

CITY OF SALEM FINANCIAL SUMMARY Through Q3 / FY 2025

The summary of FY 2025 third quarter (Q3) July 2024 through March 2025 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 Mar 31	As a Percent of Budget	Difference FY 2024 to FY 2025 Actual
Property Taxes	87,826,740	83,952,758	95.6%	3.4%
Franchise Fees	22,926,940	17,564,260	76.6%	10.2%
Internal Charges	27,325,620	17,270,102	63.2%	7.3%
Marijuana Sales Tax	1,501,900	714,662	47.6%	-32.5%
State Shared	8,264,650	4,356,252	52.7%	-11.6%
Fees, Permits	20,591,260	14,745,098	71.6%	10.7%
All Other Revenues	8,509,830	8,287,806	97.4%	7.7%
Beginning Working Capital	32,721,140	35,031,832	107.1%	-4.2%
Total Resources	209,668,080	181,922,770	86.8%	2.9%

Expenditures by Department	Budget	Actual through Mar 31	As a Percent of Budget	Difference FY 2024 to FY 2025 Actual
Mayor & Council	444,740	337,862	76.0%	20.5%
Municipal Court	2,778,980	1,824,025	65.6%	17.1%
City Manager	1,683,660	983,593	58.4%	19.6%
Human Resources	3,123,960	1,923,094	61.6%	13.1%
Customer Service Center	950,240	557,993	58.7%	-4.8%
Legal	3,162,520	2,162,105	68.4%	-3.0%
Finance	4,434,640	2,977,506	67.1%	13.3%
Parks and Recreation	14,136,900	9,671,392	68.4%	2.5%
Facilities Services	5,687,250	4,012,972	70.6%	8.1%
Community Development	6,849,650	4,287,500	62.6%	6.8%
Library	5,795,710	3,678,257	63.5%	5.4%
Police	62,659,600	46,092,516	73.6%	8.8%
Fire	51,477,370	36,930,712	71.7%	2.3%
Information Technology	15,816,670	8,967,577	56.7%	9.2%
Non Departmental	8,157,290	3,013,981	36.9%	9.7%
Urban Development	4,054,970	2,139,568	52.8%	-17.2%
Total Expenditures	191,214,150	129,560,652	67.8%	5.8%

BY THE NUMBERS - Resources
 The City received over 95.6 percent of total current-year budgeted Property Taxes by the end of the third quarter. Property tax receipts in FY 2025 are 3.4 percent higher than the same time last year. Franchise Fees increased 10.2 percent and Fees and Permits increased 10.7 percent while State Shared Revenue declined 11.6 percent from prior year. Marijuana Sales Tax receipts are collected by the State and remitted to the City quarterly. Currently they are trending 32.5 percent lower than this time last year.

Beginning Working Capital—the funding available at the start of the fiscal year—equals 19.3 percent of total resources through Q3, and is 4.2 percent less than FY 2024 demonstrating a use of working capital to cover expenses.

Internal Charges include the support services charges, reimbursements for labor and overhead from other funds, and fund-to-fund transfers. The 7.3 percent increase is mainly due to Service Charges and Transfers, which are received in regular intervals.

All Other Revenues increased by 7.7 percent, primarily from rent paid by State for use or ROW around Capitol, partially offset by decrease of FEMA funding.

BY THE NUMBERS Expenditures

With 75 percent of the fiscal year complete, including 73.1 percent of payroll periods for the year, expenditures are largely trending as anticipated. The 5.8 percent increase overall 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. The large increases in year-over-year expenditures in Mayor and City Council relates to audit and other professional services, the City Manager's Office relates to one-time personnel costs and other professional services, and Municipal Court relates to being fully staffed for the reporting period compared to prior year.

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Other Funds

	Resources			Expenditures		
	Actual through Mar 31	As a Percent of Budget	Difference FY 2024 to FY 2025 Actual	Actual through Mar 31	As a Percent of Budget	Difference FY 2024 to FY 2025 Actual
* Transportation Services	22,359,177	81.2%	8.6%	13,674,760	63.8%	10.7%
Streetlight	2,726,460	85.1%	1.3%	1,579,618	63.5%	15.4%
* Airport	2,647,015	68.2%	21.3%	2,271,513	63.0%	50.3%
Community Renewal	2,269,594	26.7%	-30.0%	2,222,009	26.6%	-35.7%
Downtown Parking	963,238	66.6%	-2.7%	1,063,493	73.6%	37.1%
Cultural and Tourism	7,871,921	82.6%	3.1%	4,796,586	67.0%	41.9%
Public Art	105,669	104.5%	24.5%	12,437	12.3%	12107.7%
Tourism Promotion Area	737,319	49.2%	10.3%	635,873	42.4%	8.0%
Parking Leasehold	798,556	95.5%	-0.9%	410,609	49.1%	-24.9%
* Building and Safety	20,581,311	78.6%	-3.2%	7,794,626	54.5%	60.4%
Traffic Safety	314	98.1%	0.0%	314	98.1%	0.0%
General Debt	27,783,053	90.1%	9.0%	4,081,133	15.8%	-27.9%
Capital Improvements	169,229,744	82.9%	-1.6%	25,105,251	18.3%	-33.5%
Extra Capacity Facilities	57,353,972	102.1%	5.2%	12,313,273	35.6%	45.8%
Development Districts	11,124,983	76.7%	1.5%	23,280	0.5%	-96.8%
* Utility	154,682,402	82.1%	1.8%	91,680,098	61.0%	14.3%
* Emergency Services	6,126,023	52.4%	-19.9%	3,672,232	31.4%	-3.3%
* WVCC	14,698,729	85.5%	11.3%	10,975,470	66.2%	10.2%
Police Regional Records	2,445,859	96.9%	12.2%	416,278	64.0%	29.7%
* City Services	15,784,109	91.5%	12.1%	10,077,367	67.1%	9.3%
* Self Insurance Benefits	33,279,299	83.9%	6.9%	26,332,579	66.4%	18.7%
* Self Insurance Risk	9,684,401	80.0%	1.3%	8,297,864	68.5%	13.1%
Equipment Replacement	29,713,688	109.4%	22.3%	4,337,875	16.0%	34.7%
Trust and Agency	23,838,308	98.3%	-23.2%	1,869,674	15.3%	-73.4%

Resources

Beginning fund balance accounts for \$351.9 million or 57.1 percent of the \$616.8 million total resources reported in the above table for all other City funds. To begin FY 2025, actual fund balance exceeded budget by \$10.3 million or 3.0 percent. At the third quarter mark in the fiscal year, total resources equal 84.7 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 634.5 full-time equivalent (FTE) authorized positions, approximately 45 percent of the total FTE count for the City in the FY 2025 budget. The General Fund supports the remaining 789 FTE positions. Of the \$233.6 million in total actual expenditures through March 31, \$57.5 million or 24.6 percent is personal services expense.

Materials and services, purchases for supplies, equipment, and services, equal \$128.0 million or 54.8 percent of total expenses. Four funds—the Transportation Services Fund, Capital Improvements Fund, Utility Fund, and Self Insurance Benefits Fund—account for \$156.8 million or 67.1 percent of the total quarterly expenses of all the other funds.

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

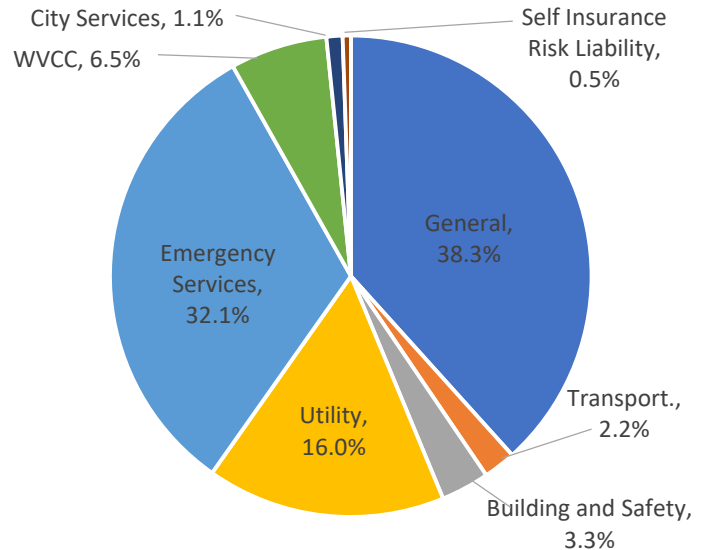
Below is vacancy data for the third quarter for the City of Salem. The Urban Renewal Agency does not have employees. This report compares the first pay period in January and the last pay period in March. Numbers are expressed in Full Time Equivalent (FTE) positions unless otherwise noted.

Beginning of Quarter 3

Total authorized positions	1,423.50
Total vacancies	184.00
Percent %	12.93%

Funds

<i>General</i>	70.50
<i>Transportation Services</i>	4.00
<i>Building and Safety</i>	6.00
<i>Utility</i>	29.50
<i>Emergency Medical Services</i>	59.00
<i>Willamette Valley Comm. Center (WVCC)</i>	12.00
<i>City Services - Document Services</i>	1.00
<i>City Services - Radio Communications</i>	1.00
<i>Self Insurance Risk Liability</i>	1.00

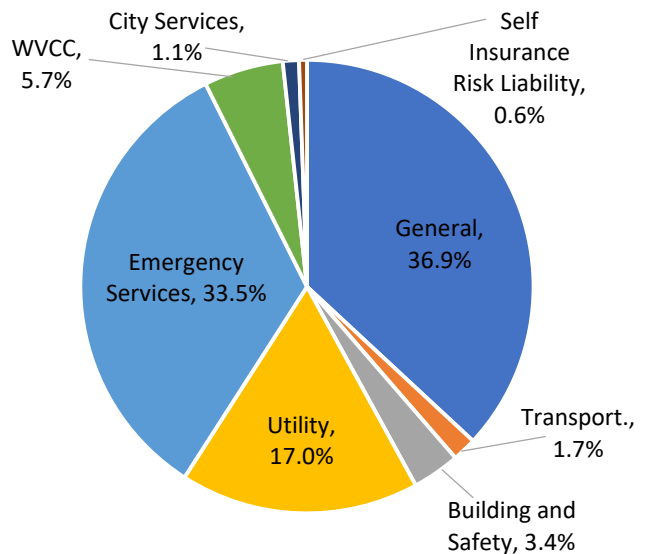


End of Quarter 3

Total authorized positions	1,423.50
Total vacancies	176.00
Percent %	12.36%

Funds

<i>General</i>	65.00
<i>Transportation Services</i>	3.00
<i>Building and Safety</i>	6.00
<i>Utility</i>	30.00
<i>Emergency Medical Services</i>	59.00
<i>Willamette Valley Comm. Center (WVCC)</i>	10.00
<i>City Services - Document Services</i>	1.00
<i>City Services - Radio Communications</i>	1.00
<i>Self Insurance Risk Liability</i>	1.00



ANALYSIS: The average citywide vacancy rate for Q3 was 12.64%. The majority of vacancies were in the General Fund in the Fire, Police, and Enterprise Services departments. Between the beginning of the quarter and the end of the quarter, no new positions were authorized by City Council.

Of the 185 vacant positions (184.0 FTE) at the beginning of the quarter, 81 (81.0 FTE) of them remained vacant at the end of the quarter. 59.0 FTE were in the Emergency Services (EMS) Fund, 41.0 FTE were in the General Fund, and 19.0 FTE were in the Utility Fund, with others being spread across the other funds. While technically vacant, several paramedics and basic EMTs in the Emergency Services Fund have been hired and are working as seasonal employees in training until being deployed as full-time career employees on July 1, 2025.