

Fiscal Year 2023



Budget in Brief

Find out more at

www.cityofsalem.net/budget

The City of Salem adopts its budget each June for the following fiscal year, which runs from July 1 to June 30.

The budget, while a financial document, is also an important policy document, outlining the City Council's priorities for the upcoming year and showing how financial resources will be committed toward those goals.

The City of Salem Community Result Areas

Good Governance



Natural Environment Stewardship



Safe and Healthy Community



Safe, Reliable, and Efficient Infrastructure



Strong and Diverse Economy

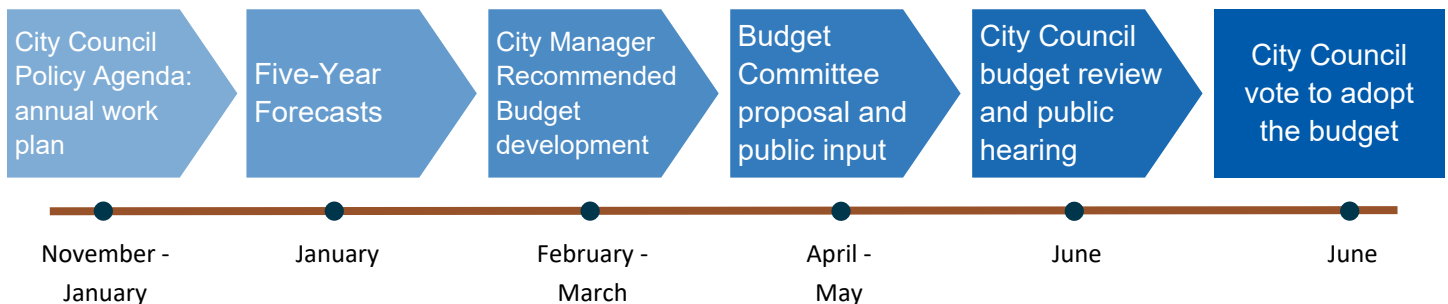


Welcoming and Livable Community



Over the past several years, the City has framed its budget around Result Areas that have been defined by the community and City Council through development of the strategic plan. This presentation clearly demonstrates how the City plans to fund and realize these priorities.

Annual Budget Process



How it All Works Together

The budget is one component in an annual cycle of collaboration. The City Council looks to the community for advice and feedback through survey responses, board or commission service, and neighborhood association participation to inform its policy agenda. The City Council's policy agenda reflects spending priorities that are included in the budget. Results achieved through funded programs and projects in the budget are featured in an annual community report.

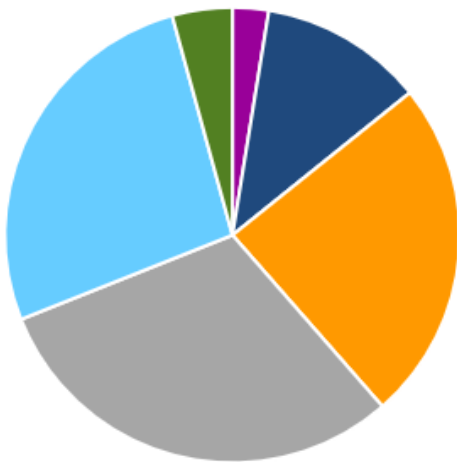
City Budget

Operating Expenditures: \$510.4 Million

Supporting Community Outcomes

The City's FY 2023 total operating budget is summarized by service groupings provided in each result area. A majority of the budget is allocated to support infrastructure, governance, and safety.

Strong and Diverse Economy	\$13.1M
Parking infrastructure and enforcement	3.7M
Business support and recruitment	3.9M
Cultural events and tourism	3.4M
Salem Municipal Airport	2.1M



Safe and Health Community	\$136.5M
Emergency and public safety services	125.1M
Building permits and inspections	9.0M
Salem Municipal Court	2.4M

Natural Environment Stewardship	\$21.9M
Wastewater treatment	12.8M
Environmental monitoring and compliance	9.1M

Welcoming and Livable Community	\$59.6M
Parks and recreation	11.8M
Low-income programs and housing support*	35.5M
Salem Public Library	6.1M
Planning and neighborhoods	5.6M
Community events and art	0.6M

Good Governance	\$124.1M
Health benefits and risk management	53.4M
Administration and support services	37.5M
Vehicles and equipment	14.4M
General shared costs	9.3M
Bond debt payments	6.3M
City building maintenance	3.2M

Safe, Reliable, and Efficient Infrastructure	\$155.2M
Stormwater, wastewater, and water	100.5M
Bond debt payments	36.1M
Streets, sidewalks, and signals	17.4M
Streetlight	1.2M

*Includes one-time grant supported sheltering services and sites. Expenses shown are not anticipated to be fully spent in FY 2023.

Capital Improvements Expenditures: \$232.3 Million

Construction has started on the new **Public Works Operations Building** which will house 200 employees from the Public Works Operations, Engineering, and Administration divisions. The building will open in June 2023.



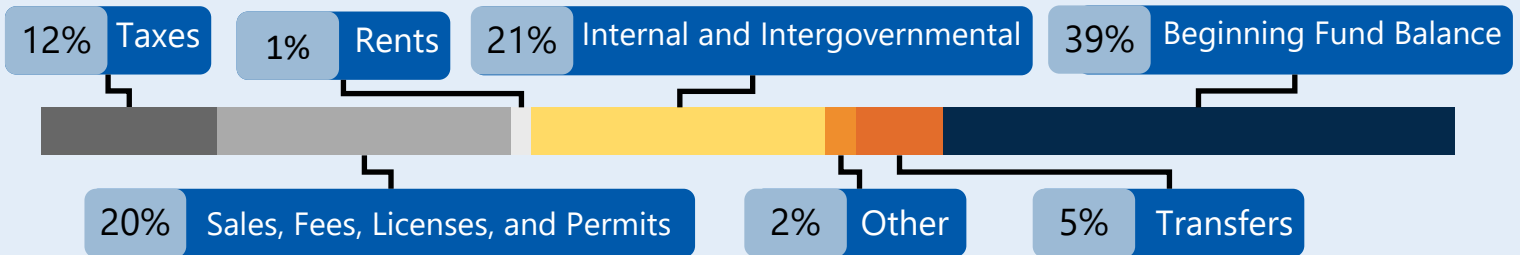
Improvements to the **Aquifer Storage and Recovery** well at Woodmansee Park will remove residual chlorine from the water before injection into the aquifer to reduce the risk of creating disinfection byproducts.

Woodmansee Park Phase I improvements include the reconstruction of the Park's tennis courts, access paths, and sidewalks. The project will also include foundation construction for a future park shelter as well as stormwater, irrigation, and landscaping improvements.

The **2023 Slurry Seal** project will include preparation and application of slurry seal on asphalt pavement surfaces throughout the city. Rehabilitating vehicle and bicycle lanes around Salem is an important component of the City's capital maintenance program.



Total Resources: \$853.5 Million



The **Taxes** category includes property taxes that support general City operations, voter-approved bonds for infrastructure projects, taxes paid by overnight visitors, and marijuana sales taxes.

Sales, Fees, Licenses, and Permits are composed of over 70 different charges, the largest being utility rates, planning fees, franchise fees, and building permits.

Internal and Intergovernmental revenues consist of employee insurance premiums, specific sales tax revenues shared by the State of Oregon, grants, and reimbursements from other agencies.

Transfers move money from one City fund to another City fund for a specific expense, usually for personnel costs or projects.

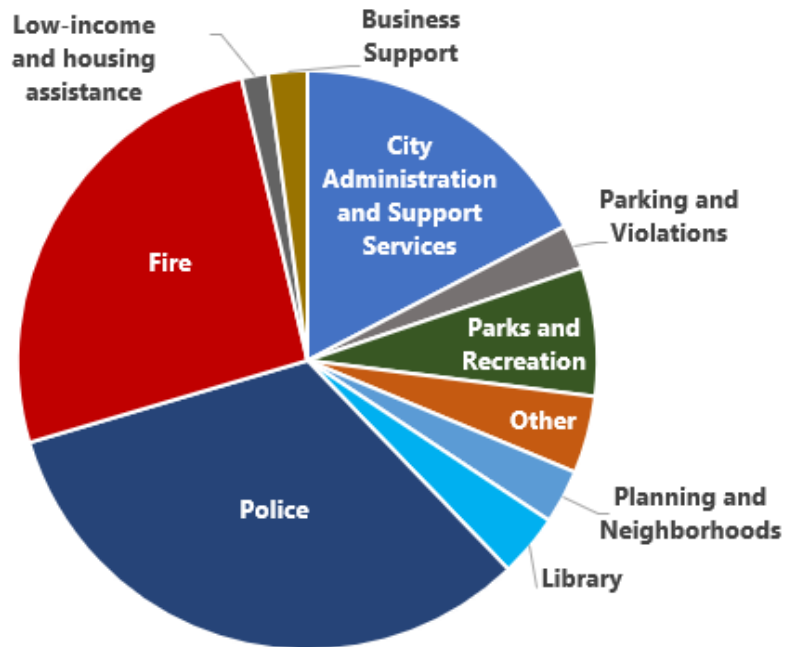
Beginning Fund Balance is the available cash resources in each City fund before revenues in the new fiscal year are received.

General Fund

Total Expenditures: \$167.9 Million

The General Fund pays for a wide variety of City services and programs including police, fire, library, parking, Center 50+, planning, parks, recreation, code enforcement, economic development, and administration and support services (including the City Manager's Office, Finance, Information Technology, and Legal). Emergency and public safety services account for 59 percent of General Fund expenses.

Most revenue sources in the General Fund, including property taxes, are not restricted which means they are not designated for a certain purpose or legally limited to fund specific services.

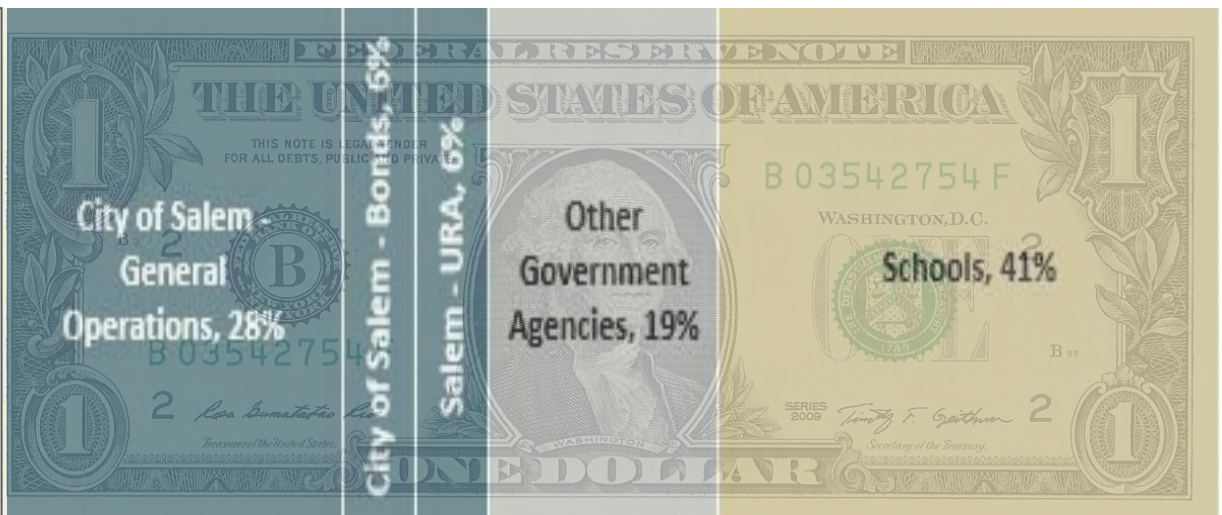


*Other includes construction project transfers, contingency, and shared costs.

More About Property Taxes

In Oregon, municipal services are funded by a combination of property taxes, fees, and charges. Income taxes paid in Oregon are used to fund State and Federal services. In Salem, nearly \$81M in property tax receipts are estimated for FY 2023 to support General Fund services which equates to 52% of total General Fund revenue. Bonds are voter-approved ballot measures used to pay for large City construction projects and cannot be used for general operations. Property taxes also fund Salem's Urban Renewal Agency (URA) to invest in key locations in specified geographic areas of the city to spur redevelopment. The URA is a separate municipal corporation from the City but is supported by City staff.

EXAMPLE:
Residents in Marion County pay property taxes to fund services provided by many different taxing districts, not just the City, as shown to the right.



For more details about the City of Salem or Urban Renewal Agency budget, visit www.cityofsalem.net/budget.