Library ² | - | - | - | - | - | - | 44.85 | 44.85 |
| Parks Operations ³ | 39.00 | 39.00 | 39.00 | 39.00 | 44.00 | 44.00 | 60.00 | 16.00 |
| Recreation Services ³ | 10.70 | 10.70 | 10.70 | 11.55 | 11.55 | 11.60 | 12.80 | 1.00 |
| Community and Urban Development ² | 0.00 | - | - | - | - | - | - | - |
| Community Development | - | - | - | - | - | - | 45.00 | 45.00 |
| Urban Development | - | - | - | - | - | - | 20.50 | 20.50 |
| Community Development | 31.20 | 34.20 | 33.20 | 36.20 | 33.00 | 44.00 | - | (44.00) |
| Library ² | 43.70 | 42.80 | 41.35 | 44.55 | 44.55 | 43.85 | - | (43.85) |
| Police | 233.00 | 234.00 | 233.00 | 241.40 | 249.40 | 254.40 | 257.30 | 2.90 |
| Fire | 165.00 | 177.00 | 177.00 | 177.00 | 177.00 | 180.00 | 184.00 | 4.00 |
| Information Technology | 47.00 | 50.00 | 48.00 | 53.75 | 54.75 | - | - | 0.00 |
| Urban Development | 32.50 | 31.50 | 31.00 | 31.00 | 31.00 | 19.50 | - | (19.50) |
| Total General Fund | 708.10 | 724.00 | 717.25 | 743.82 | 757.62 | 771.47 | 809.50 | 38.03 |

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| Fiscal Year Ended | Population |
|-------------------|------------|
| 2013 | 156,455 |
| 2014 | 157,770 |
| 2015 | 159,265 |
| 2016 | 160,690 |
| 2017 | 162,060 |
| 2018 | 163,480 |
| 2019 | 165,265 |
| 2020 | 167,400 |
| 2021 | 168,970 |
| 2022 | 177,694 |

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City of Salem Budget
General Fund
FY 2024

General Fund Expenditures

| Account | Description | Budget FY 2021 | Actual FY 2021 | Budget FY 2022 | Actual FY 2022 | Budget FY 2023 | Mgr Rec FY 2024 | BC Rec FY 2024 | Adopted FY 2024 | Difference from FY 2023 | % Chg Difference |
|---------|----------------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|-----------------|-------------------------|------------------|
| 52560 | REGISTRATION | - | 2,780 | - | 180 | - | 200 | 200 | 200 | 200 | - |
| 52610 | AUDIT SERVICES | 69,610 | 69,687 | 72,000 | 70,763 | 77,040 | 82,430 | 82,430 | 82,430 | 5,390 | 7.0% |
| 52620 | CONSTRUCTION CONTRACTS | - | - | - | 100 | - | - | - | - | - | - |
| 52640 | ENGINEERING / ARCHITECT SERVICES | 20,000 | 17,669 | 20,000 | 296 | 22,500 | 22,500 | 22,500 | 22,500 | - | - |
| 52650 | LEGAL / COURT SERVICES | 387,330 | 282,811 | 491,840 | 454,557 | 616,300 | 606,970 | 606,970 | 606,970 | (9,330) | -1.5% |
| 52660 | TEMP EMPLOYMENT SERVICES | 10,000 | 59,602 | - | 106,190 | - | - | - | - | - | - |
| 52670 | OTHER PROFESSIONAL SERVICES | 6,928,310 | 6,688,190 | 5,552,470 | 4,989,037 | 5,128,570 | 5,098,130 | 5,098,130 | 5,160,030 | 31,460 | 0.6% |
| 52710 | MEMBERSHIP DUES | 187,740 | 185,779 | 196,730 | 195,537 | 218,110 | 246,520 | 246,520 | 246,520 | 28,410 | 13.0% |
| 52720 | LICENSES / CERTIFICATIONS | 18,760 | 18,678 | 19,260 | 17,374 | 18,890 | 19,290 | 19,290 | 19,290 | 400 | 2.1% |
| 52740 | PERMITS | 7,220 | 5,005 | 6,990 | 5,155 | 6,810 | 8,620 | 8,620 | 8,620 | 1,810 | 26.6% |
| 52810 | SMALL TOOLS | 21,860 | 11,570 | 22,040 | 5,942 | 24,260 | 24,360 | 24,360 | 24,360 | 100 | 0.4% |
| 52815 | CONTROLLED EQUIPMENT | 424,360 | 576,540 | 601,120 | 720,979 | 1,045,160 | 465,480 | 465,480 | 608,040 | (437,120) | -41.8% |
| 52820 | SMALL EQUIPMENT AND SUPPLIES | 616,240 | 644,850 | 679,770 | 518,408 | 732,160 | 674,500 | 674,500 | 674,500 | (57,660) | -7.9% |
| 52830 | COMPUTER SOFTWARE AND LICENSES | 1,628,760 | 1,916,593 | 2,817,660 | 2,308,090 | 2,499,980 | 2,971,660 | 2,971,660 | 3,176,320 | 676,340 | 27.1% |
| 52840 | AUTOMOTIVE PARTS | - | 155 | - | - | - | - | - | - | - | - |
| 52865 | OTHER TECHNICAL SUPPLIES | 7,000 | 9,916 | 8,540 | 4,227 | 8,740 | 7,490 | 7,490 | 7,490 | (1,250) | -14.3% |
| 52910 | DIESEL FUEL | 168,850 | 97,030 | 138,500 | 107,843 | 182,800 | 186,470 | 186,470 | 186,470 | 3,670 | 2.0% |
| 52915 | DIESEL EXHAUST FLUID | - | - | - | - | - | - | - | - | - | - |
| 52930 | GASOLINE | 525,450 | 340,833 | 526,570 | 361,749 | 545,610 | 557,220 | 557,220 | 557,220 | 11,610 | 2.1% |
| 52940 | LP / CNG GAS | 50 | 90 | 50 | 173 | 50 | 50 | 50 | 50 | - | - |
| 52950 | LUBRICANTS | 380 | 7 | 380 | - | 3,360 | 3,370 | 3,370 | 3,370 | 10 | 0.3% |
| 53210 | INSURANCE | 1,460 | 38,877 | 7,070 | 4,493 | 7,240 | 7,240 | 7,240 | 7,240 | - | - |
| 53211 | LIABILITY INSURANCE | 1,305,190 | 1,305,190 | 1,302,720 | 1,302,720 | 1,487,760 | 1,680,830 | 1,680,830 | 1,680,830 | 193,070 | 13.0% |
| 53310 | VEHICLE MAINTENANCE | 768,010 | 630,156 | 828,960 | 970,134 | 817,200 | 851,070 | 851,070 | 851,070 | 33,870 | 4.1% |
| 53320 | EQUIPMENT MAINTENANCE | 358,260 | 304,740 | 494,370 | 220,492 | 290,340 | 466,060 | 466,060 | 466,060 | 175,720 | 60.5% |
| 53340 | FACILITIES MAINTENANCE | - | - | - | 1,418 | 87,380 | 20,000 | 20,000 | 20,000 | (67,380) | -77.1% |
| 53350 | PARK MAINTENANCE | - | - | - | 180 | - | - | - | - | - | - |

General Fund Expenditures

| Account | Description | Budget FY 2021 | Actual FY 2021 | Budget FY 2022 | Actual FY 2022 | Budget FY 2023 | Mgr Rec FY 2024 | BC Rec FY 2024 | Adopted FY 2024 | Difference from FY 2023 | % Chg Difference |
|---------|---|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|-----------------|-------------------------|------------------|
| 53813 | INTRA-CITY - BUDGETED TRANSFERS | 6,471,360 | 6,471,360 | 6,854,400 | 6,854,406 | 6,894,340 | 6,886,310 | 6,886,310 | 6,886,310 | (8,030) | -0.1% |
| 53815 | INTRA-CITY - INTERDEPARTMENTAL BILLINGS | 293,360 | 304,278 | 293,360 | 309,705 | 282,970 | 327,150 | 327,150 | 327,150 | 44,180 | 15.6% |
| 53830 | RADIO | 1,218,600 | 1,215,802 | 1,281,050 | 1,281,050 | 1,357,950 | 3,066,430 | 3,066,430 | 3,066,430 | 1,708,480 | 125.8% |
| 53832 | MOBILE DATA COMM SYSTEM | 129,630 | 129,630 | 181,490 | 181,490 | 90,520 | 34,300 | 34,300 | 34,300 | (56,220) | -62.1% |
| 53840 | MOTOR POOL RENTAL | 1,042,420 | 1,044,417 | 1,040,650 | 1,046,180 | 1,265,780 | 1,400,860 | 1,400,860 | 1,400,860 | 135,080 | 10.7% |
| 53841 | EQUIPMENT REPLACEMENT CHARGE | 985,500 | 985,500 | 980,000 | 980,000 | 1,045,700 | 1,303,500 | 1,303,500 | 1,303,500 | 257,800 | 24.7% |
| 53851 | COPY | 201,380 | 146,025 | 205,790 | 178,153 | 201,780 | 193,510 | 193,510 | 193,510 | (8,270) | -4.1% |
| 53852 | MICROFILM | - | 32,538 | 5,000 | 2,129 | 6,500 | 3,500 | 3,500 | 3,500 | (3,000) | -46.2% |
| 53853 | PRINTING | 1,250 | - | 1,250 | - | 11,500 | 12,100 | 12,100 | 12,100 | 600 | 5.2% |
| 53854 | PHOTOCOPIES | 136,450 | 76,466 | 133,390 | 97,564 | 113,130 | 103,350 | 103,350 | 103,350 | (9,780) | -8.6% |
| 53855 | SHOPS FACILITIES MAINTENANCE | 22,210 | 22,210 | 23,920 | 23,920 | 24,610 | 48,060 | 48,060 | 48,060 | 23,450 | 95.3% |
| 53860 | BUILDING SERVICES | 10,000 | 5,932 | 10,100 | 20,177 | 15,350 | 22,340 | 22,340 | 22,340 | 6,990 | 45.5% |
| 53865 | BUILDING SECURITY | - | - | - | - | - | 81,180 | 81,180 | 81,180 | 81,180 | - |