

CITY OF SALEM FINANCIAL SUMMARY Through Q1 / FY 2025

The summary of FY 2025 first quarter (Q1) July 2024 through September 2024 financial activity displays expenditure information at the department level for the General Fund and resource information by type. For all other funds, data is displayed with total resources and expenditures. For all funds, the display includes columns comparing budget to prior year actual activity. A positive number in the prior year comparison denotes an increase in FY 2025.

General Fund

Resources	Budget	Actual through Sept 30	As a Percent of Budget	Difference FY 2024 to FY 2025 Actual
Property Taxes	87,826,740	164,507	0.2%	-23.3%
Franchise Fees	22,926,940	3,500,729	15.3%	154.5%
Internal Charges	27,325,620	5,733,364	21.0%	9.0%
Marijuana Sales Tax	1,501,900	352,044	23.4%	-
State Shared	8,264,650	760,336	9.2%	-8.9%
Fees, Permits	20,591,260	3,801,353	18.5%	29.2%
All Other Revenues	8,509,830	1,479,207	17.4%	-9.2%
Beginning Working Capital	32,721,140	35,031,832	107.1%	-4.2%
Total Resources	209,668,080	50,823,372	24.2%	4.1%

Expenditures by Department	Budget	Actual through Sept 30	As a Percent of Budget	Difference FY 2024 to FY 2025 Actual
Mayor & Council	442,100	78,208	17.7%	6.9%
Municipal Court	2,767,700	471,866	17.0%	-4.2%
City Manager	1,680,930	333,665	19.9%	36.2%
Human Resources	3,120,580	612,831	19.6%	13.2%
Customer Service Center	946,890	185,589	19.6%	-2.1%
Legal	3,157,120	683,052	21.6%	-7.7%
Finance	4,425,700	864,294	19.5%	3.2%
Parks and Recreation	13,982,760	3,188,657	22.8%	-3.1%
Facilities Services	5,672,350	1,172,137	20.7%	7.3%
Community Development	6,767,980	1,354,923	20.0%	9.6%
Library	5,738,030	1,080,376	18.8%	-3.3%
Police	62,173,430	14,218,940	22.9%	6.4%
Fire	51,370,910	12,079,197	23.5%	5.2%
Information Technology	15,775,510	2,659,933	16.9%	-5.9%
Non Departmental	9,143,870	741,351	8.1%	14.4%
Urban Development	4,048,290	585,544	14.5%	-25.8%
Total Expenditures	191,214,150	40,310,563	21.1%	3.5%

BY THE NUMBERS

Resources

First quarter receipts are typically low. Current year Property Tax has not been collected. State Shared Revenue collections increase later in the year. State Shared resources include state marijuana sales tax revenue collected by the State and distributed to cities.

The first distribution of Marijuana Sales Tax was received in Q1 for FY 2025. These are remitted by the State to the City quarterly.

Beginning Working Capital—the funding available at the start of the fiscal year—equals almost 68.9 percent of total resources through Q1, and is 4.2 percent less than FY 2024 demonstrating a use of working capital to cover expenses. Year-to-date Franchise Fees actual revenue receipts are coming in as expected.

Internal Charges include the support services charges, reimbursements for labor and overhead from other funds, and fund-to-fund transfers. The 9.0 percent increase is mainly due to Service Charges and Transfers, which are received in regular intervals.

All Other Revenues decreased by 9.2 percent, primarily due to less interest revenue in FY 2025.

BY THE NUMBERS Expenditures

With 25 percent of the fiscal year complete, including 6 payroll periods, or 23 percent of payroll periods for the year, expenditures are largely trending as anticipated. The 3.5 percent increase is modest due to vacancies. The large decrease of spending year-over-year in the Urban Development Division of Community Planning and Development is due to vacancies. Meanwhile, the large increase year-over-year in the City Manager's Office relate to being fully staffed for part of the quarter.

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Other Funds

	Resources			Expenditures		
	Actual through Sept 30	As a Percent of Budget	Difference FY 2024 to FY 2025 Actual	Actual through Sept 30	As a Percent of Budget	Difference FY 2024 to FY 2025 Actual
* Transportation Services	12,402,304	45.0%	14.3%	4,476,047	20.9%	12.5%
Streetlight	1,653,866	51.6%	0.5%	461,808	18.6%	51.2%
* Airport	1,487,779	44.2%	3.5%	594,164	19.2%	28.4%
Community Renewal	848,430	10.0%	6.6%	869,109	10.4%	-27.2%
Downtown Parking	567,886	41.6%	-8.6%	309,319	22.6%	20.6%
Cultural and Tourism	5,562,959	58.4%	0.7%	1,613,204	22.5%	30.3%
Public Art	91,395	90.4%	41.5%	10,055	9.9%	24359.0%
Tourism Promotion Area	260,166	17.3%	12.1%	128,345	8.6%	4.7%
Parking Leasehold	459,917	55.0%	-6.9%	108,355	13.0%	-40.4%
* Building and Safety	17,582,111	67.2%	-6.3%	1,796,686	12.6%	2.6%
Traffic Safety	314	98.1%	0.0%	314	98.1%	0.0%
General Debt	5,223,190	16.9%	14.8%	-	0.0%	0.0%
Capital Improvements	144,566,050	70.8%	-4.4%	9,526,719	7.0%	-20.6%
Extra Capacity Facilities	49,626,986	88.4%	4.6%	2,534,240	7.3%	221.0%
Development Districts	10,735,948	74.0%	-0.6%	840	0.0%	-97.9%
* Utility	92,546,581	49.1%	2.8%	28,595,560	19.0%	13.8%
* Emergency Services	4,752,050	40.6%	44.0%	1,002,400	8.6%	245.3%
* WVCC	7,013,793	40.8%	17.1%	3,506,459	21.2%	10.4%
Police Regional Records	2,060,017	81.6%	34.3%	41,551	6.4%	54.3%
* City Services	8,406,438	48.7%	6.9%	2,932,402	19.5%	2.5%
* Self Insurance Benefits	16,231,570	40.9%	3.9%	9,180,063	23.1%	46.9%
* Self Insurance Risk	3,547,137	29.3%	-45.8%	5,039,040	41.6%	28.9%
Equipment Replacement	24,393,291	89.8%	20.9%	320,318	1.2%	-74.9%
Trust and Agency	22,778,843	93.9%	-18.2%	769,666	6.3%	-52.9%

Resources

Beginning fund balance accounts for \$351.8 million or 81.3 percent of the \$432.8 million total resources reported in the above table for all other City funds. To begin FY 2025, actual fund balance exceeded budget by \$10.2 million or 3.0 percent. At the first quarter mark in the fiscal year, total resources equal 59.5 percent of the amount anticipated in the FY 2025 budget for this grouping of funds.

Expenditures

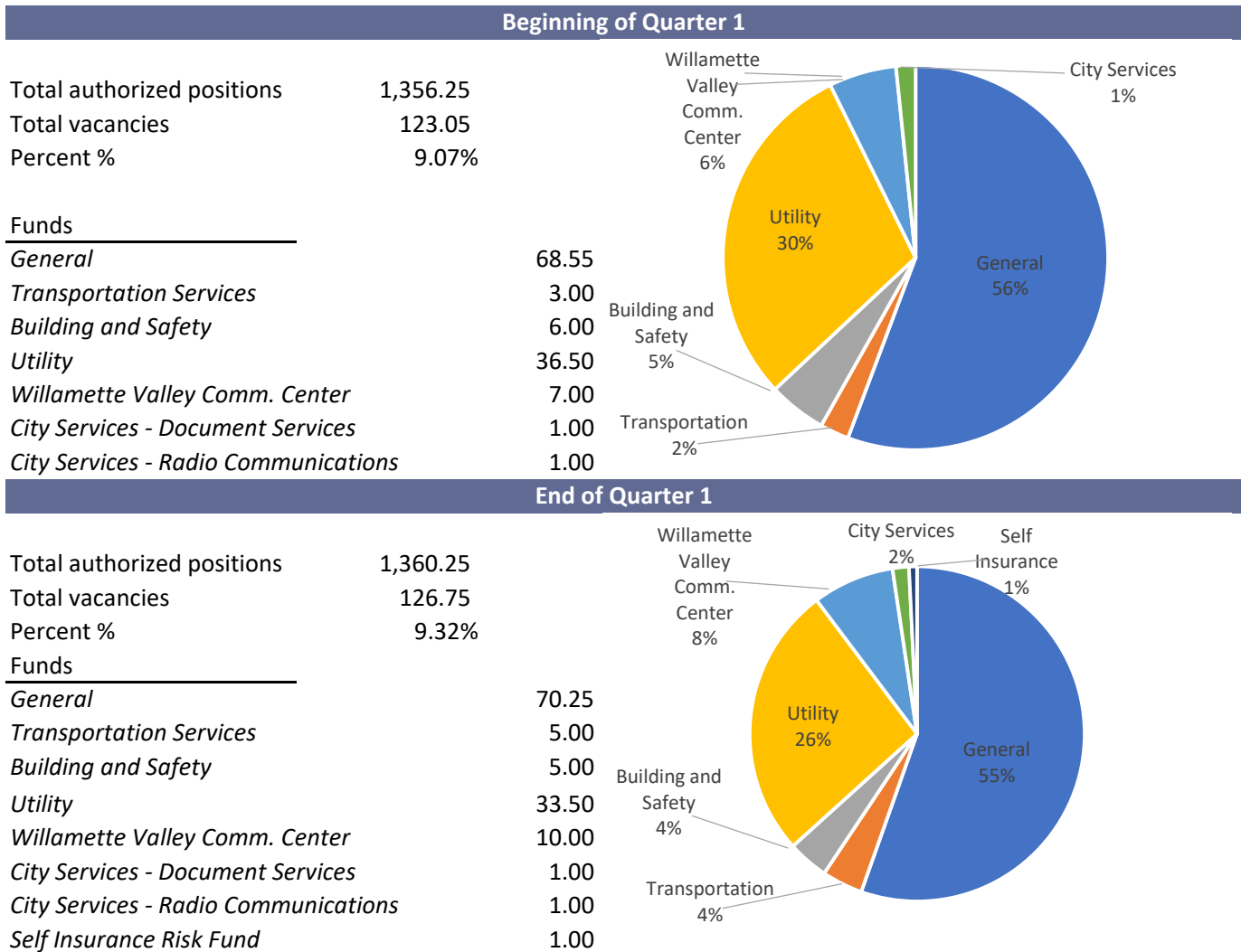
The nine funds marked with an * have a total of 574.5 full-time equivalent (FTE) authorized positions, approximately 42 percent of the total FTE count for the City in the FY 2025 budget. The General Fund supports the remaining 787.75 FTE positions. Of the \$73.8 million in total actual expense through September 30, \$17.4 million or 23.6 percent is personal services expense.

Materials and services, purchases for supplies, equipment, and services, equal \$41.5 million or 56.3 percent of total expenses. Four funds—the Utility Fund, Self Insurance Benefits Fund, Self Insurance Risk Fund, and Capital Improvements Fund—account for \$52.3 million or 70.9 percent of the total quarterly expenses of all the other funds.

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The largest expense for the City are its employees for provide services to the community. The City budgets for all authorized positions each fiscal year. If a position is vacant during budget development, then the City takes a conservative approach and budgets that position at a step one of the pay scale, with full-family benefits and OPSRP (Tier 3) PERS.

Below is data for the first quarter of vacancies for the City of Salem. The Urban Renewal Agency does not have employees. Data compare the first pay period in July and the last pay period in September. Numbers are expressed in Full Time Equivalent (FTE) positions unless otherwise noted.



ANALYSIS: Average vacancy rate for Q1 Citywide was 9.20%. A majority of vacancies were in the General Fund in the Enterprise Services, Community Planning and Development, Fire and Police departments. Between the beginning of the quarter and the end of the quarter, four new General Fund positions were authorized by City Council to add capacity for the Enterprise Resource Planning (ERP) software implementation, bringing the total citywide to 1,360.25. The cost of the ERP positions will be reimbursed by Salem Safety and Livability Bond during the project.

Of the 128 vacant positions (123.05 FTE) at the beginning of the quarter, 68 of them remained vacant remained vacant at the end of the quarter. 35 of those were in the General Fund and 20 were in the Utility Fund with others being spread across several other funds.